

ROLL CALL WAS ANSWERED BY COUNCIL MEMBERS:

RUBEN FALCON, JAMES WARNOCK, MIKE URETA, JR., &
 DINO RAMIREZ
 ABSENT: CHRIS ALEXANDER & BILLY JACKSON

MAYOR: JOE CHRIS ALEXANDER
 CITY MANAGER: FRANK RODRIGUEZ III
 CITY SECRETARY: DELMA A. GONZALEZ
 CITY ATTORNEY: JESSE GONZALES, JR.

Council Member Falcon called the Regular Meeting to order at 5:30 p.m. after declaring a quorum present.

Council Member Warnock read the Invocation prepared by a high school student.

Council Member Ureta led the Pledge of Allegiance

Mayor Alexander read the Mission Statement: "The Mission of the City of Fort Stockton Municipal Government is to Promote & Value Public Confidence and Trust by the Accountable and Responsible Use of Community Resources; to Ensure Public Safety; Improve Public Services; Promote Local Recreation and Entertainment; and Generate Economic Development."

FIRST ORDER OF BUSINESS:

✚ Public Testimony on Agenda Items Only.

Public comments regarding Agenda Items were not received by those in attendance.

SECOND ORDER OF BUSINESS:

2. Consent Agenda:

Minutes:

- Regular Meeting Minutes of Fort Stockton City Council, 01/09/2018
- Special Meeting Minutes of Fort Stockton City Council, 01/16/2018
- Regular Meeting Minutes of Intergovernmental Recreation Board, 11/15/2017
- Regular Meeting Minutes of Housing Authority Board, 11/15/2017

Accounts Payable Total: \$ 204,593.18
 Account Recap Report Total: \$16,916,662.39

Motion was made, seconded and carried unanimously to approve the Consent Agenda, as presented.

THIRD ORDER OF BUSINESS:

3. Chief Executive Officer Dale Shope with Dale Shope Construction --

FALCON
 WARNOCK
 URETA
 RAMIREZ

MOVED	SECOND	VOTED AYE	VOTED NAY
			X
			X
			X
			X
	X		
	X		

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Chief Executive Officer Shope with Dale Shope Construction reported that a prior study was conducted on the City's Wastewater Treatment Facility, available grants, and tax credits for the City and Pecos County wherein both qualified for Solar Renewal Energy Grants. This proposal would be funded by a USDA grant with the opportunity for tax credits and investments. Approximately 75% of the 6-month project would be subsidized by the grant which would provide a 25-year fixed interest rate for roughly 2.78 acres of land. The City's out-of-pocket expense would be 25%.

According to Director of Public Works Ramos, a consideration could be a backup system due to the facility's inconsistent power. Battery technology was the new energy and an available option from this USDA grant. Additional enhancements for the future could include system revisions/add-ons. If this project was authorized, they would complete the financial application process.

Dale Shop Construction had been in Texas for approximately 1 year and was currently working with Snyder on a wastewater system. Unlike the City, Snyder pumped less water and lacked the opportunity to qualify for tax credits.

4. Discuss/Act upon Resolution No. 18-100R, regarding the Annual Review of the Current City of Fort Stockton Investment Policy Manual.

Director of Finance Rodriguez conveyed that the City's current Investment Policy Manual remained unchanged.

Motion was made, seconded and carried unanimously to approve Resolution No. 18-100R, regarding the Annual Review of the Current City of Fort Stockton Investment Policy Manual.

5. Discuss/Act upon City of Fort Stockton Order of General & Special Election and Notice of General & Special Election for May 5, 2018; with Early Voting from April 23, 2018 –May 1, 2018.

FALCON
WARNOCK
URETA
RAMIREZ

VOTED NAY	
VOTED AYE	X X X X
SECONDED	
MOVED	X
	X

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City Manager Rodriguez apprised Mayor & Council Members that the ¼% Sales Tax for Street Maintenance (H.B. 445) needed to be reauthorized every 4 years by the constituents. It will expire on September 30, 2018 and therefore needed to be placed on the ballot for the Special Election.

FALCON
 WARNOCK
 URETA
 RAMIREZ

VOTED NAY
 VOTED AYE
 SECONDED
 MOVED
 X
 XX

Motion was made, seconded and carried unanimously to approve City of Fort Stockton Order of General & Special Election and Notice of General & Special Election for May 5, 2018; with Early Voting from April 23, 2018 – May 1, 2018.

SIXTH ORDER OF BUSINESS:

6. Discuss/Act upon Agreement By & Between the City of Fort Stockton and the Fort Stockton Independent School District Wards #4 & #6 to hold a Joint Election during Early Voting by Personal Appearance Beginning April 23, 2018 - May 1, 2018 & Election Day May 5, 2018.

FALCON
 WARNOCK
 URETA
 RAMIREZ

VOTED NAY
 VOTED AYE
 SECONDED
 MOVED
 X
 XX

Motion was made, seconded and carried unanimously to approve Agreement By & Between the City of Fort Stockton and the Fort Stockton Independent School District Wards #4 & #6 to hold a Joint Election during Early Voting by Personal Appearance Beginning April 23, 2018 - May 1, 2018 & Election Day May 5, 2018.

SEVENTH ORDER OF BUSINESS:

7. Discuss/Act Upon Pecos County, Texas – City of Fort Stockton, Texas Interlocal Services Agreement Regarding Emergency Communications Network-Code Red.

City Manager Rodriguez commented that this 2017-2018 agreement which provided Code Red notification services in Pecos County was renewed yearly. The total cost to be paid by Pecos County to Emergency Communications Network (ECN) was \$14,500.00. A payment from the City totaling \$7,250.00 would be reimbursed to Pecos County for this service.

FALCON
 WARNOCK
 URETA
 RAMIREZ

VOTED NAY
 VOTED AYE
 SECONDED
 MOVED
 X
 XX

Motion was made, seconded and carried unanimously to approve the 2017-2018 Pecos County, Texas – City of Fort Stockton, Texas Interlocal Services Agreement Regarding Emergency Communications Network-Code Red.

CITY OF FORT STOCKTON, TEXAS
 MINUTES OF: REGULAR CITY COUNCIL MEETING
 DATE OF MEETING: JANUARY 23, 2018
 TIME OF MEETING: 5:30 P.M.
 PLACE OF MEETING: CITY HALL COUNCIL CHAMBER

ROLL CALL WAS ANSWERED BY COUNCIL MEMBERS:

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EIGHTH ORDER OF BUSINESS:

8. Discuss/Act upon Permit to Conduct 3-D Geophysical Seismic Survey on 1,333.15749 Acres of City Property, As Requested by TGS-NOPEC Geophysical Company (TGS).

FALCON
 WARNOCK
 URETA
 RAMIREZ

X
 X
 X
 X

Motion was made, seconded and carried unanimously to approve Permit to Conduct 3-D Geophysical Seismic Survey on 1,333.15749 Acres of City Property, As Requested by TGS-NOPEC Geophysical Company (TGS) with total payment to the City being \$26,663.15.

NINTH ORDER OF BUSINESS:

9. Discuss/Act upon the 1st Quarterly Revenue & Expense Report ending December 31, 2017.

Director of Finance Rodriguez provided a summary of the 1st Quarterly Revenue & Expense Report ending December 31, 2017. As of this date, 25% of the Fiscal Year budget was completed.

Year-To-Date Actuals were as follows:

	Revenues:	%:	Expenses:	%:
General Fund:	\$2,939,448.71	35.10	\$1,974,309.60	32.94
• Surplus of \$965,139.11				
HB 445 Road Repair:	\$ 246,661.85	53.62	\$ 42,320.88	10.64
• Surplus \$204,340.97				
Recreation:	\$ 104,672.00	28.16	\$ 91,596.74	29.14
• Surplus of \$13,075.26				
Housing Authority:	\$ 127,424.86	27.40	\$ 120,470.00	25.90
• Surplus of \$6,954.86				
Enterprise Fund:	\$2,620,855.45	24.79	\$2,234,988.98	29.34
• Surplus of \$385,866.47				
EDC 4A:	\$ 274,565.30	44.11	\$ 35,388.95	16.50
• Surplus of \$239,176.35				
EDC 4B:	\$ 249,548.85	53.90	\$ 16,359.80	16.58

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- Surplus of \$233,189.05

CVB: \$ 496,610.22 38.08 \$ 172,692.44 31.10

- Surplus of \$323,917.78

Debt Service \$ 408,665.64 23.15 \$ 5,896.84 0.33

- Surplus of \$402,768.80

Special Assessment: \$ 115,264.60 17.06

- This fund is allocated for the infrastructure.

Motion was made, seconded and carried unanimously to approve the 1st
 Quarterly Revenue & Expense Report ending December 31, 2017.

TENTH ORDER OF BUSINESS:

10. Discuss/Act upon the 1st Quarterly Investment Report ending December
 31, 2017.

Director of Finance Rodriguez reported that in accordance with the City of Fort
 Stockton Investment Policy and the Public Funds Investment Act, she was
 submitting the 1st Quarterly Investment Report ending December 31, 2017.

As of January 3, 2018, TexPool's average interest rate was 1.28%, LOGIC's
 average interest rate was 1.38%, 90-Day T-Bills were 1.41% and 1-Year T-Bills
 were 1.81%. Currently, PCSB was @ 1.70%.

In accordance with Resolution No. 11-110R, the City exceeded the required 7%
 (\$1,321,948.25) of General Fund's and Enterprise Fund's \$18,884,975.00
 budgeted expenses by maintaining \$7,634,773.83 this quarter.

General Fund:

Balance @ October 2017:	Market Value:	Quarterly Interest Earned:
LOGIC (1.3784%)	\$3,041,626.94	\$10,110.33
General Operations (1.4100%)	\$4,593,146.89	\$14,224.31
TOTAL:	\$7,634,773.83	\$24,334.64

Convention & Visitors Bureau:

Balance @ October 2017:	Market Value:	Quarterly Interest Earned:
LOGIC (1.3784%)	\$ 760,930.43	\$2,522.90

FALCON
 WARNOCK
 URETA
 RAMIREZ

VOTED NAY	
VOTED AYE	X
SECOND	X
MOVED	X

CITY OF FORT STOCKTON, TEXAS
 MINUTES OF: **REGULAR CITY COUNCIL MEETING**
 DATE OF MEETING: **JANUARY 23, 2018**
 TIME OF MEETING: **5:30 P.M.**
 PLACE OF MEETING: **CITY HALL COUNCIL CHAMBER**

ROLL CALL WAS ANSWERED BY COUNCIL MEMBERS:

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PCSB (1.4100%)	\$ 993,015.25	\$2,746.74
TOTAL:	\$1,753,945.68	\$5,269.64

EDC - 4A

Balance @ October 2017:	Market Value:	Quarterly Interest Earned:
LOGIC (1.3784%)	\$1,014,573.90	\$3,363.85
PCSB (1.4100%)	\$ 811,267.89	\$2,512.04
TOTAL:	\$1,825,841.79	\$5,875.89

2017 Series Certificates of Obligation:

Balance @ October 2017:	Market Value:	Quarterly Interest Earned:
LOGIC (1.3784%)	\$2,446,753.51	\$9,002.35
PCSB (1.4100%)	\$ 10,425.69	\$ 12.39
TOTAL:	\$2,457,179.20	\$9,014.74

**FALCON
 WARNOCK
 URETA
 RAMIREZ**

**X
 X
 X
 X**

**Motion was made, seconded and carried unanimously to approve the 1st
 Quarterly Investment Report ending December 31, 2017 for City General,
 CVB, EDC 4-A & 2017 Series Certificate of Obligations.**

**Council Member Falcon recessed from the Regular Meeting @ 5:55 p.m. to
 convene into the:**

ELEVENTH ORDER OF BUSINESS:

**11. City Council May Convene in Closed Session in Accordance with the
 Texas Open Meetings Act, Texas Government Code, Concerning
 Attorney-Client Matters (§551.071); Deliberation regarding Real
 Property (§551.072); Deliberation regarding Prospective Gifts (§551.073);
 Personnel Matters (§551.074); and/or Deliberation regarding Security
 Devices (§551.076):**

**Ref: Discuss Contemplated Litigation and Confidential Settlement
 Agreement with Halcón Resources Concerning Use of Blue Ridge
 Property.**

Council Member Falcon closed the Executive Session(s) @ 6:10p.m. to:

TWELFTH ORDER OF BUSINESS:

**12. Reconvene into Open Session Pursuant to Texas Government Code
 Section §551.102 & Take Action, if any, on Matters Deliberated in
 Executive Session:**

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(11) Discuss/Act upon Contemplated Litigation and Confidential Settlement Agreement with Halcón Resources Concerning Use of Blue Ridge Property.

No Action Taken.

THIRTEENTH ORDER OF BUSINESS:

13. Discuss/Act upon Surface Use Agreement between the City of Fort Stockton and Halcón Resources Regarding the Use of Stockton Farms for Oil and Gas Purposes.

City Water Attorney Harral stated that the finalized Surface Use Agreement between the City of Fort Stockton and Halcón Resources regarding the Use of Stockton Farms for Oil and Gas Purposes would be presented during the February 13, 2018 Regular City Council Meeting. Progress was realized with Halcon Resources within the last 2 weeks.

Motion was made, seconded and carried unanimously to table Surface Use Agreement between the City of Fort Stockton and Halcón Resources Regarding the Use of Stockton Farms for Oil and Gas Purposes.

FOURTEENTH ORDER OF BUSINESS:

14. Discuss/Act upon Right-of-Way Agreement between the City of Fort Stockton and Halcón Resources Regarding the Use of Stockton Farms for Oil and Gas Purposes.

City Water Attorney Harral commented that Halcón Resources was seeking a right-of-way at Stockton Farms to access some adjacent property for oil and gas purposes. The proposed agreement contained the University Lands Rate and Surface Use Schedule. He and City Manager Rodriguez would arrange a "kick-off" meeting regarding this right-of-way agreement.

Motion was made, seconded and carried unanimously to approve Right-of-Way Agreement between the City of Fort Stockton and Halcón Resources Regarding the Use of Stockton Farms for Oil and Gas Purposes.

FALCON
 WARNOCK
 URETA
 RAMIREZ

Moved	Seconded	Voted Aye	Voted Nay
			X
			X
X			X
X			X

FALCON
 WARNOCK
 URETA
 RAMIREZ

X
 X
 X
 X

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FIFTEENTH ORDER OF BUSINESS:

15. Discuss/Act upon Surface Use Agreement between the City of Fort Stockton and Halcón Resources Regarding the Use of Blue Ridge Property for Oil and Gas Purposes.

City Water Attorney Harral stated that the finalized Agreement between the City of Fort Stockton and Halcón Resources regarding the Use of Blue Ridge Property for Oil and Gas Purposes would be presented for the February 13, 2018 Regular City Council Meeting.

Motion was made, seconded and carried unanimously to table the Surface Use Agreement between the City of Fort Stockton and Halcón Resources Regarding the Use of Blue Ridge Property for Oil and Gas Purposes.

SIXTEENTH ORDER OF BUSINESS:

16. Discuss/Act upon Authorizing City Manager and City Water Attorney to notify City's Farming and Grazing Surface Lessees at Stockton and Blue Ridge Farms, that the City will operate its Water Wells to Produce Water for Oil and Gas Firms' Use and Benefit in Accordance with their Farming and Grazing Lease.

City Water Attorney Harral asked that this item be tabled. The finalized agreement would be considered during the February 13, 2018 Regular City Council Meeting.

Motion was made, seconded and carried unanimously to table Authorizing City Manager and City Water Attorney to notify City's Farming and Grazing Surface Lessees at Stockton and Blue Ridge Farms, that the City will operate its Water Wells to Produce Water for Oil and Gas Firms' Use and Benefit in Accordance with their Farming and Grazing Lease.

SEVENTEENTH ORDER OF BUSINESS:

17. Questions from the Media on Agenda Items.

There being no further business, the Regular City Council Meeting was adjourned @ 6:11 p.m.

FALCON
 WARNOCK
 URETA
 RAMIREZ

X

X

X
 X
 X
 X

FALCON
 WARNOCK
 URETA
 RAMIREZ

X

X

X
 X
 X
 X

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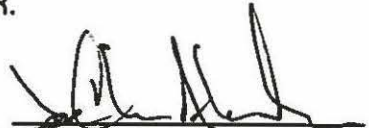
VOTED NAY
VOTED AYE
SECONDED
MOVED

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Joe Chris Alexander, Mayor

ATTEST:

Delma A. Gonzalez, City Secretary