

MINUTES

A regular meeting of the City Council of the City of Pinehurst was held on June 9, 2020 at 6:00p.m. in the Council Chambers of the Pinehurst City Hall. All Council members were present for this meeting. Having established a quorum, Mayor Dan Mohon gave the invocation then Dan Perrine of KOGT lead the United States and Texas Pledges of Allegiance. Crystal Wells of the Pinehurst Volunteer Fire Department then sang the National Anthem. The following business was transacted.

On a motion made by Mayor Pro Tem T.W. Permenter and seconded by Councilwoman Cynthia Adams, council members unanimously voted to approve the minutes of the Regular Session of May 12, 2020, the Special Session of May 22, 2020, and the Special Session of May 26, 2020.

At this time, council members reviewed the budgeted expenditures of April 2020. City Secretary Debbie Cormier began by stating that there were no capital outlays in April 2020. Ms. Cormier commented that April was not a good month, which was not surprising given the current Coronavirus situation. She noted that 2020 YTD revenues in the General Fund exceeded 2019 YTD revenues by approximately \$64,000. She attributed the difference to an increase in court fines and property tax revenues but stated that court had not been held since the “Stay at Home” order began in the latter part of March 2020. She advised that the YTD revenue for Garbage Fund also exceeded the prior year by slightly more than \$10,000. Ms. Cormier stated, after removing onetime events from the YTD revenues for both years, the Water & Sewer Fund was ahead of the prior year by about \$2,000. Overall, she informed that the income comparison reflected an approximate \$80,000 increase over the previous April YTD figure. She advised that the YTD revenues exceeded YTD expenditures in every fund except Water & Sewer Fund. She commented that the expenditures in this fund would need to be examined during the budget process and expenditures for the remainder of the fiscal year would need to be scrutinized closely. She noted that total revenues exceeded total expenditures by almost \$175,000. Ms. Cormier summarized by stating that the City’s overall reserves had decreased from March 2020 to April 2020 by -.08 months. Council members had no questions regarding the financial report for April 2020.

No one signed up to address the Council under the Citizen Comments section of this agenda.

On consideration of accepting an Engagement Letter from Keri Michutka, CPA to perform the annual audit for the fiscal year ending September 30, 2020, Ms. Cormier noted that Keri Michutka had conducted the City’s annual audit for the past several years. She stated that Ms. Michutka was very easy to work with and that she got the job done quickly and correctly. Ms. Cormier advised that Ms. Michutka’s fee for the audit would be \$15,000 plus an additional \$3,000 if a single audit was required. She explained that a single audit might be required this audit year due to the \$6.8 million in GLO funds. She stated if not this year, then in the next fiscal year a single audit would be required. Ms. Cormier recommended engaging Ms. Michutka to perform the FYE September 30, 2020 annual audit. On a motion made by Councilwoman Sarah McClendon and seconded by Councilman J. Michael Shahan, council members unanimously voted to engage Ms. Michutka for the audit.

On consideration of approving a Rerate Agreement with TML Health to provide medical insurance benefits to City of Pinehurst employees, Ms. Cormier extended apologies from Tony Dallas and Liz McKee of TK Health Insurance for their absence. Due to the social distancing, Ms. Cormier asked that they wait until they had received bids and come to a future meeting to present those insurance bids. She called attention to a medical insurance comparison report that was included in council members' packets. She informed that the report showed the current carrier, TML Health's, current rate and renewal rate and three additional options. She stated at first glance, some of the new options appeared less costly than the renewal option. She explained that none of the new options were exactly like the current plan. She noted that Option 1 plan would increase the employees' Out of Pocket amount by \$2,000. She informed that Option 2 would increase the employees' deductible by \$500 and that Option 3 would both increase the Out of Pocket amount and increase the deductible amount. Ms. Cormier advised that she and Mrs. McKee agreed that the best option would be to go with the renewal of the current plan because any of the other options would be a decrease in benefits for the employees. She explained that signing this rerate agreement did not commit the City to this plan. She stated it simply meant that the rates listed in this document would be the rates that the City would pay should it decide to stay with TML Health. She noted that Mrs. McKee would gather quotes from other companies and the City could certainly change insurance carriers if a better option was presented. She commented that Mrs. McKee did not expect to find any other carrier that was close to the current rates for comparable coverage. Ms. Cormier advised that the TML Health increase was a mere 6% and Mrs. McKee had indicated that the average increase this year was 15% to 30%. On a motion made by Councilman J. Michael Shahan and seconded by Mayor Pro Tem T.W. Permenter, council members unanimously voted to approve the rerate agreement with TML Health.

Regarding the discussion and possible action on entering into an Inter-Local Agreement between Sulphur Springs Police Department, Franklin County Sheriff's Office, and the City of Pinehurst for access to a hosted Secure Facility with Information Technology Resources and NET data or GHS Systems and Government Software, City Administrator Robbie Hood remarked that this was for the Municipal Court software. Mr. Hood explained that these entities had exclusive rights to this data and software. He stated that this software helped to facilitate the City's Municipal Court proceedings. He advised that Sulphur Springs Police Department would be the primary host with Franklin County Sheriff's Office being the backup facility. Mr. Hood recommended approval of the agreement. On a motion made by Councilwoman Sarah McClendon and seconded by Mayor Pro Tem T.W. Permenter, council members unanimously voted to approve the Inter-Local Agreement.

On consideration of approving an Ordinance amending Ordinance Numbers 306 and 371-02 providing for Water Deposits and Garbage Deposits for New Residential and Commercial Customers, Robbie Hood advised that the City did not currently charge a water deposit for secondary water meters. He noted that there was a \$100 deposit required for a primary residential water meter and asked that Council approve a \$50 deposit for secondary water meters that were generally used for sprinkler systems, etc. In addition, Mr. Hood stated that some landlords leased to tenants who were responsible for their own water bills but the landlords provided dumpsters. He noted in those cases, the landlords were currently not required to place a

deposit on a garbage only account. He stated that he was asking Council to approve a \$200 deposit for the garbage only accounts because the City had not been paid for several of those in the past. Councilwoman Cynthia Adams made a motion to approve the Ordinance. City Attorney Tommy Gunn read the Ordinance aloud and in its entirety. Mayor Pro Tem T.W. Permenter seconded the previous motion and the motion unanimously passed.

Regarding the discussion and possible action to approve a contract for Fire Department dispatch services between the City of Pinehurst and Emergency Services District #2, Robbie Hood noted that the City was currently under contract with Emergency Services District #1 in Vidor. He informed that ESD #1 sent notification that they no longer wish to provide services for the PVFD. Mr. Hood advised that he, Interim City Administrator Jerry Hood, and PVFD Fire Chief Shon Branham had spoken with ESD #2 fire chief and toured the facility. Fire Chief Branham informed that he had retired from ESD #2 shortly after Hurricane Ike and stated that he had been with that department for 17 years. He commented that ESD #2 had one of the best dispatching departments in this area. Robbie Hood noted that ESD #2 wanted the City to pay an annual payment of \$14,100 up front. He stated that the City currently made quarterly payments. He advised that Fire Chief Branham would attend the next board meeting of the ESD #2 to ask if they would consider billing the City quarterly. On a motion made by Councilman J. Michael Shahan and seconded by Councilwoman Sarah McClendon, council members unanimously voted to approve the dispatch contract.

Regarding the discussion and possible action to authorize the Mayor to apply for the Coronavirus Relief Fund through the CARE Act, Robbie Hood advised that the Council must approve the application for this funding. He stated that these monies were provided by the U.S. Treasury Department to cities and counties that had a population under 500,000. He explained that the funds must be used for COVID-19 related expenditures. He noted that there were several projects planned for City Hall lobby, Police Department lobby, Public Works, sanitizing stations, and temperature monitoring stations. Mr. Hood advised, upon application approval, 20% of the funds, roughly \$23,000, would automatically be deposited into a specific bank account that he needed authorization to establish. He informed, after the initial deposit was expended, the remaining 80% would be reimbursable upon presentation of COVID related invoices. Mr. Hood stated that the City should have funding with 24 to 48 hours after submission of the application. On a motion made by Mayor Pro Tem T.W. Permenter and seconded by Councilwoman Cynthia Adams, council members unanimously voted to authorize the Mayor to apply for the Coronavirus Relief Fund.

Regarding the discussion and possible action to start procurement for General Engineering services, Robbie Hood advised that the City needed to have a contract with an engineering firm for general services in the event of another hurricane or tropical storm. He noted that FEMA required a current contract before they would reimburse the City for those services. He stated that starting the process would mean advertising for Request for Qualifications (RFQs) in the Orange Leader. On a motion made by Mayor Pro Tem T.W. Permenter and seconded by Councilwoman Sarah McClendon, council members unanimously voted to start procurement for General Engineering Services.

On consideration of appointing a Rating Committee for General Engineering Services, Robbie Hood stated that the Council had previously placed him, T.W. Permenter, and Debbie Cormier on that rating committee. He stated that he was asking Council to approve Interim City Administrator Jerry Hood to take his place on the committee. On a motion made by Councilwoman Cynthia Adams and seconded by Mayor Pro Tem T.W. Permenter, council members unanimously voted to add Jerry Hood to the rating committee for General Engineering Services along with current members, T.W. Permenter and Debbie Cormier.

Regarding the discussion and possible action to start the procurement process for Engineering and Grant Administrative services for the GLO-CDBG Mitigation Grant (Harvey Round 2), Robbie Hood advised that this grant would provide \$4.6 million for drainage improvements. He stated that he needed authorization to start the procurement process which meant advertising for engineering and grant administrative services. On a motion made by Councilwoman Sarah McClendon and seconded by Councilman J. Michael Shahan, council members unanimously voted to start the procurement process for Engineering and Grant Administrative services for the GLO-CDBG Mitigation Grant (Harvey Round 2).

On consideration of appointing a Rating Committee to review Requests for Qualifications and Requests for Proposals for Engineering and Grant Administrative services for the GLO-CDBG Mitigation Grant (Harvey Round 2), Robbie Hood stated that the committee of Sarah McClendon, Debbie Cormier, and himself had already been appointed. He noted that he was asking that Council approve replacing him with Interim City Administrator Jerry Hood. On a motion made by Councilman J. Michael Shahan and seconded by Councilwoman Cynthia Adams, council members unanimously voted to approve the appointment of Jerry Hood to this committee.

Regarding the discussion and possible action to honor Alderman John Zerko by renaming the 3500 Block of Peacock Street to Zerko Lane, Robbie Hood explained that this was an honorary renaming only. He stated that the actual name of the street would not be changed due to 9-1-1 purposes. He noted that no one on that street would have to change their address. Mr. Zerko told council members that his family purchased the land behind what is now West Park after moving here from Oklahoma. He stated that they had that road graded in order to provide access to the land. He thanked the Council for the honor. On a motion made by Mayor Pro Tem T.W. Permenter and seconded by Councilwoman Sarah McClendon, council members unanimously voted to approve the honorary renaming of the 3500 block of Peacock Street to Zerko Lane. Mr. Hood advised that a renaming ceremony would be held in the future.

Under the Announcements, Comments, and Requests from Council section of this agenda, Mayor Mohon announced that a reception for City Administrator Robbie Hood would be held on Monday, June 15, 2020 at 3p.m. in the Council Chambers.

Interim City Administrator Jerry Hood expressed his thanks for the opportunity to serve the City of Pinehurst.

City Administrator Robbie Hood resigned effective June 16, 2020 to accept a position as City Manager of Vidor, TX. He thanked everyone for the opportunity to serve the City of Pinehurst

and stated that his decision to leave was bittersweet. He commended the Council and all of the City employees for their dedication and hard work. He stated that he had done this type work for 22 years and that the move to Vidor would allow him to retire about two years earlier and spend more time with his family.

There being no further business to transact, Councilwoman Sarah McClendon made a motion to adjourn. Councilman John Zerko seconded the motion and the motion unanimously passed. Mayor Mohon adjourned the meeting at 6:52p.m.

/s/ Dan Mohon
Mayor

/s/ Debbie Cormier
City Secretary