

**REGULAR MEETING OF CITY COUNCIL
MARCH 7, 2006 1:30 P.M.**

PRESENT: Jeff Brain Mayor
Judy Flanders Mayor Pro-tem
Charles Loftis Council Member
Charles Gillingham Council Member
Garrett Spradling Council Member

STAFF: Wanda Klause City Manager
Tom Edmonds City Attorney
Eddie Edwards Assistant City Manager
Larry Mullenix Director, Planning & Zoning
Jimmy Adams Police Chief
Glynn Carlock Director of Finance

VISITORS: Mark Rhoten
Herb Swender Frank Phillips College
Kent Satterwhite Canadian River Municipal
Water Authority
John Ray
Judy Mihm
Gloria Rummel

NEWS MEDIA: Michelle Berry Borger News Herald

MINUTES APPROVED: Following review of the minutes of the Regular Meeting of February 21, 2006, motion was made by Council Member Loftis, seconded by Council Member Gillingham, to approve the minutes as written. The motion carried by the following vote:

Ayes: All members present voted aye.
Nays: None.

PAYMENT OF EXPENDITURES APPROVED: The expenditures for the last half of February were submitted for the consideration of the Council. Following discussion, motion was made by Council Member Spradling, seconded by Mayor Pro-tem Flanders, to approve payment of the expenditures for the last half of February as submitted. The motion carried by the following vote:

Ayes: All members present voted aye.
Nays: None.

**CANADIAN RIVER MUNICIPAL WATER AUTHORITY'S ISSUANCE OF ITS
CONTRACT REVENUE BONDS SERIES 2006 ON APRIL 12, 2006, OR AS SOON**

THEREAFTER AS POSSIBLE APPROVED: Assistant City Manager Eddie Edwards and Kent Satterwhite, General Manager, Canadian River Municipal Water Authority, reviewed documentation concerning the Authority's issuance of its Contract Revenue Bonds Series 2006 on April 12, 2006, or as soon thereafter as possible. Following discussion, motion was made by Council Member Gillingham, seconded by Mayor Pro-tem Flanders, to authorize issuance of Contract Revenue Bonds, Series 2006 (Conjunctive Use Groundwater Supply Project) for Project Construction Costs, exclusive of Financing Costs not to exceed \$50,000,000 with a total par amount of the Authority's Revenue Bonds not to exceed \$55,080,000, including Financing Costs if all member cities also agree. The City further agrees to the Authority's issuance of its Contract Revenue Bonds on April 12, 2006, or as soon thereafter as possible. The motion carried by the following vote:

Ayes: All members present voted aye.
Nays: None.

CITY OF BORGER'S LEVEL OF PARTICIPATION AND METHOD OF FUNDING

APPROVED FOR CONTRACT REVENUE BONDS SERIES 2006 DEFINED: Eddie Edwards, Assistant City Manager, reviewed the options available for the City's level of participation and method of funding its portion of the Project Construction Costs. Following discussion, motion was made by Council Member Spradling, seconded by Council Member Loftis, to authorize the City to participate at a level that maintains its share of total groundwater supply at the same percentage with the additional share of water rights being added to its original groundwater allocation, and the City wants any additional amount that becomes available; further, the City will participate solely through the participation in the Authority's Revenue Bonds. The motion carried by the following vote:

Ayes: All members present voted aye.

Nays: None.

RESOLUTION NO. R-003-06 APPROVED: Resolution No. R-003-06 was submitted for the consideration of the City Council. Following discussion, motion was made by Council Member Gillingham, seconded by Council Member Spradling, to approve the resolution. The motion carried by the following vote:

Ayes: All members present voted aye.

Nays: None.

The resolution read as follows:

A RESOLUTION BY THE CITY OF BORGER, TEXAS, AUTHORIZING PARTICIPATION IN THE AMOUNT OF PROJECT CONSTRUCTION COSTS FOR THE CANADIAN RIVER MUNICIPAL WATER AUTHORITY AND THE APPROVAL OF AN AMENDMENT TO THE CITY'S CONJUNCTIVE USE GROUNDWATER SUPPLY AGREEMENT WITH THE CANADIAN RIVER MUNICIPAL WATER AUTHORITY

WHEREAS, the City of Borger, Texas (the "City") has entered into that certain Agreement for the Purchase and Acquisition of Conjunctive Use Groundwater Supply (the "Agreement") entered into as of May 15, 1996, as amended, with the Canadian River Municipal Water Authority (the "Authority"); and

WHEREAS, the Authority has entered similar agreements with each of the other cities that are members of the Authority (the "Member Cities"); and

WHEREAS, the Authority issued its Canadian River Municipal Water Authority Contract Revenue Bonds, Series 1996 (Conjunctive Use Groundwater Project); Canadian River Municipal Water Authority Contract Revenue and Refunding Bonds, Series 1999 (Conjunctive Use Groundwater Project); Canadian River Municipal Water Authority Contract Revenue Bonds, Series 2005 (Conjunctive Use Groundwater Project) and Canadian River Municipal Water Authority Contract Revenue Refunding Bonds, Series 2005 (Conjunctive Use Groundwater Supply Project); and

WHEREAS, the Agreement requires certain notice requirements before the Authority may issue Additional Bonds, as defined in the Agreement; and

WHEREAS, refunding bonds are Additional Bonds under the Agreement; and

WHEREAS, the additional amount needed in Project Construction Costs, exclusive of Financing Costs is \$50,000,000; and

WHEREAS, the City agrees that the Additional Water Rights should be acquired and the Canadian River Municipal Water Authority Contract Revenue Refunding Bonds, Series 2005 (Conjunctive Use Groundwater Supply Project) should be issued for such purpose.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BORGER, TEXAS:

SECTION 1. That the City agrees to the proposed total amount of Project Construction Costs for the additional water rights should not exceed \$55,08,000, with the project construction costs, exclusive of financing costs, not exceed \$50,000,000.

SECTION 2. That the Amendment No. 3 to the Conjunctive Use Groundwater Supply Agreement is hereby approved.

SECTION 3. That the City Secretary be and is hereby authorized to deliver certified copies of this Resolution and minutes pertaining to its adoption and the Amendment to the Conjunctive Use Groundwater Supply Agreement to the Secretary of the Canadian River Municipal Water Authority in such number as may be requested for said Authority's records and proceedings.

* * * * *

AGREEMENT FOR PERFORMANCE OF SERVICES APPROVED: Assistant City Manager Eddie Edwards and Herb Swender, President of Frank Phillips College, reviewed an agreement for performance of services between the City and FPC. Following review and discussion of the agreement, motion was made by Mayor Pro-tem Flanders, seconded by Council Member Loftis, to approve the agreement. The motion carried by the following vote:

Ayes: All members present voted aye.
Nays: None.

PUBLIC HEARING SCHEDULED TO HEAR SPECIFIC USE PERMIT REQUEST: Director of Planning & Zoning Larry Mullenix submitted a request from Charles Fletcher for a specific use permit in order to construct an RV park at 707 S. Main Street, Lots 8-9, Block 28, Isom Addition. Following discussion, motion was made by Council Member Loftis, seconded by Mayor Pro-tem Flanders, to receive the request and schedule a public hearing for 1:30 p.m., April 4, 2006 to allow for citizen comments. The motion carried by the following vote:

Ayes: All members present voted aye.
Nays: None.

RECOMMENDATIONS FROM HUTCHINSON COUNTY APPRAISAL DISTRICT FOR DISPOSITION OF PROPERTY APPROVED: Chief Appraiser of the Hutchinson County Appraisal District Bill Swink submitted the following recommendations to dispose of property which did not sell at a tax sale auction:

(a) Lot 8, Block 5, Rock Creek Addition, 814 Canady. Recommended accepting the \$400.00 bid for this property. Following discussion, motion was made by, Council Member Spradling, seconded by Mayor Pro-tem Flanders, to approve the sale as recommended. The motion carried by the following vote:

Ayes: All members present voted aye.
Nays: None.

(b) Lot 15, Block 8, Coronado Addition, 1301-A Haggard. Recommended rejecting the bid of \$500.00 and making a counter offer of \$1,457.68 as a minimum bid. Following discussion, motion was made by Council Member Spradling, seconded by Mayor Pro-tem Flanders, to reject the bid of \$500.00 and make a counter offer of \$1,000.00. The motion carried by the following vote:

Ayes: All members present voted aye.
Nays:

(c) Lot 12, Block 5, Gateway Heights Addition, 1213 Hazelwood. Bid of \$500.00 was received. Chief Appraiser said lot should sell for \$1,500. Following discussion, motion was made by Council Member Spradling, seconded by

Council Member Loftis, to accept the bid of \$500.00. The motion carried by the following vote:

Ayes: All members present voted aye.

Nays: None.

MEMBER APPOINTED TO PLANNING & ZONING COMMISSION: Mayor Brain said that the Planning & Zoning Commission submitted two names to be considered in filling one three year expired term on the Commission. Mayor Brain asked if the Council wished to submit any other names for consideration. Mayor Pro-tem Flanders submitted the name of David Brown, General Manager of Groendyke Trucking, as a candidate for appointment. Following discussion, motion was made by Mayor Pro-tem Flanders, seconded by Council Member Spradling, to appoint David Brown to serve a three year term as a member of the Planning and Zoning Commission. Term to expire March 31, 2009. The motion carried by the following vote:

Ayes: All members present voted aye.

Nays: None.

QUESTIONS AND COMMENTS FROM CITIZENS: Mark Rhoten addressed the Council concerning golf balls hitting his property as a direct result of the Phillips Municipal Golf Course Driving Range. He said he appreciated attempts made by management of the Golf Course to limit the number of balls coming off the driving range; however, their efforts have proven to be futile. City Manager Wanda Klause said she, Larry Mullenix and Larry Byrd met with Larry Joe Reed, the golf pro at Phillips Municipal Golf Course, Tuesday, March 7, 2006, to discuss options available to remedy this problem. Mr. Reed said the only option that would solve the problem is to move the driving range between the 10th and 18th tee. Klause agreed to assist the golf course with this move. Mr. Rhoten was pleased with this decision. Klause said that the move would take place as soon as the details could be worked out. No further action required.

MEETING ADJOURNED: There being no further business, the meeting was adjourned.

Mayor

ATTEST:

City Secretary