

Minutes

February 10th 2025 @ 6:00 p.m.

Special Council Meeting

Oran White Civic Center

701 N Tool Drive

Tool, TX 75143



1. Call to Order @ 6:00 p.m.
2. Roll Call: Bennett, Dumont, Figueroa, Fladmark, Sayre, Stykes. All Present with Mayor Dumont Presiding.

Statutory Agenda - *The purpose of this section is to have full discussion upon request by the Tool City Council. Ideas, thoughts and decisions are formulated by City Council and staff plans, operations, policies, and/or future projects, including the following:*

3. Discuss and take action on a request by the City of Tool of 701 North Tool Drive to replat Lots 30-55 to create a 2.63 acre lot, Lot 30R. Councilmember Fladmark discussed the replat highlighting that only the primary central lots are the lots being replatted. Councilmember Fladmark concluded by stating that the City Hall and the Oran White Civic Center were included in this replat. Motion to Approve request by the City of Tool of 701 North Tool Drive to replat Lots 30-55 to create a 2.63 acre lot, Lot 30R was made by Councilmember Fladmark with second by Councilmember Sayre. Motion Passed 5/0.
4. Consider, Discuss and Take Action on Request for Proposals #2025-01, Maintenance Barn, for the City of Tool. City Administrator Kizzee presented this item stating that at the January Council Meeting, he asked the City Council their opinion on the feasibility of a new Maintenance Barn. City Administrator Kizzee continued by stating that he has brought forward Request for Proposals #2025-01, Maintenance Barn for the City Council approval to solicit bids for this project. City Administrator Kizzee continued by discussing the option of using Certificates of Obligation or Cash to fund this project. Councilmember Bennett asked City Administrator Kizzee his opinion on using Certificates of Obligation or cash to fund this project to which City Administrator Kizzee stated that it was not his place to recommend but to provide Council all of their options. Councilmember Figueroa discussed his interest in using Certificates of Obligation to fund this project and to use funds from the Capital Improvement Fund for other projects. Councilmember Figueroa continued by discussing the Certificate of Obligation process. City Administrator Kizzee discussed the Certificate of Obligation process and highlighted the City not knowing how the senior tax freeze would affect the tax rate, which would affect the city's bonding power. Councilmember Figueroa again stated that the City should go out for a bond and if the City was unable to get the bond, then they would then use the cash on hand to build the Maintenance Barn. Councilmember Bennett stated that the Maintenance Barn was needed now, and that the city should use existing money to pay for the Maintenance Barn. Councilmember Bennett continued by stating that that if the City Council wanted to go out for Certificates of Obligation, that should have been a discussion a while ago. Councilmember Bennett continued by discussing the January 2024 Financials which stated that there was \$468,000.00 in the Capital Improvement Fund and an overage from 2024 in the amount of roughly \$140,000.00 that still needed to be deposited into the Capital Improvement Fund. Councilmember Figueroa again stated that the City could afford payments if the Maintenance Barn was financed instead of paying cash. Councilmember Sayre inquired if there was a maximum limit of bonds a city could have to which City Administrator Kizzee stated that there is not a maximum amount of bonds a city could have but a total dollar amount of bonding power. Councilmember Bennett stated that the citizens do not want Certificate of Obligation Bonds and that if the city has cash on hand, the city should use available cash for the Maintenance Barn. Councilmember Sayre stated that both Councilmember Figueroa and

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Councilmember Bennett had good arguments. Councilmember Fladmark inquired what the timeline would be to get a bond for the Maintenance Barn if the City Council choose to do so to which Councilmember Figueroa stated that it would take 47 days for the Public Notice, but the bond could be called before 47 days. Councilmember Fladmark stated that he had concerns regarding not knowing the ad valorem base prior to May 2025. Councilmember Bennett stated that the City should not take out the Certificate of Obligation Bond and pay interest on a Bond if the city currently has the funds to pay for the Maintenance Barn.

- Scott Felton spoke in favor of the City Council going out for Bonds for this project and keeping the cash on hand.
- Diann Carroll stated that the City will need to go out for bonds in the future to fix the drainage problem. Carroll continued by stating that she was worried that the younger families in Tool would be taxed beyond taxation and concluded by stating that the citizens would not pass a bond for 1.5 million dollars.

City Attorney Blake Armstrong stated that drainage was not an Agenda item, and that discussion should return only to agenda Items.

Councilmember Fladmark discussed the pros and cons of going out for a Certificate of Obligation Bond verses using cash. After Amendment, Motion to Authorize City Administrator to go out for Request for Proposals #2025-01, Maintenance Barn, for the City of Tool was made by Councilmember Bennett with second by Councilmember Sayre. Motion Passed 5/0.

Councilmember Fladmark requested changes to the Request for Proposals format highlighting the need for City Officials to have their names listed in addition to their titles within the City and that the amounts listed in the Request for Proposals to be in US Dollars.

Executive Session

Councilmember Figueroa recused himself at the start of this item and asked to be allowed to speak as a citizen during this item.

Mayor Dumont allowed the following citizens to speak on these items prior to convening into Executive Session:

- Diann Carroll expressed concern with the proposed annexation and discussed the Letter of Intent that was submitted by Councilmember Figueroa. Carroll continued by inquiring why Fig's Backyard was included in the proposed annexation and concluded by inquiring how the proposed revenue for Fig's Steakhouse was calculated.
- Kathy Donoghue inquired how many annexations were done prior to the proposed annexation, if there were any special attachments to those annexations, and concluded by stating that how this annexation were to be handled tonight would set precedence for all annexations going forward.

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- Mark Holley stated that there were many benefits to the annexation and that the city would benefit from this annexation.
 - Scott Felton stated that he would not want to share his business information with a City and understood wanting to keep that information private. Felton continued by stating that he was in favor of the annexation. Felton concluded by stating that he had known Councilmember Figueroa for a while and that he wants to help the City and has a pure interest to the City.
 - Greg Figueroa stated that his intent was to give a gift to the City of Tool to help financially that will in turn help pay for the Senior Tax Freeze that was passed last year. Figueroa continued by stating that he was choosing to annex Fig's Steakhouse and that the only way to annex into the City is by petition from the property owner. Figueroa concluded by discussing the terms of the proposed annexation as listed in the Letter of Intent for Fig's Steakhouse located at 1204 N. Tool Dr., Tool, Texas 75143
5. Convene into executive session pursuant to Texas Government Code Chapter 551 (2) sections: @ 7:20 p.m.
- A. Section 551.071 (Consultation with City Attorney) to receive legal advice regarding annexation procedures
 - B. Section 551.087 (Economic Development) to discuss annexation parameters for 1204 N. Tool Dr., Tool, Texas 75143
6. Reconvene in open session and take any action necessary resulting from executive session @ 8:51 p.m.
- A. Motion to move forward with annexation procedures for 1204 N. Tool Dr., Tool, Texas 75143 was made by Councilmember Sayre with second by Councilmember Bennett. Motion Passed 4/0.
 - B. After Amendment, Motion that part of the annexation of a Chapter 380 Economic Incentive Agreement being negotiated under the following terms:
 - 1. A 100% Sales Tax rebate for Fig's Steakhouse for first four years
 - 2. A 50% Sales Tax rebate for Fig's Steakhouse from year five moving forward until such time, Figueroa sales tax rebates figures reach \$500,000.00.

Motion made by Councilmember Sayre with second by Councilmember Stykes. Motion Passed 4/0. Councilmember Figueroa did not vote on Item Six since he had recused himself on Items Five and Six.

Greg Figueroa, as a citizen, spoke stating that he was fine with the terms of the agreement however he was disappointed because the purpose of the annexation was to give the City of Tool money tomorrow, not in four years. Figueroa continued by stating that this deal was better for him than the City of Tool and that was not his intention. Figueroa concluded by stating that his intention of this annexation was to benefit the City of Tool immediately and that this deal did not do that.

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7. **Council Comments** - *Hear announcements concerning matters appearing on the agenda; items of community interest; and/or inquiries of staff regarding specific factual information or existing policy from the Mayor, Councilpersons, and City staff, for which no formal action will be discussed or taken.*

- A. Councilmember Fladmark thanked everyone for coming to the meeting tonight and their perseverance during this meeting
- B. Councilmember Sayre thanked everyone for coming to the meeting and their patience during the meeting
- C. Councilmember Bennett thanked everyone for coming to the meeting and concluded by stating that the City Council chose to take the deal that would be no risk to the City of Tool
- D. Councilmember Stykes thanked everyone for coming to the meeting and that the annexation would be good for the City of Tool
- E. Mayor Dumont thanked everyone for coming to the meeting and thanked City Attorney Blake Armstrong for coming to the meeting and providing legal advice.

8. **Staff Comments** - *Hear announcements concerning matters appearing on the agenda; items of community interest; Staff gives regards dealing with specific factual information or existing policy dealing within the City, that may have an impact on citizens, staff or the City Council of Tool. No formal action will be discussed or taken.*

- None

9. **Closing**

- A. Next Meeting: February 20th, 2025
- B. Adjourn @ 9:00 p.m.

A meeting that is “open to the public”, pursuant to the Open Meetings Act, is one that the public is permitted to attend. The act does not entitle the public to choose the items to be discussed or to speak about items on the agenda. If the City Council, during the course of the meeting covered by this notice, should determine that an executive session is required, then such executive session, as authorized by the Texas Open Meetings Act, Texas Government Code, Section 551.001 et seq., will be held by the Council at the date, hour and place given in this notice, concerning but not limited to the following sections and purposes of the Act: 551.071 Private consultation with the city’s attorney; 551.072 Deliberations about Real Property; or, 551.074 Discussing personnel or to hear complaints against personnel. Should any final action, final decision or final vote be required in the opinion of the City Council regarding any matter considered in such executive session, then the final action, final decision or final vote shall be in the open meeting covered by this Notice upon the reconvening of the public meeting.

I certify that the above notice of meeting, a true and correct copy, was posted on the bulletin board in front of Tool City Hall prior to the required 72 hours and that the city’s official newspaper was notified.

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Attest:

Mike Dumont 3/26/25

Mike Dumont, Mayor



Kimberley Price

Kimberley Price, City Secretary