MINUTES OF THE FEBRUARY 12, 2024 MEETING
OF THE BONHAM CITY COUNCIL

The City Council of the City of Bonham met in regular session on Monday evening at 5:30 p.m. in the Bonham City Hall at 514 Chestnut with the following members present:

- H. L. Compton, Mayor
- John Burnett, Mayor Pro tem, Council Member Ward 1
- Absent: Timothy La Vergne II, Council Member Ward 2
- Wayne Moore, Council Member Ward 3
- Vacant, Council Member Ward 4
- Ernie Quintana, Council Member Ward 5
- Michael Evans, Council Member-at-Large

CALL TO ORDER * MINUTES
An invocation was offered by Mark Posey of the First Congregational Church. Mayor Compton called the meeting to order noting that a quorum was present and called for a motion regarding the minutes of the January 8th regular meeting. A motion was made by Burnett and was seconded by Moore to approve the minutes as written. The motion carried with a unanimous vote 5 – 0.

FINANCIAL REPORT FOR JANUARY 2024
Sarah Osburn stated the General Fund revenue looks good due to Ad Valorem taxes coming in. Sales tax continues to be up about 3%. A motion was made by Evans and was seconded by Quintana to accept the financial report as presented. The motion carried with a unanimous vote 5 – 0.

CITIZENS OPPORTUNITY TO SPEAK
Mayor Compton invited citizens who would like to address the Council regarding items on the agenda or other concerns not listed on the agenda to do so now. Alan McDonald, First United Bank 120 W Sam Rayburn, wanted to share his appreciation to the Water Department. The bank had a water line burst on a Sunday afternoon. The Water Department came out after hours and shut the water off to the sprinkler system for them. This was during the freeze we had and the running water could have iced over making the street where it was flowing dangerous.

PRESENTATION – TDA FORM A1024 – SECTION 3 GOALS
City Manager Sean Pate stated the state has a new Section 3 rule that requires the city present this to the Council and the public. This is in relation to the Wastewater Treatment Plant Project. We typically apply for CDBG grants that fund projects like this because it qualifies well. The award amount is a little over $300,000. As a condition of funding, the City of Bonham must comply with Section 3 of the Housing and Urban Development Act of 1968. To the greatest extent feasible, grant recipients must direct economic opportunities generated by CDBG funds to low and very low income persons. In part, this means ensuring that Section 3 businesses have the information to submit a bid or proposal for the project. Qualifications of a Section 3 business and worker were reviewed. Questions were asked and answered regarding record keeping.

PRESENTATION – PLAN OF FINANCE FOR TWDB SEWER SYSTEM IMPROVEMENTS
Jorge Delgado, Hilltop Securities, presented the preliminary plan of finance to finance a continuation of the 2019 Wastewater Line Replacement Project. Hilltop Securities, along with staff, engineers and our legal counsel, have been working on an application for financial assistance with TWDB. The City is ranked #10 on the states project priority list. This makes us eligible for 70% loan forgiveness on the line replacement project. Given that the city is ranked #10 amongst hundreds of applicants we are at very good odds at getting the full 70% but that is subject to available funds. The differential is to be funded by TWDB over a 30 year amortization. This will be at a subsidized interest rate. 40% of the market interest rate is the subsidy we would be getting with TWDB. Mr. Delgado stated the analysis is assuming that Bonham finances $2.6 million which is the
differential after capturing 70% loan forgiveness over a 30 year repayment period. The city would issue Certificates of Obligation in the future, sell them to TWDB, get the 40% interest rate reduction and repay the certificates with water and sewer system revenues. The City would be getting $6.2 million if we qualify for the full 70% loan forgiveness. This is a very attractive and low cost funding mechanism for the city. Mr. Delgado advised what he is asking today is guidance from Council if they want to continue working on this. The application has been submitted on a timely basis. The water board takes their time so Mr. Delgado may not be back in front of the Council until the fall with a final plan and final timeline highlighting items that need to happen to lock in the financing. Possible interest rate drops between now and the fall was discussed. Mr. Delgado advised right now, with the subsidy that the water board is offering, the city would be financing this at a 2.57% interest rate. City Manager Pate stated back in 2016 or 2017, with the assistance of BEDCo partnering with the city, we paid for a water model then later a sewer model. These models were used to identify deficient areas and areas that we knew we wanted to upgrade in the future. We knew growth was going to come but we also knew sustainability was a big key. We used the water model to run analysis then built a plan with KSA Engineers that was later used for TWDB. At that particular time we were awarded $15 million then Covid hit. The review process slowed down and the resin plant shut down and the price of pipe went up. When we were finally approved we bid the project out three times trying to stay in budget. The city finally had to cut components out of the plan in order to fund the project. The plan was to come back at a later date and apply for additional funding which is where we are at. This project scores high because it is a shovel ready project. If we can get the 70% loan forgiveness and get $10 million worth of work for $2.5 million that’s spectacular. This allows us to continue to upgrade our system and upsize it for our residents and fix a lot of these streets. We need to wait until we get the utilities fixed in the ground before we can fix the roads over it.

RESOLUTION – AUTHORIZING APPLICATION TO TWDB FOR SEWER SYSTEM IMPROVEMENTS

A motion was made by Moore and seconded by Quintana to approve the resolution authorizing application for financial assistance from the Texas Water Development Board for sewer system improvements and making certain findings in connection. The motion carried with a unanimous vote 5 – 0.

ORDER OF ELECTION – CITY COUNCIL

A motion was made by Quintana and was seconded by Moore to approve an order calling for a general election to be held on May 4, 2024 to elect Council Member At-large and Mayor and a special election to be held on May 4, 2024 to elect a Council member for an unexpired term for Ward 4. The motion carried with a unanimous vote 5 – 0.

MAY 4, 2024 ELECTION DETAILS

Information was presented necessary to facilitate conducting the May 4, 2024 City of Bonham general and special election. A motion was made by Burnett and was seconded by Evans to appoint the City Secretary as the Early Voting Clerk; to designate April 25th and April 30th as the days for extended hour early voting from 7:00 a.m. to 7:00 p.m.; and to designate the Bonham City Hall, 514 Chestnut Street, as the polling place for both early voting and election day voting. The motion carried with a unanimous vote 5 – 0.

INTERLOCAL COOPERATION AGREEMENT WITH FANNIN COUNTY – ETJ

City Manager Sean Pate stated this is a formality. Under our Home Rule Charter we already plat within our ETJ. The State and legislation are asking us to enter into an interlocal agreement with the County so there is an understanding of the responsibilities for the extraterritorial jurisdiction. The ETJ is the one mile circumference that goes around the city limits. The City would continue to approve plat submittals, permit and inspect within the ETJ. Under the provisions of the City Charter the city has the rights and obligation to approve and control plats within the ETJ. Recent legislation
is asking both the City and County to enter into an interlocal agreement that identifies responsibilities. The agreement outlines guidelines for how the City and County will work together to maintain and monitor standards in construction of new subdivisions in the ETJ, that may one day be annexed into the City. Also, the agreement promotes communication between County and City officials on infrastructure policy. The recommendation of our legal team is to approve. A motion was made by Evans and seconded by Quintana to approve the Interlocal Cooperation Agreement between Fannin County and the City of Bonham regarding regulations within the Extraterritorial Jurisdiction of the City of Bonham. The motion carried with a unanimous vote 5 – 0.

**ORDINANCE – SIDEWALK CURB AND GUTTER**

Mayor Compton opened the public hearing on an ordinance amending Article 3.13 Division 3 “Sidewalk Curb and Gutter” (Ordinance 1297) establishing sidewalk, curb and gutter requirements and specifications for new and existing developments. Mark Kinnaid, Director of Community Development, stated at the October 9th meeting a citizen voiced concerns regarding the curb and gutter requirements and requested a written opinion by the city legal counsel. The written opinion was presented to Council at the November meeting. Staff has worked with the city attorney and the Planning and Zoning Commission to review and amend ordinance 1297 to clarify and make these requirements more visible and easily accessible. The ordinance was presented and rejected at the January 8th meeting. Staff has added in the requested sidewalk exception in Article 3.13.083 of the ordinance. The exception is on Highway 78 north of Highway 82. The Planning and Zoning Commission granted the exception that was requested by a business on 78. Jim and Karen Ashmore, 14858 FM 274, stated he was here last meeting with questions about curb and gutter. He was able to get some answers but still has a few questions. Karen Ashmore asked for clarification on where the sidewalk had to be placed. City Manager Pate stated it depends on the utility lines and would be situational. The City wouldn’t want sidewalks going over the utility lines. As our ordinances read the property owners are responsible for maintaining the sidewalks. Imagine the City needing to bust up the sidewalk to fix a main leak and expecting the property owner to fix the sidewalk. Mrs. Ashmore questioned which state codes are used for these ordinances. City Manager Pate stated there are multiple state codes including the Transportation Code and TDLR. All our ordinances are consistent with the State Law. The property line vs. the right of way was discussed. Questions regarding sidewalk requirements in the transportation code were discussed. Rusty Deets, 332 Boyd Loop, stated the sidewalks along the curb is foolish. The post office is now making people put mailboxes right along the street. With the mailbox on the sidewalk a wheelchair can’t get through. Bill Harnett, 1000 S 4th St, stated he has been working on the sidewalk issue with the city for a year and a half. There are hundreds of feet of sidewalks in the city that are in violation of the federal guidelines of the American Disabilities Act in reference to slope, grade, locations and transitions. Mr. Harnett is questioning why some properties have an exception with no sidewalk but he was denied. Mr. Harnett advised he is the only person to go before the Planning and Zoning Commission for an exception but was still denied. Mr. Harnett submitted an open records request for all building permits issued by the City since January 1, 2021. There were approximately 170 permits. Each permit was reviewed and Mr. Harnett found 27 of them didn’t have curb, gutter or sidewalks. It should be consistent across the City. If we are going to accept an ordinance we should have supporting documentation. Legal counsel advised the exception Council requested should be listed in the ordinance under Article 3.13.084 subsection D which discusses exceptions. There were no other comments forthcoming and the Mayor closed the public hearing. City Manager Pate then read the caption of the ordinance. A motion was made by Burnett to approve the ordinance. Evans reminded Council that the exception was going to be moved to a different subsection within the same ordinance. Burnett amended his motion to state to approve the ordinance with the exception of no sidewalks required on Highway 78 north of Highway 82 to be moved to Article 3.13.084 subsection D. The amended motion was approved by Evans. The motion carried with a unanimous vote 5 – 0.
SUP – 2304 N MAIN ST
Mark Kinnaird, Director of Community Development, stated this is a zoning change request from Single-Family Residential to Duplex. The Planning and Zoning Commission denied the zoning change with a unanimous vote. There were several oppositions voiced by residents during the Planning and Zoning meeting. Staff recommends denying the SUP. A motion was made by Moore and seconded by Burnett to deny the SUP / Zoning Change for property ID# 90932 located at 2304 N Main St, from Single-Family Residential to Duplex. The motion carried with a unanimous vote 5–0.

SUP – 1001 LYNN ST
Mark Kinnaird, Director of Community Development, stated this is a zoning change request from Single-Family Residential to Duplex. The Planning and Zoning Commission approved the zoning change with a 5 - 1 vote. One call from a neighbor was received in opposition of the change. Once staff explained it was only one lot and not the entire neighborhood she no longer opposed the zoning change. A motion was made by Burnett and seconded by Moore to approve the SUP / Zoning Change for property ID# 91408 located at 1001 Lynn, from Single-Family Residential to Duplex. The motion carried with a unanimous vote 5 – 0.

SUP – SOUTH OF W 12 ST AND WEST OF HWY 121 NORTH
Mark Kinnaird, Director of Community Development, stated this is a zoning change request from Single-Family Residential to Planned Development. The Planning and Zoning Commission approved the zoning change with a unanimous vote. This is the Kirkpatrick property which is a 371 acre tract. Planned development would allow a mixture of uses for this tract. A motion was made by Evans and seconded by Quintana to approve the SUP / Zoning Change for property ID# 76620, 72402, 76627, and 75901 located at the south side of W 12th St and the west side of Highway 121 North, from Single-Family Residential to Planned Development. The motion carried with a unanimous vote 5 – 0.

RACIAL PROFILING REPORT
Chief of Police Andrew Hawkes was present to answer any questions from the Council regarding the 2023 Racial Profiling Data report from the Bonham Police Department. Submission of the report to the governing body is required by Article 2.131 of the Texas Code of Criminal Procedure but does not require Council action. The Police Department is also required under law to have a racial profiling policy which the Bonham Police Department has labeled the Biased Based Policing Policy. Chief Hawkes explained what this policy entails. There were no questions forthcoming.

ADJOURNMENT
There was no further business to consider, and a motion to adjourn was made by Moore and was seconded by Evans. The motion carried with a unanimous vote, and the meeting adjourned at 6:25 p.m.

H. Compton, Mayor

ATTEST:

Heather Stockton, City Secretary