



**CITY OF DENISON
CITY COUNCIL MEETING
MINUTES**

Monday, March 4, 2024

Announce the presence of a quorum.

Mayor Janet Gott called the meeting to order at 6:00 p.m. Council Members present were Mayor Pro Tem Robert Crawley, Brian Hander, Michael Courtright, James Thorne and Joshua Massey. Council Member Aaron Thomas was absent. Staff present were Assistant City Manager, Renee Waggoner, Assistant City Attorney, Heather Shankel, City Clerk, Christine Wallentine and Deputy City Clerk, Karen Avery. Interim City Manager, Bobby Atteberry, and City Attorney, Julie Fort, were absent. Department Directors were also present.

1. INVOCATION, PLEDGE OF ALLEGIANCE AND TEXAS PLEDGE

Raymond England, Pastor of Trinity Lighthouse Church gave the invocation which was followed by the Pledge of Allegiance and Texas Pledge led by Parks and Recreation Director, Justin Eastwood.

2. PUBLIC COMMENTS

Mayor Gott called for any public comments at this time and reminded those wanting to comment of the guidelines established by the City Council. Christine Wallentine, City Clerk, confirmed there were no Request to Speak Cards received by this point in the meeting. Therefore, no public comments were received.

3. CONSENT AGENDA

- A. Receive a report, hold a discussion and take action on approving the Minutes from the Regular City Council Meeting held on February 19, 2024.
- B. Receive a report, hold a discussion and take action on approving an Interlocal Cooperation Contract for the Failure to Appear Program between the Department of Public Safety of the State of Texas (DPS) and the Municipal Court for the City of Denison, Texas (Contract No. 2024-0029), and authorize the Interim City Manager to execute the same.
- C. Receive a report, hold a discussion and take action on denying the extraterritorial jurisdiction release petition received from Ray C. Davis and Linda B. Davis for property commonly known as 222 Desvoigns Road, Denison, Texas more particularly described as G-1311 Wright William A-G1311, Acres 3.757, GCAD Property ID No. 113342.

- D. Receive a report, hold a discussion and take action on denying the extraterritorial jurisdiction release petition received from Ray C. Davis and Linda B. Davis for property commonly known as 1103 E. Highway 69, Denison, Texas more particularly described as G-1311 Wright William A-G1311, Acres 3.507, GCAD Property ID No. 113343.
- E. Receive a report, hold a discussion and take action on denying the extraterritorial jurisdiction release petition received from Ray C. Davis and Linda B. Davis for property located at Highway 69, Denison, Texas more particularly described as Delmar Estates, Lot 13, Acres 3.89, GCAD Property ID No. 113296.
- F. Receive a report, hold a discussion and take action on denying the extraterritorial jurisdiction release petition received from Stormy Lattimore Cansler and Richard W. Cansler for property commonly known as 220 Old Airport Road, Denison, Texas more particularly described as being located in the Richard Payne Survey Abstract Number 952, the William Garrettson Survey, Abstract No. 444, the W.T. Henderson Survey Abstract No. 499 and the Abel Harness Survey, Abstract No. 498, Acres 277.479, GCAD Property ID Nos. 112326, 112325, 112396, 112534 and 112642.
- G. Receive a report, hold a discussion and take action on denying the extraterritorial jurisdiction release petition received from Stormy Lattimore Cansler for property commonly known as 273 Middle Road, Denison, Texas more particularly described as being located in the Richard Payne Survey Abstract Number 952, Acres 7.29, GCAD Property ID No. 112643.
- H. Receive a report, hold a discussion, and take action on the appointment of Kristi Porter Francis as a New Member to the Public Library Advisory Board.
- I. Receive a report, hold a discussion, and take action on an Interlocal Agreement with Grayson County regarding construction and maintenance of a portion of Eisenhower Road right-of-way in Grayson County.
- J. Receive a report, hold a discussion, and take action on an Interlocal Agreement with Grayson County regarding construction and maintenance of a portion of Preston Road right-of-way in Grayson County.
- K. Receive a report, hold a discussion, and take action on an Interlocal Agreement with Grayson County regarding construction and maintenance of a portion of Kelsoe Road right-of-way in Grayson County.
- L. Receive a report, hold a discussion and take action on an ordinance amending Chapter 25, "Traffic", Article IV, "Speed Regulations", Section 25-107.3 "Speed Limits on Certain Highways" of the Code of Ordinances to temporarily lower the prima facie speed limits established for vehicles under the provisions of the Transportation Code, Chapter 545 Section 545.353(K), to address road construction on US Highway 75 and the adjacent frontage road from Farm to Market Road 691 to N. Loy Lake Road within the City of Denison.

Council Action

On motion by Mayor Pro Tem Crawley, seconded by Council Member Thorne, the City Council unanimously approved, Ordinance No. 5339, "AN ORDINANCE OF THE CITY OF DENISON, TEXAS, AMENDING CHAPTER 25 "TRAFFIC", ARTICLE IV "SPEED REGULATIONS", SECTION 25-107.3 "SPEED LIMITS ON CERTAIN HIGHWAYS" OF THE CITY OF DENISON CODE OF ORDINANCES, TO TEMPORARILY LOWER THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF THE TRANSPORTATION CODE, CHAPTER 545, SECTION 545.353(K), TO ADDRESS ROAD CONSTRUCTION ON US HWY 75 AND THE ADJACENT FRONTAGE ROAD FROM FARM TO MARKET ROAD 691 TO N. LOY LAKE ROAD, OR PARTS THEREOF, WITHIN THE INCORPORATED LIMITS OF THE CITY OF DENISON, AS SET OUT IN THIS ORDINANCE; PROVIDING A PENALTY; PROVIDING REPEALING, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE; AND FINDING AND DETERMINING THE MEETING AT WHICH THIS ORDINANCE IS ADOPTED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW"; and the rest of the Consent Agenda as presented.

4. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. Receive a report, hold a discussion and take action on an ordinance considering all matters incident and related to the issuance, sale and delivery of "City of Denison, Texas Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2024;" authorizing the issuance of the Certificates; approving and authorizing instruments and procedures relating to said Certificates; and enacting other provisions relating to the subject.

Council Action

Laurie Alsabbagh, Finance Director, reminded the Council that on December 4, 2023, they approved a resolution to publish notice of intent to issue certificates of obligation to fund FY2024 capital improvement projects and improvements to the Loy Lake Dam. Notices were published on December 10 and December 17 for the approval of the issuance to occur on February 19, 2024. However, February 19, 2024 was a holiday, and the markets were closed. So, this item was tabled to this evening, March 4, 2024. Pricing on the certificates occurred today. So, we are here requesting that Council approve the ordinance authorizing the issuance. If approved this evening, funding is scheduled to occur on April 3, 2024. Ms. Alsabbagh then introduced Marti Shew with Hilltop Securities to speak on today's issuance and pricing.

Ms. Shew came forward and greeted the Council. Hilltop Securities is the financial advisor to the City of Denison. Ms. Shew stated she was very pleased with the response in the market today and pointed out the sales booklets put together for the Council, which are in front of them for review. The bonds were released out into the market for sale this morning. There were two underwriters present, who marketed and sold. This included members from Stiefel, who were the lead underwriter here tonight. Ms. Shew was pleased to report that they were able to submit a bid for the right to purchase and sell the bonds to the public with a final true interest cost of 4.20%. Just to give an idea where that is related to market rates last year, the City actually sold bonds last year at 3.80%, but this is not necessarily

an apples-to-apples comparison, because those were a little bit shorter, 20 years. So, this debt is being amortized over a 30-year period, which is why we would expect a little bit of a higher rate. Ms. Shew added, as everyone is probably aware of all of the volatility in the market headlines, that we have been in what we would consider a rising interest rate environment for the greater part of over a year. Ms. Shew stated she was selling debt last year that was 20 years out at 4.2%. So, rates have come down a bit and this was a great time to be in the market. The City got the benefit of that. A very large part of the favorable market response the City received is directly related to the strong credit ratings of the City. As part of the normal bond issuance process, the City did have to apply for and purchase a bond rating. City staff met with S&P Global and Fitch Rating Services who came in and provided a bunch of questions and asked for a lot of information from staff that they had to provide in order to conduct a full credit assessment on the City. Ms. Shew did affirm that S&P provided an AA- rating and Fitch was one notch higher at an AA rating. This is an excellent credit rating and puts the City in a very elite category of cities. There are only two and three notches higher to where you get to a perfect score. The credit rating of the City is significant. It is just like our own personal credit rating. So, the higher your personal credit rating, the lower the cost of borrowing when you go to apply to purchase a mortgage or car loan. The same holds true for the City; the higher your credit rating, the lower your cost of borrowing when you issue bonds. Ms. Shew then went over the sales booklets and Tabs A and B. Behind Tab A is a full set of numbers where you can see where that interest rate translates into dollars. We have tracked the different projects with different amortization schedules. So, the Loy Lake Dam repairs are being amortized over a shorter period, whereas the water and sewer projects are being amortized over a longer period. Behind tab B is the whole rating report. As part of that writing process, the agencies do release a full write-up and report on the City. Ms. Shew encouraged the Council to read these in total because they really do focus on the strong management and financial position of the City. This is the final step of the bond issuance process tonight. So, by adopting the ordinance before you tonight, you are effectively locking this bid in place and these rates will remain fixed for the life of the bonds. They will then go to the Attorney General for approval, and you are scheduled to receive the funds on April 3, which will be the closing day.

There was no discussion or questions from Council.

On motion by Mayor Pro Tem Crawley, seconded by Council Member Courtright, the City Council unanimously approved Ordinance No. 5340, "AN ORDINANCE CONSIDERING ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE AND DELIVERY OF \$53,450,000 IN PRINCIPAL AMOUNT OF "CITY OF DENISON, TEXAS COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024;" AUTHORIZING THE ISSUANCE OF THE CERTIFICATES; APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING TO SAID CERTIFICATES; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT."

5. EXECUTIVE SESSION

The Council then adjourned into Executive Session at 6:10 p.m. pursuant the Chapter 551, Texas Government Code, in accordance with the Authority:

- A. **Consult with attorney on a matter in which the attorney's duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct conflicts with this chapter and/or consult with attorney about pending or contemplated litigation or contemplated settlement of the same. Section 551.071.**
 - 1. Confer with City Attorney regarding Senate Bill 1145.
- B. Discuss the possible purchase, exchange, lease, or sale value of real property (public discussion of such would not be in the best interests of the City's bargaining position). Section 551.072.
- C. Discuss negotiated gifts or donations to the City (public discussion at this stage would have a detrimental effect on the City's bargaining position). Section 551.073.
- D. Discuss the appointment, employment, evaluation, reassignment of duties, discipline, or dismissal of or to hear a complaint against a public officer or employee. Section 551.074.
- E. Discuss the commercial or financial information received from an existing business or business prospect with which the City is negotiating for the location or retention of a facility, or for incentives the City is willing to extend, or financial information submitted by the same. Section 551.087.
- F. Discuss the deployment or specific occasions for implementation of security personnel or devices. Section 551.076.
- G. Deliberations regarding economic development negotiations pursuant to Section 551.087.

RECONVENE INTO REGULAR SESSION

The Council then reconvened into Regular Session at 6:34 p.m. and took the following action:

- A. **Consult with attorney on a matter in which the attorney's duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct conflicts with this chapter and/or consult with attorney about pending or contemplated litigation or contemplated settlement of the same. Section 551.071.**
 - 1. Confer with City Attorney regarding Senate Bill 1145.

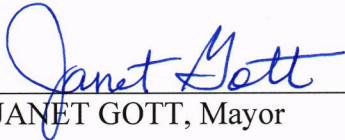
Council Action

No action taken.

- B. Discuss the possible purchase, exchange, lease, or sale value of real property (public discussion of such would not be in the best interests of the City's bargaining position). Section 551.072.
- C. Discuss negotiated gifts or donations to the City (public discussion at this stage would have a detrimental effect on the City's bargaining position). Section 551.073.

- D. Discuss the appointment, employment, evaluation, reassignment of duties, discipline, or dismissal of or to hear a complaint against a public officer or employee. Section 551.074.
- E. Discuss the commercial or financial information received from an existing business or business prospect with which the City is negotiating for the location or retention of a facility, or for incentives the City is willing to extend, or financial information submitted by the same. Section 551.087.
- F. Discuss the deployment or specific occasions for implementation of security personnel or devices. Section 551.076.
- G. Deliberations regarding economic development negotiations pursuant to Section 551.087.

There being no further business to come before the Council, the meeting was adjourned at 6:34 p.m.



JANET GOTT, Mayor

ATTEST:



Christine Wallentine, City Clerk