

August 31, 2020

On this the 31st day of August, 2020 at 6:00 p.m., the City Commission of the City of Hereford, Texas, convened in a special session in the Commission Chamber, in the City Hall, the meeting being open to the public and notice of said meeting having been given as prescribed by Chapter 551 of the Government Code, with the following members being present and in attendance, to-wit:

Tom Simons, Mayor  
 Jose A. Garza, Commissioner Place One  
 Clint Savoini, Commissioner Place Three (via telephone)  
 Linda Cumpton, Commissioner, Place Four  
 Cathy Bunch, Commissioner Place Five  
 Rocky Bhakta, Commissioner Place Six  
 Steve Bartels, Interim City Manager  
 Suzanne Finch, City Secretary  
 Audie Sciumbato, City Attorney

Absent: Angie Alonzo, Commissioner Place Two

Jeff Blackmon and Jim Steiert from the Hereford Brand were in attendance to witness the proceedings.

Also in attendance were Fire Marshal/EMC Dean Turney, B. J. Gililand, Officer Stephanie Billingsley, and Officer Sky Holcomb.

Mayor Simons voiced the invocation and then called upon Commissioner Bunch to lead the Pledge of Allegiance to the United States flag. He called the meeting to order, welcomed those in attendance, and introduced each item on the agenda.

### **REGULAR HEARINGS:**

#### **ITEM 1 – Consider approval of minutes for the August 10th, 2020 Work Session and August 10th, 2020 Special Meeting.**

Commissioner Bhakta made the motion to approve the minutes for the August 10<sup>th</sup> Work Session and Special Meeting as presented. Commissioner Cumpton seconded the motion and it passed with the unanimous vote of the Commission.

#### **ITEM 2 – Consider approval of bid for City of Hereford Main Lift Station Improvements and award Construction Contract.**

Interim City Manager Bartels stated included in the commissioners' packets is a copy of the bid tabulation and Parkhill, Smith, & Cooper's recommendation. Four bids were received:

J. S. Haren Company (Athens, TN)	\$1,514,000.00
Amarillo Utility Contractors, Inc. (Amarillo, TX)	\$1,813,500.00

Utility Contractors of America, Inc. (Lubbock, TX)	\$2,311,555.00
MH Civil Constructors, Inc. (Amarillo, TX)	\$2,625,000.00

Interim City Manager Bartels stated after a thorough review of the bids and contact with references, Parkhill expressed concerns about the reputation of the low bidder as they are out of Tennessee and subcontract all the work out and the five references contacted stated they would not hire them again. He noted it is Parkhill's recommendation that the next low bidder, Amarillo Utility Contractors, Inc., be awarded the contract as they are local and are currently working on the subdivision south of town and doing a good job.

Commissioner Bhakta inquired as to whether the new lift station had room for expansion/growth. Interim City Manager Bartels stated the current capacity is 2.5 million gallons per day and we currently run at 50% of that – the new lift station will have the same capacity - lots of room for growth.

Commissioner Bhakta made the motion to go with the recommended bid from Amarillo Utility Contractors, Inc. and award the contract to them. Commissioner Savoini seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 3 - Consider approval of bid for Hereford Water System Improvements; Well Field Well Package and award of Construction Contract.**

Interim City Manager Bartels stated this bid is for the well package of the well field and Hydro Resources was the lowest bidder; they are local (Sunray); great to work with; and, our engineers recommended they be awarded the contract.

KP Ventures Will Drilling & Pump Co. LLC (Cottonwood, AZ)	\$3,250,540.00
SBQ2, LLC dba Stewart Brothers Drilling Co. (Milan, NM)	\$2,135,060.00
Hydro Resources – Mid Continent, Inc. (Sunray, TX)	\$1,883,692.50

Commissioner Savoini made the motion to approve the recommended bid. Commissioner Cumpston seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 4 - Consider approval of bid for Hereford Water System Improvements; Well Field Collection System Package and award of Material Contract.**

Interim City Manager Bartels stated this bid is for the pipe. He noted Ferguson had a math error and the bid specifications are very specific as to how the bids must be computed. He noted Western Industrial out of Amarillo is a good company to work with and the engineers recommended they be awarded the contract.

Core & Main (Albuquerque, NM)	\$214,151.77
K. W. Sharp, Inc. (Lubbock, TX)	\$198,420.63
Western Industrial Supply, LLC (Amarillo, TX)	\$192,383.65
Ferguson, Enterprises, LLC (Newport News, VA)	\$651,768.16

Commissioner Bunch made the motion to award the contract to Western Industrial Supply as recommended by the engineers. Commissioner Bhakta seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 5 - Consider approval of bid for group health insurance coverage and prescription drug program for City employees.**

Mayor Simons noted health insurance was discussed August 10<sup>th</sup> during the budget work session and the hope was to get below what we put in the proposed budget; however, he stated this was not the case.

Interim City Manager Bartels went over each of the bids from IMS, FirstCare, and Blue Cross Blue Shield comparing rates for dependents, deductibles for in-network/out-of-network, co-pays, and prescription rates. Interim City Manager Bartels recommended staying with IMS and raising employees' rates for dependent coverage ten percent to share some of the increase in cost.

B. J. Gililand stated IMS is a very generous benefit program for employees; it is top notch with a \$500 deductible and \$1,000 out-of-pocket. He briefly went over how a partially self-funded program such as IMS works, variables that could be changed, and costs incurred if the Commission decided to change from IMS to another carrier. Mr. Gililand also noted IMS is local, has a liaison that can be reached easily, and they are very responsive to getting any issues resolved. He recommended staying with IMS.

Mayor Simons noted the County has done business with IMS for 20+ years.

Commissioner Savoini reiterated how good IMS is in terms of deductibles and out-of-pocket limits.

Commissioner Garza inquired about the rates for dependent coverage. Mayor Simons went over the IMS monthly rates for dependent coverage: \$443.21 child(ren), \$582.89 spouse, and \$1,137.40 for a family. Commissioner Garza expressed his concerns about the high cost. Mr. Gililand stated health insurance costs have become increasingly high, not just for the City, other companies he works with have premiums of over \$1,000 for employee and \$2500 for a family.

Commissioner Bhakta made the motion to stay with IMS. Commissioner Bunch seconded and the motion passed with the following vote of the Commission: Mayor Simons - aye, Commissioner Garza - nay, Commissioner Alonzo - absent, Commissioner Savoini - aye, Commissioner Cumpton - aye, Commissioner Bunch - aye, and Commissioner Bhakta - aye.

**ITEM 6 - Consider designating Deaf Smith County Appraisal District's Chief Appraiser Danny Jones to calculate all property tax rates for the City of Hereford.**

Interim City Manager Bartels stated Deaf Smith County Appraisal District has done this for the City for as long as they have been in existence. He noted Danny Jones asked the Commission to do this for audit purposes for the Deaf Smith County Appraisal District; i.e., put in writing Danny Jones is designated to calculate the City's property tax rates.

Commissioner Bhakta made the motion to designate Danny Jones to calculate all the property tax rates for the City of Hereford. Commissioner Cumpton seconded the motion and it passed with the unanimous vote of the Commission.

**ITEM 7 - Discuss and vote on proposed tax rate for 2020.**

Interim City Manager Bartels went over the rates, noting 33 cents per \$100 valuation is the current rate; he recommended the proposed rate of 32 cents per \$100 valuation which even though it is less will raise approximately \$71,000.00 more. Interim City Manager Bartels stated the Commission is required to vote on a proposed rate; publish notice; have a public hearing; and, then they may at the same meeting as the public hearing, adopt the rate. He also noted that twenty years ago, the tax rate for the City was 42 cents per \$100 valuation.

Mayor Simons pointed out that even though the rate is lower, due to new items being added to the tax roll and existing items being valued higher this counts as though we raised the tax rate.

Commissioner Bunch made the motion to vote on the proposed tax rate of 32 cents per \$100 valuation. Commissioner Savoini seconded and the motion passed with the following vote of the Commission: Mayor Simons - aye, Commissioner Garza - aye, Commissioner Alonzo – absent, Commissioner Savoini – aye, Commissioner Cumpton – aye, Commissioner Bunch – aye, and Commissioner Bhakta - aye.

**ITEM 8 – Announcements and comments from Mayor and City Commissioners.**

Mayor Simons thanked Interim City Manager Bartels for his work on the budget and continued work on COVID.

**ITEM 9 – Announcements and comments from City Staff.**

Interim City Manager Bartels stated at the next meeting of the City Commission, September 21<sup>st</sup>, the agenda will include: approval of the budget, adoption of the tax rate, and the final piece on the well field – the electrical bids, and also, maybe some zoning change requests. He thanked the Commission on behalf of the City employees for the insurance benefit.

Fire Marshal/EMC Turney thanked the Commission for the insurance and went over the latest COVID numbers.

Interim City Manager Bartels gave an update on the construction progress on the Civic Center and projected completion dates.

Mayor Simons noted there have been twenty houses sold and still counting at the new housing addition. He thanked Mr. Blackmon and Mr. Steiert for their attendance; noting Mr. Steiert has been a long-time conservationist for us.

**ITEM 10 – Public Comments.**

Mr. Steiert thanked Interim City Manager Bartels for his help on water usage and noted that even though not popular with most people – rates are still a good way to conserve.

There being no further business before the Commission, the meeting was adjourned at approximately 6:47 p. m.