

**CITY COUNCIL OF THE CITY OF SACHSE
MEETING MINUTES
JUNE 6, 2022**

The City Council of the City of Sachse held a regular meeting on Monday, June 6, 2022, at 6:30 p.m. at Sachse City Hall, 3815-B Sachse Road. Those present were Mayor Mike Felix; Mayor Pro Tem Jeff Bickerstaff; Councilmembers Brett Franks, Michelle Howarth, Frank Millsap, Chance Lindsey, and Cullen King; City Manager, Gina Nash; City Secretary, Leah Granger; Assistant City Manager, Lauren Rose; IT Manager, Mike Pastor; Assistant Finance Director, Ryan Bredehoeft; Police Chief, Bryan Sylvester; Fire Chief, Marty Wade; Human Resources Director, Kristi Wong; Director of CIP and Public Works, Corey Nesbit; Leisure Services Director, Lance Whitworth; Development Services Director, Matt Robinson; Assistant to the City Manager, Amanda Chi; Assistant to the City Manager – EDC, Jerod Potts; and Executive Office Administrator, Lisa Mata.

Mayor Felix called the workshop to order at 6:31 p.m.

WORKSHOP:

Short reception recognizing the incoming and outgoing mayor and councilmembers.

The Council and attendees enjoyed a short reception to recognize the incoming and outgoing mayor and councilmembers.

The Mayor adjourned the workshop and opened the regular meeting at 7:00 p.m.

Councilmember King thanked all for attending the reception and for the support from the community. He gave special thanks to his family for their support over the many years he has participated on Council. Mayor Felix thanked his wife, kids, and all those he has worked with over the years. He expressed special thanks for having the opportunity to work with Ms. Nash over the years. He wished the new members of Council luck in their new roles. Ms. Nash thanked the spouses of Mayor Felix and Councilmember King for all they have done for staff and the support of their husbands while on Council.

INVOCATION AND PLEDGES OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS:

Councilmember King lead the invocation and Councilmember Franks led the pledges.

Administer the Oath of Office to the recently elected Mayor and Councilmembers.

City Secretary, Leah Granger, administered the oaths of office to Mayor Jeff Bickerstaff, Councilmember Lindsay Buhler, and Councilmember Matt Prestenberg.

Mayor Bickerstaff thanked those in attendance for their support. He said it is an honor to represent this city and the Council and asked God's blessing on the city. Councilmember Buhler thanked her friends, family, and especially her husband for their support. She hopes to model service to the community for her kids. Councilmember Buhler mentioned that she would have loved for her mother, who passed away during the candidacy, to see her on Council. Councilmember

Prestenberg also thanked his wife, daughters, and family. He hopes to make his Dad and Father-in-law who have passed away proud in his new role. Councilmember Prestenberg recognized that, though many people voted for him, not all members of the community did; however, he wants to be a councilmember for all and represent the city well.

MAYOR AND CITY COUNCIL ANNOUNCEMENTS:

Mayor and City Council announcements regarding special events, current activities, and local achievements.

Councilmember Millsap noted that the Library will be hosting an event on Tuesday, June 7, for the kickoff of the Summer Reading Program. Also, the following Tuesday, there will be presentation by the Blackland Prairie Raptor Center featuring different birds of prey. He encouraged all to visit the Library's website for the many upcoming events.

Proclamation recognizing Dr. Amber Hope's service to the Garland Independent School District, her students, families, and community.

Mayor Bickerstaff presented Dr. Amber Hope with a proclamation declaring Tuesday, June 7, as Dr. Amber Hope Day in recognition of her outstanding work and accomplishments over the last ten years.

Proclamation recognizing Arissa Grace McGowan for receiving the Girl Scout Gold Award.

Ms. Arissa Grace was unable to attend the Council meeting. This item will be rescheduled.

Proclamation recognizing June 4 - July 30, 2022 as Summer Reading 2022 in the City of Sachse.

Mayor Bickerstaff presented a proclamation to Daniel Laney, Library Services Manager, recognizing the Summer Reading Program in the City of Sachse. Mr. Laney encouraged all members of the community to enjoy the services and events at the Sachse Public Library. He also thanked Mayor Bickerstaff for encouraging reading and literacy in the community.

PUBLIC COMMENT:

Matthew Holboke, 5511 Oak Ridge Circle, is looking forward to seeing what the new councilmembers will do. He wished them the best of luck and let them know that he will ask a lot of questions.

Cullen King, 7315 High Point Drive, announced that the Animal Shelter held a shot clinic where 167 pets were vaccinated. He gave kudos to staff and volunteers of the shelter. Mr. King also thanked Councilmember Franks for his work with the Memorial Day ceremony.

CONSENT AGENDA: All items listed on the consent agenda will be considered by the City Council and will be enacted on by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests.

1. **Approve the May 16, 2022, meeting minutes.**
2. **Accept the monthly revenue and expenditure report for the period ending April 30, 2022.**
3. **Accept the Quarterly Budget and Investment Reports for the quarter ending March 31, 2022.**
4. **Approve a resolution amending the authorized representatives of the City of Sachse with the Texas Local Government Investment Pool ("TexPool/TexPool Prime").**
5. **Approve a resolution suspending the June 17, 2022, effective date of Oncor Electric Delivery Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with the Steering Committee of Cities Served by Oncor, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.**
6. **Approve a resolution authorizing the City Manager to execute an Interlocal Cooperation Agreement between the City of Sachse and Collin County, Texas, for the purpose of Roadway Improvements within Collin County.**
7. **Approve the Consent Agenda Items as presented.**

Councilmember Buhler made a motion to approve the consent agenda as presented. Councilmember Prestenberg seconded the motion and it carried unanimously.

REGULAR AGENDA ITEMS:

Consider Electing the Mayor Pro Tem.

Mayor Bickerstaff noted that the Charter requires Council to elect a new Mayor Pro Tem after each general election.

Councilmember Howarth made a motion to elect Councilmember Brett Franks as the Mayor Pro Tem. Councilmember Prestenberg seconded the motion and it carried unanimously.

Consider appointments of Council liaisons to the City's boards and commissions.

Mayor Bickerstaff reviewed current liaison's to boards and commissions reminding the Council that the appointment process is reviewed and updated after each election. Mayor Pro Tem Franks asked councilmembers if they would like to continue on current positions and made suggestions for revisions:

Mayor Bickerstaff – NTTA, NCTCOG, and NCT911

Mayor Pro Tem Franks – Parks & Recreation and MDD

Councilmember Howarth – Economic Development Corporation

Councilmember Millsap – Library

Councilmember Lindsey – Planning & Zoning and TIF #1

Councilmember Buhler – Wylie ISD

Councilmember Prestenberg – Animal Shelter Advisory Committee, Animal Shelter Board, and Garland ISD

Jeanie Marten, 4908 Maple Shade Avenue, asked Council to consider defining the role of liaison noting some confusion about what that role meant. She said defining and listing expectations of Council liaisons would be helpful to the boards and commissions.

Councilmember Howarth made a motion to approve the Council liaisons as discussed. Mayor Pro Tem Franks seconded the motion for discussion asking that the definition and expectations of liaisons be addressed at a later meeting since it was not listed on the agenda. The motion carried unanimously.

Receive early resident and stakeholder input regarding the fiscal year 2022-2023 budget.

Ms. Nash indicated that this was an opportunity for residents to give input on the 2022-2023 budget. She described the budget process for staff.

Matthew Holboke, 5211 Oakridge Circle, is interested in what the Council is looking for since they did not follow the recommendation from the Bond Committee the way it was presented. He was anticipating a list of capital improvement projects from the Planning & Zoning Commission. He asked for transparency from the Council, to live up to what they say and be accountable.

Cullen King, 7315 High Point Drive, thinks televising additional meetings would be beneficial to residents. He said the Fire Department's wish list is important and would like to see an additional set of bunker gear for the firefighters, and he asked Council to keep the effective tax rate with no increases.

Brad Ford, 3605 Potomac Drive, is interested in fiscal responsibility and would like Council to keep in mind pressures that may be put on the residents as they make budget decisions.

Mayor Pro Tem Franks noted that all residents would like to lower the tax rate, including councilmembers, but suggestions need to be made for what programs, services, or items should be cut to accomplish that goal. Councilmember Millsap reviewed his understanding of sales tax in relation to the budget. He thinks Council needs to be aware of where the budget is coming from and how to increase sales tax and economic development. Councilmember Lindsey reminded everyone that the inflation rate is essentially eight and a half percent which means the budget needs to be cut by eight and a half percent while continuing to support staff. Councilmember Howarth noted that sales tax revenues have doubled since she joined Council and that the city is moving in the right direction but there is a long way to go. Councilmember Prestenberg mentioned while campaigning that he promised to be transparent and a good steward of tax-payer money. He went on to explain that just like in the corporate world, the City must maintain talent which currently costs more to maintain even the basic set of standards.

When asked, Ms. Nash let Council know that she and Ms. Rose would be reviewing staff budget requests line by line and asking questions in order to know how best to present a balanced budget to Council for review.

Consider and select a nominee to represent the Allen, Rowlett, Sachse, Wylie, Murphy, and Lucas seat on the Regional Transportation Council.

Ms. Nash said this is an appointment Council makes every two years. The process began prior to the new council placements. There has been a request to nominate Chris Schulmeister, City of Allen Councilmember, to be the primary representative and Matthew Porter, Mayor of Wylie, to be the alternate representative. The Council may choose to make a different nomination if they desire.

Mayor Pro Tem Franks pointed out that the votes are weighted with Sachse getting a smaller portion of the vote than several of the other cities.

Mayor Pro Tem Franks made a motion to approve the item as presented. Councilmember Howarth seconded the motion and it carried unanimously.

Consider an ordinance authorizing the issuance and sale of "City of Sachse, Texas, General Obligation Bonds, Series 2022" and approving all other matters incident thereto.

Jason Hughes, the City's financial advisor with Hilltop Securities, revealed that Sachse's credit rating has been upgraded by Standard & Poor's (S&P) to AA+, the second highest rating available. Some of the comments from S&P included, "Favorable location in north Texas and solid tax base growth;" "History of strong financial performance and maintenance of very strong reserves;" and "Very strong financial management practices and policies." Mr. Hughes explained that actions Council has taken in the past and the projects and programs that are being planned all contributed to this upgrade. As credit ratings go up, interest rates go down. Though they are hard to quantify exactly, it will likely yield a favorable interest rate and a positive outcome for the taxpayers. Upon Council approval, the final negotiated sale amount is \$16,645,000, which produces \$18,035,000 in project proceeds. The final true interest rate is 3.4% which is lower than just two weeks ago. The closing date is July 6 and all costs are wrapped up into the bond issuance, meaning no money will come from the general or any current funds held by the City.

Councilmember Lindsey asked if the City can refinance prior to 10 years. Mr. Hughes explained that as the time period is shortened, the interest rate increases significantly. Councilmember Lindsey went on to ask if there was any benefit to issuing the remainder of the approved bond amount at the lower interest rate as they will continue to go up. Mr. Hughes responded that Council may choose to issue any portion of the approved bond amount at any time, however, the federal government requires tax exempt debt that has been issued to be spent within three years, which would in turn require projects to be accelerated. The other downside to issuing more debt than is needed at that time is that the City would be paying interest on money that is not being used, known as arbitrage. If projects for which the first tranche is intended are completed more quickly than anticipated, Council has the option of selling the next tranche of bonds at any point.

Mayor Bickerstaff asked Mr. Hughes to expound on the interest rate. Mr. Hughes explained that Council may issue debt up to the approved bond amount as they deem appropriate. If in several months the interest rate is significantly higher, Council may choose not to issue bonds at that time. The City is not locked in to selling at a particular time or at all, as they determine what is appropriate.

Matthew Holboke, 5511 Oak Ridge Circle, asked if the debt being issued was going to pay off the money the City fronted for the Animal Shelter and Bailey Road. He wanted to be sure the money

will not be spent on something else and be replenished later. Mayor Bickerstaff confirmed that the money may not be spent on any other projects.

Brad Ford, 3605 Potomac Drive, asked the reasoning behind not issuing half of the debt to take advantage of the low interest rate. Mr. Hughes responded that the amount to be approved tonight corresponds to the amount conveyed to buyers. If Council decided to issue more debt earlier than previously discussed, that is their prerogative.

Mr. Holboke returned to ask if there were any local buyers for bonds. Mr. Hughes explained that the first investor order priority was given to those from the 75048-zip code. There were no orders from the zip code, therefore, there were no buyers from Sachse.

Councilmember Lindsey asked if staff is working in a particular order and if there is a general plan. Ms. Nash confirmed that staff is working on the order of projects previously presented during the bond approval process. The entire program cannot be designed and constructed at the same time due to staff workload, cost, and availability of talent or firms.

Councilmember Lindsey made a motion to approve the item as presented. Mayor Pro Tem Franks seconded the motion and it carried unanimously.

ADJOURNMENT:

Mayor Bickerstaff adjourned the meeting at 8:31p.m.


Jeff Bickerstaff, Mayor

ATTEST:


Leah K Granger, City Secretary

