THE CITY OF
STEPHENVILLE
TEXAS

CITY COUNCIL

MEETING MINUTES
REGULAR MEETING
JULY 1, 2025

CALL TO ORDER

The City Council of the City of Stephenville, Texas, convened on Tuesday, July 1, 2025, in the City Hall Council Chambers, 298 West Washington Street, for the purpose of a Regular City Council Meeting, with the meeting being open to the public and notice of said meeting, giving the date, time, place and subject thereof, having been posted as prescribed by Chapter 551, Government Code, Vernon's Texas Codes Annotated, with the following members present, to wit:

Council Present:
Mayor Doug Svien
Place 1 LeAnn Durfey
Place 2 Gerald Cook
Place 3 Lonn Reisman
Place 4 Dean Parr
Place 5 Maddie Smith
Place 6 David Baskett (left at 6:16 PM)
Place 7 Brandon Greenhaw
Place 8 Alan Nix

Others Attending:
Jason King, City Manager
Randy Thomas, City Attorney
Sarah Lockenour, City Secretary

Mayor Svien called the Regular Meeting to order at 05:30 PM.

PLEDGES OF ALLEGIANCE

Council Member David Baskett led the pledges to the flags of the United States and the State of Texas.

INVOCATION

Curt Plaxco with the Stephenville Ministerial Alliance voiced the invocation.

CITIZENS GENERAL DISCUSSION

Felipe Wescoup, of Biggs and Matthew, addressed the Council regarding the approved limited scope amendments for the Stephenville Landfill.

REGULAR AGENDA

1. **Consider Approval of the Oncor 2025 Rate Change Suspension Resolution**

City Manager Jason King presented this item to Council.

The City of Stephenville is a member of a 170-city coalition known as the Steering Committee of Cities Served by Oncor ("Steering Committee"). The Steering Committee has been in existence since the late 1980s. It took on a formal structure in the early 1990s when cities served by the former TXU gave up their statutory right to rate case expense reimbursement in exchange for higher franchise fee payments. Empowered by city resolutions and funded by *per capita* assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for the last 30 years.

Although Oncor has increased rates many times over the past few years, this is the first comprehensive base rate case for the Company since May 2022.

Oncor Electric Delivery Company ("Oncor" or "the Company") filed an application on or about June 26, 2025, with cities retaining original jurisdiction seeking to increase system-wide transmission and distribution rates by about $834 million or approximately 13% over present revenues. The Company asks the City to approve a 12.3% increase in residential rates and a 51.0% increase in street lighting rates. If approved, an average residential customer would see a bill increase of about $7.90 per month.

The resolution suspends the July 31, 2025, effective date of the 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.

The law provides that a rate request made by an electric utility cannot become effective until at least 35 days following the filing of the application to change rates. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. If the City fails to take some action regarding the filing before the effective date, Oncor's rate request is deemed administratively approved.

MOTION by Maddie Smith, second by Dean Parr, to approve Resolution No. 2025-R-10 for the Oncor 2025 Rate Change Suspension as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

2. **Consider Approval of an Ambulance Permit for Concord EMS**

Council Member David Baskett announced he would be abstaining from this item due to a conflict of interest with related business.

Chief Robert Isbell presented this item to the Council.

Pursuant to City Charter Chapter 114.04 (CHAPTER 114. - AMBULANCE AND EMERGENCY MEDICAL SERVICE, Sec. 114.04. - Private owned ambulance services), Concord EMS is applying to operate a non-emergency transfer service within the city limits of Stephenville. Concord EMS Director William Cranston was present to answer any questions.

MOTION by Maddie Smith, second by Brandon Greenhaw, to table this item until the August City Council meeting. MOTION Yes 8, No 0, Abstained 1.

3. **Consider Acceptance of the 536 Wellfield - Well Sites Project**

Director of Public Works Nick Williams presented the item to Council.

The City of Stephenville City Council awarded the contract for the above-referenced project on June 6, 2023, for $1,277,000.00 to Associated Well Services, Inc. of Stephenville, TX. The contractor has completed the work in accordance with the plans and specifications.

The project was completed for $1,275,502.00, of which $1,262,746.98 was paid to the contractor. The remaining balance of $12,755.02 will be released to the contractor following formal project acceptance by the city council. An appropriate resolution is attached.

A recommendation for final payment has been received from the engineer of record. There are no identified outstanding issues and a signed Final Bills Paid Affidavit has been received.
Additionally, all known subcontractors have been contacted to confirm payment.

Staff recommends acceptance of the above-noted project as complete and requests authorization for the City Manager to issue final payment to the contractor.

MOTION by Alan Nix, second by David Baskett, to Approve Resolution No. 2025-R-11 accepting the 536 Wellfield - Well Sites Project as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

4. **Consider Acceptance of the Eastside Sewer - Phase I Project**

Director of Public Works Nick Williams presented the item to Council.

The City of Stephenville City Council awarded the contract for the above referenced project on October 18, 2022, for $22,517,000.00 to MH Civil Constructors, Inc. of Amarillo, Texas. The contractor has completed the work in accordance with the plans and specifications.

The project was completed for $22,010,834.00 of which $21,737,194.39 has been paid to the contractor. The remaining balance of $273,639.61 will be released to the contractor following formal project acceptance by the city council and issuance of a Certificate of Approval by the Texas Water Development Board.

A recommendation for final payment has been received from the engineer of record. There are no identified outstanding construction issues and a signed Final Bills Paid Affidavit has been received.
Additionally, all known subcontractors have been contacted to confirm payment.

Staff recommends acceptance of the above noted project as complete and requests authorization for the City Manager to issue final payment to the contractor.

MOTION by Alan Nix, second by Gerald Cook, to approve Resolution No. 2025-R-12 accepting Eastside Sewer - Phase I Project as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

PUBLIC WORKS COMMITTEE

5. **Public Works Committee Report from July 1, 2025**

Public Works Committee Chair Alan Nix presented the Public Works Committee Report from July 1, 2025.

1. *Discussion of Phase III of Eastside Sewer Project*
   Committee Chair Alan Nix led the discussion of Phase III of Eastside Sewer Project.

2. *Review Professional Services Agreement for Eastside Sewer Phase III Engineering*
   Committee Chair Alan Nix presented this item to the Public Works Committee.

   The City of Stephenville issued a Request For Qualifications (RFQ) for professional services for design of the third phase of the Eastside Sewer. RFQ responses were received on June 6, 2025. Seven (7) firms submitted qualifications for consideration.

   A review committee evaluated each firm's qualifications based on criteria outlined in the RFQ. Selection criteria included: Experience of the firm, project manager, sealing engineer and related projects, as well as project approach and schedule. The review committee scored each submission.

   Based on the evaluation process, the review committee recommends the selection of BGE, Inc. as the design consultant for the Eastside Sewer Interceptor – Phase III project. BGE, Inc. demonstrated extensive experience with similar projects. The Eastside Sewer Interceptor – Phase III provides service to the U.S. Highway 281 corridor north of Lingleville Highway (FM 8). The project consists of approximately 14,000 linear feet of 30-inch sanitary sewer main.

   The proposed professional services agreement includes preliminary and final design, alignment studies, bid phase assistance, survey and geotechnical services, environmental assessment, permitting, utility coordination, and construction phase support.

   The project includes coordination and permit acquisition with TxDOT, railroad and other utility representatives, preparation of contract documents including plans and specifications, an alignment analysis, geotechnical reports, open-cut and trenchless design as well as right-of-way/easement documentation, and ensures compliance with state and federal regulations. The contract proposes to accomplish the design efforts within 400 calendar days. A liquidated damages clause at $500 per day ensures the work will progress on schedule.

   The proposed not-to-exceed agreement cost is $1,710,984.00. The construction phase support services will be authorized separately upon final scope and cost negotiation to ensure these costs are not overestimated now in the design phase.

   Finance has identified $1.2 million in funding in the FY24-25 budget with the balance to come from operational reserves.
   Staff recommends approval of the professional services agreement with BGE, Inc. for design, survey, permitting, and construction-phase support services associated with the Eastside Sewer Interceptor – Phase III project.

MOTION by Gerald Cook, second by David Baskett, to recommend to full Council the Professional Services Agreement with BGE, Inc. as presented. MOTION CARRIED Yes 4, No 0, Abstained 0.

3. Discussion of Elevated Storage Project
Committee Chair Alan Nix led the discussion of the Elevated Storage Project.

4. Review Professional Services Agreement for Landfill Gas Probe Design and Installation
Committee Chair Alan Nix presented this item to the Public Works Committee.

The Texas Commission on Environmental Quality issued a Limited Scope Major Amendment on April 17, 2025 to the City of Stephenville Landfill following a lengthy process to reclaim approximately 1,000,000 cubic yards of air space. As part of the permit approval process, and is customary for all newly permitted landfills, the landfill is now required to install and maintain the gas monitoring probe network within 180 days of permit approval.

The proposed professional services agreement provides for the design and installation, construction oversight, and testing of fourteen (14) permanent gas monitoring probes in accordance with the approved permit's Gas Monitoring Plan within the 180-day permit requirement by October 14, 2025.

The agreement proposes to perform the work for $117,875.00. Sufficient funds exist in the current FY24-25 budget to provide this state-mandated project.
Staff recommends approval of the professional services agreement with Biggs and Mathews Environmental, Inc. for the design and installation of a gas monitoring probe network at the Stephenville Landfill as required by the state.

MOTION by David Baskett, second by Gerald Cook, to recommend to full Council the Professional Services Agreement for Landfill Gas Probe Design and Installation as presented. MOTION CARRIED Yes 4, No 0, Abstained 0.

6. **Consider Approval of a Professional Services Agreement for Eastside Sewer Phase III Engineering**

MOTION by Alan Nix, second by David Baskett, to approve the Professional Services Agreement with BGE, Inc. for Eastside Sewer Phase III Engineering as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

7. **Consider Professional Services Agreement for Landfill Gas Probe Design and Installation**

MOTION by Alan Nix, second by LeAnn Durfey, to approve the Professional Services Agreement with Biggs and Matthews Environmental, Inc. for the design and installation of a gas monitoring probe network at the Stephenville Landfill as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

FINANCIAL REPORTS

8. **Monthly Budget Report for the Period Ending May 31, 2025**

Monthly Budget Report for the Period Ending May 31, 2025, Director of Finance Monica Harris presented the monthly budget report as follows:

In reviewing the financial statements ending May 31, 2025, the financial indicators are overall as or better than anticipated.

Property Tax Collections: We received $60K in property taxes in the month of May, resulting in a $404K increase over the funds collected last fiscal year to date. The amount collected is over 99% of the $7.8 million budget, which is $60K more than anticipated.

Sales and Use Tax: We received $872K in sales tax in May, resulting in $79K or 1% more than the funds collected last fiscal year to date. The amount collected is 70% of the $9.4 million budget, which is $293K higher than anticipated.

Revenue (by fund): Of the $33.6 million revenue received to date, 58% was received in the General Fund, 26% was received in the Water/Wastewater Fund, 4% was received in the Landfill Fund, 3% was received in the Debt Service Fund, 3% was received in the Storm Water Drainage Fund, 2% was received in the Capital Projects Fund, and 2% in the HOT Fund.

Revenue (budget vs. actual): We received 78% of the total budgeted revenue through May, which is $3 million more than anticipated due to taxes, licenses and permits, charges for services, interest income and other revenue.

Revenue (prior year comparison): We received $260K less revenue through May than last fiscal year to date due to intergovernmental.

Expenditures (by fund): Of the $30.5 million spent to date, 47% was expended in the General Fund, 37% was expended in the Water/Wastewater Fund, 4% was expended in the Storm Water Drainage Fund, 3% was expended in the Debt Service Fund, 3% was expended in the TIF Fund, and 3% was expended in the Landfill Fund.

Expenditures (budget vs. actual): We have expended 55% of the total budgeted expenditures through May, which is $6.4 million less than anticipated due to personnel, contractual and capital outlay.

Expenditures (prior year comparison): We spent $7.4 million less on expenditures through May than last fiscal year to date due to capital outlay.

SEDA Revenue Comparison: SEDA has received an overall 70% of budgeted revenue through May, which is $19K less than last fiscal year to date due to interest income and $20K more than anticipated due to taxes.

SEDA Expenditure Comparison: SEDA has spent an overall 40% of budgeted expenditures through May, which is $55K more than last fiscal year to date due to personnel and capital outlay and $300K less than anticipated due to contractual, capital outlay, and grant disbursements.

CONSENT AGENDA

9. **Consider Approval of Minutes from June 3, 2025 - Regular City Council Meeting**

10. **Consider Approval of Minutes from June, 5, 2025 - Work Session**

11. **Consider Approval of Minutes from June 24, 2025 - Work Session**

12. **Consider Acceptance of the Riverside Drainage Improvements Project**

13. **Consider Approval of Assignment of Contract for Street Renovation Materials**

MOTION by David Baskett, second by Brandon Greenhaw, to approve Consent Agenda as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

COMMENTS BY CITY MANAGER

COMMENTS BY COUNCIL MEMBERS

EXECUTIVE SESSION

Mayor Svien recessed the Regular City Council meeting at 6:03 PM and entered into Executive Session at 6:06 PM.

Mayor Svien adjourned the Executive Session at 6:16 PM and reconvened the Regular City Council meeting at 6:17 PM.

14. **Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property located in City Addition**

15. **Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property located in City Addition**

16. **Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property related to a Potential Well Field**

ACTION TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF NECESSARY

14 - Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property located in City Addition

MOTION by Dean Parr, second by Maddie Smith, to authorize the City Manager to execute a contract as discussed in Executive Session as presented. MOTION CARRIED Yes 8, No 0, Abstained 0.

ADJOURN

Mayor Svien adjourned the meeting at 06:18 PM.

David Baskett, Mayor Pro Tem

ATTEST:

Sarah Lockenour, City Secretary

THE CITY OF STEPHENVILLE TEXAS INCORPORATED