

CITY OF DENTON CITY COUNCIL MINUTES

August 19, 2014

After determining that a quorum was present, the City Council convened in a Work Session on Tuesday, August 19, 2014 at 3:00 p.m. in the Council Work Session Room at City Hall.

PRESENT: Mayor Pro Tem Engelbrecht, Council Member Gregory, Council Member Hawkins, Council Member Johnson, Council Member Roden, Council Member Ryan, and Mayor Watts.

ABSENT: None.

1. Citizen Comments on Consent Agenda Items

There were no citizen comments on Consent Agenda Items.

2. Requests for clarification of agenda items listed on the agenda for August 19, 2014.

Mayor Watts asked about the purchase of the solid waste trucks in terms of how many new trucks were being purchased and how many were replacements.

Terry Kader, Fleet Manager, stated that nine trucks were being purchased; eight were replacements and one was a new addition. There were approximately sixty trucks in the fleet.

Council Member Hawkins asked about the change order process in connection with Consent Agenda Item G regarding the fire station.

Elton Brock, Purchasing Manager, stated that change orders were reviewed by the architect and forwarded to the department for approval. Change orders could be up to 25% of the contract price by State law of the contract amount.

Council Member Hawkins questioned Line 22 "other items" not noted and what were those items.

Brock stated that all change orders over \$100,000 came to Council. With construction contracts it was not possible to detail every single item that might be needed. These were those types of items which might not be detailed until needed.

Council Member Gregory asked if these kinds of contracts were ever under a guaranteed maximum price and might they be considered for future fire stations.

Brock stated that both methods were successful and could be considered in the future.

Council Member Hawkins requested an informal staff report on that issue.

Council Member Ryan stated that he would like more information on Consent Agenda Item P regarding the convention center and the need to pass the item at this time. Pages 8-9 of the backup materials still showed the incorrect size of the convention center.

City Manager Campbell stated that the sequencing was still being determined of when to do what part of the project. The DISD was asking about the maximum of the project and would be

informed that the project might change depending on whether the DISD and County participated in the TIRZ.

Jon Fortune, Assistant City Manager, stated that the final plan was the result of an initial concept of a convention center and hotel. The decision of a specific size was yet to be determined and at some point, the plan would be amended for the final convention center size and project. It was possible to adopt the participation plan but not a requirement. Staff had been asked to show the final plan prior to the DISD or County participation and upon adoption of the plan, would talk to the County and DISD on whether they would participate. If so, the plan would be adjusted. This was the final boundary and financing plan to put into place for the TIRZ; it was not for the convention center.

Council Member Ryan felt that the County and DISD wanted to know the final project rather than the TIRZ and he questioned why it was necessary to do the TIRZ at this time.

Fortune stated that the Master Development Agreement moved the project forward towards the TIRZ. It was a step in the direction to get to a final decision.

Council Member Ryan stated that he would like to pull the item from the Consent Agenda and move it to Items for Individual Consideration.

Mayor Watts stated that when the proposal was considered at the TIRZ Board meeting, it was decided to include it in the plan. He questioned how the proposal would work if neither of the entities participated in the TIRZ.

Fortune stated that the entities would be approving the project and funding would go towards that project. The amount that the DISD and County would provide was yet to be determined. The project would be amended once the level of participation was determined. A range of the amounts was being considered as opposed to a specific amount.

Council Member Johnson stated that there was a need to create a TIRZ as a step in the process but the willingness of the DISD and County to participate might change depending on the scope of the project. There was also the chance to see that the project might change due to their non-participation. He suggested showing the DISD and the County the original project plan and the modified version depending on funding. That might help them become more comfortable with the scope of the project and that it could change and show various versions.

Fortune stated that part of his presentation to the DISD would be to provide that information to them so they are up to speed on the current project.

Council Member Gregory stated that he understood the concerns that the convention center would be different but the convention center was not what the TIRZ was about. The TIRZ involved the hotel, the value of the hotel and property taxes associated with it for the property taxes. The final design of the convention center was not at issue at this meeting.

Council Member Roden stated that this was a unique discussion due to the singular nature of the project. In some cases the TIRZ projects were not known at the time of approval. With that in mind in this community, he questioned why in this particular case, there was a need to know the

square footage and height. He questioned why that amount of detail was needed unless that was what the DISD was requiring.

Council Member Ryan stated that he normally would agree when the TIF was for a larger area with no specific projects but in this case it was for a specific project and taxes would pay for the convention center. If the project ended up with a smaller facility, the County and DISD might not want to participate.

Council Member Johnson stated that there were two different types of project. One for a specific purpose and one for a general area. If it were for a certain project, the decision making would be for that project. If it were a general idea, then the decision would be made on that type of information. It did not seem right not to show the current design of the convention center. Either show the different options or don't show anything.

Mayor Watts stated that when the City did the Downtown TIF project, there was a question on whether the County would be involved. The County never formally voted on the project and the City still moved forward with it. He felt there were some challenges associated with the convention center. The TIRZ was a requirement of the developer to determine if he wanted to move forward with the funding of the project. He agreed that not all TIFs were alike, but in this case, it was already known that it was going to be different; it was hard to agree to vote on the representation of the plan as it was going to be different.

Fortune stated that when the project was presented to the DISD and the concept of participating in the project was provided, the DISD asked to not be included in the participation until there a finalized plan. They did not specifically address a plan, just where the City was in the project.

Council Member Hawkins asked what would happen if the TIRZ was not passed at this meeting.

Fortune stated that if the proposed plan was not passed at this meeting, staff would have to come back with a different plan but if it was taken off the agenda, staff could make changes and return to the TIRZ Board and Council at a later date for approval.

Council Member Gregory asked if Council Member Ryan was looking for revisions in the square footage and elevations to be completed in time for the DISD September 9th.

Council Member Ryan felt that the DISD was looking for the plan and not the TIRZ plan. He felt they were looking for the actual building plan and the plan that was presented at this meeting was factually inaccurate.

Council Member Johnson stated that he did not have a problem with the TIRZ. If Council was approving the TIRZ so it could go to the DISD, he had no problem with TIRZ. He would request that whatever was shown to the DISD was an accurate depiction of what it would look like. The TIRZ was only one step in the process and if the steps were not worked out, the project would not happen.

Council Member Roden asked if there were changes made, did they have to go back to the TIRZ Board or could Council make changes.

City Attorney Burgess stated that Council had approved the TIRZ on June 17th so the TIRZ was official. This item was the plan and finance plan required to be approved by TIRZ Board of Directors before approved by Council. The plan had been approved by the TIRZ Board and if changed, would have to go back to the TIRZ Board.

Council Member Roden stated that the TIRZ Board had two council members on it which he assumed had voted yes to the plan. He questioned what would now be the hesitation to move forward with it at Council.

City Manager Campbell stated that the intent was to present the plan that the TIRZ Board had approved recognizing that there could be some changes.

Mayor Watts stated that the document said it was the final project and financing plan and questioned what exactly Council was approving.

City Attorney Burgess stated that the TIF required approval of a project plan and a financing plan so the document before them were those documents. If Council wanted to go forward tonight, it could amend what they wanted to adopt.

Mayor Watts stated that Council could amend the elevation and square footage and that proposed amendment would not have to go back to the TIRZ Board

City Attorney Burgess stated that the TIRZ Board was a recommending board and Council was the final authority as to the financing of the project plan.

Mayor Pro Tem Engelbrecht stated that one sticking point was that the wording said “final project and financing plan”. He was not sure that it was appropriate to approve as it was not the final plan. He suggested striking “final” and include verbiage that at this time this was known to be correct. A statement could also be added about that the final project plan was still being considered due to various issues. That would allow attaching the latest rendering and go forward that way.

Council Member Gregory stated that the TIRZ had already been created and if the DISD and/or County decided to participate, the ordinance would have to be amended to include those members.

Mayor Watts stated that the City needed to figure out how to get the County and DISD to make a decision regarding their participation in the project. He suggested pulling the item and reschedule it to the September 9th agenda. That would provide time to modify the elevations and square footage to more accurately reflect what would be on the ground.

Council Member Johnson stated if the DISD wanted to see a final plan, putting it off would not do anything for that. To him, the DISD knew where the City was in the project and the City needed to have a determination if the DISD wanted to participate.

Fortune stated that this was the final plan and that the preliminary plan had already been approved.

Mayor Watts stated that if this was the final project plan, then it was final with no changes. He suggested putting it off to finalize the plan instead of coming back to change it.

Council Member Hawkins questioned how to communicate that this was not the final plan.

Fortune stated that the discussion would include an update to the DISD similar to the Council update that would state that there was no final plan because a decision had not been made.

Council Member Roden felt that they were getting hung up on the final plan and confusing what that meant in TIRZ process. The final plans of the convention center was not required for the TIRZ.

Council Member Johnson stated that if the purpose was to have something to go to talk with the DISD, then it should be modified with other elevations. If the purpose was to have something to submit to the State for the TIRZ, then the elevations did not matter.

Mayor Watts felt that the consensus of the Council was to pull the item for Individual Consideration and talk about it during the regular meeting.

Council Member Gregory expressed a concern about people opposed to the convention center who were looking for ways to stop it. He would like when there was any kind of vote on the convention center to have everyone comfortable about what was being considered. The purpose of the item was clear that it was not approving the TIRZ but some were nervous because said "final". He wanted to schedule a vote when there was a high a level of confidence as possible so that when the DISD reviewed it, they could review and determine their participation with equal confidence.

3. Work Session Reports

- A. CA11-0004 Receive a report, hold a discussion, and give staff direction regarding the Denton Plan Update.

Ron Menguita, DRC Administrator, presented the update on the Denton Plan in terms of a Denton Plan 2030 video, project schedule, community vision statement, preferred growth concept, existing trends and issues, and developing the plan elements. He stated that the community vision statement was an expression of the community's collective values and aspirations and a description of what the community wanted to become in the future. Key community vision elements were noted in conjunction with the vision statement.

The preferred growth concept was a conceptual vision for the form, character and general location of development in the city that reflected the input and expressed preferences of the community. It was the future development pattern of the city of Denton over the next 15-20 years. The outcome of the preferred growth concept would be a refined land use map. He showed the progress in the Denton Plan since 1999 and reviewed the current growth dynamics.

Mayor Watts noted a change from the last plan to more multi-family housing preferences from single family.

Council Member Gregory noted that as the discussions were held regarding density that single family attached homes were considered. He had heard that Denton did not have a way to encourage single family attached homes in the core area. He knew there were seniors who would be interested in the proximity to downtown but who also wanted single family attached homes as opposed to apartments.

Menguita stated that issue could still be addressed. He noted that multi-family included townhomes with individual ownership.

Council Member Gregory stated that when mixed use was discussed, it was important to ensure owner occupied residences in every neighborhood.

Menguita continued that other issues since 1999 included gas wells, traffic and air pollution, regional competitiveness, and sprawl. In developing the plan elements, staff took in information from the vision statement and strategic directions, Community Forum 2 input, preferred concept, evolving best practices in comprehensive planning and staff input. Developing the plan elements included (1) plan framework, (2) land use, (3) fiscal and economic vitality, (4) community character, (5) conversation and environment, (6) mobility, (7) housing and neighborhood, (8) community health, safety, and services, (9) facilities and governance, and (10) implementation and monitoring. The implementation and monitoring action plan was reviewed and how it would look as it progressed through the implementation phase. The steps were to release a draft Denton Plan 2030, conduct Community Forum 3, plan refinement, Planning and Zoning Commission workshops, City Council workshops, public hearings and final adoption.

Council Member Roden stated that there were a number of plans in place and this would be the umbrella plan for all of those plans. As the process was being completed, he would like to hear from staff how they were going to coordinate all of those plans and would like an analysis of how future items would coordinate with the plans.

- B. SI14-0002 Receive a report; hold a discussion, and give staff direction regarding offering one year extensions for qualifying properties with Non Annexation Agreements that will expire in early 2015.

Bryan Lockley, Director of Planning, stated that the request was to offer one year extensions for qualifying properties with no annexation agreements that would expire in early 2015. The non-annexation agreements were offered to properties with agricultural, timberland or wildlife tax exemptions. The agreements did not affect tax status of the property, allowed the property to remain in the ETJ, did not interrupt contiguity of the city limits, and were considered development agreements per the Texas Local Government Code. The history of the non-annexation agreements was presented. The 2009 study goals were to protect the north Interstate 35 corridor, protect the future west Loop 288 corridor, manage growth in the City's CCN, create a logical continuous city of Denton boundary, provide future growth areas as recommended by the Denton Plan and reduce the pockets of incorporated areas within the existing city limits. Factors used to determine what areas to annex and criteria for annexation were reviewed. In 2012, 177 non-annexation agreements were completed. The existing agreements allowed development under RD-5 zoning criteria without being annexed. The staff recommendation was to extend the non-annexation agreements for eligible properties for approximately one year or until April 2016.

To be eligible for an extension the properties would still have to have a tax exemption for agriculture, wildlife or timberland use and the properties had not developed in violation of the current agreement, which allowed only single-family, agricultural and related uses per RD-5 zoning standards. The proposed time frame for acceptance of the extended non-annexation agreements was presented.

Council Member Hawkins asked what would happen if this was not done.

Lockley stated that the other alternative was to allow the agreements to expire with the City then not having the ability to simply annex those properties. The ultimate goal was to always annex these properties.

Consensus of the Council was to proceed with the staff recommendation.

- C. ID 14-0431 Receive a report; hold a discussion, and give staff direction regarding the 2014-15 Proposed Budget, Capital Improvement Program and Five-Year Financial Forecast.

Chuck Springer, Director of Finance, stated that he did not have a formal presentation for Council. Staff had sent out responses to Council's prior questions.

Mayor Watts asked about the use of \$15,000 from the Tree Fund for tree plantings.

Emerson Vorel, Director of Parks and Recreation, stated that the original request was to replace \$15,000 of General Fund dollars from the Tree Fund to be used for day to day replacement tree planting. In addition, Council had asked about expanded use of Tree Fund money. There were some larger projects that could be considered such as using \$110,000 to plant 214 trees in Southlakes Park due to requests for plantings to shade the trail there. The funds would help irrigate and plant those trees. Other planting projects were the Vela complex plantings and well as the new dog park next to the Animal Adoption Facility. These were all options that the Council could consider.

Council Member Roden felt that this was a policy question on how to use that fund money. In the case of the \$15,000 the assumption was that it was a cost saving measure to not take the funds out of the General Fund but any other scenario would have come out of Tree Fund. He felt there was a need to get the tree fund ordinance completed before doing projects with the money. The goal of the Tree Fund was not to save taking money out of other funds. He did not think it was the right direction to use a large amount of money from the fund without a policy on how to spend the funds.

Council Member Engelbrecht stated that he was not in favor of spending money for those kinds of projects. He felt the fund was to expand the tree canopy and to do city projects within the confines of a construction project. If it was desired to do it, then some other way was needed to fund it.

Council Member Hawkins agreed that the trail needed trees but he wanted to get organized about the fund.

Vorel stated that the definition of the Tree Fund included such plantings as suggested.

Mayor Watts stated that the question whether to do \$15,000 for the trees or wait for a more comprehensive discussion later.

Consensus of the Council was to proceed with the use of the \$15,000 as proposed in the budget.

Aimee Bissett, Director of Economic Development, provided information regarding the use of TIRZ Funds. The eligible projects for the Downtown TIF were reviewed and noted that the fund had enough money to begin a discussion on how to use the funds.

Council Member Johnson stated that in this instance, TIF money could be spent on a project to fix the Downtown trash collection and dumpster problem in conjunction with the plan from Solid Waste.

Bissett stated that was correct.

Council Member Johnson stated that the challenge was that Solid Waste looked at two different pilot programs of bag or cart service. He questioned what happened to those programs and what project could use some of the TIF funds to help with that issue. He requested an informal staff report on what had been done in this area.

Bissett continued with a proposed supplemental package for TechDenton. The program would add one new full-time employee as a program administrator for \$95,000. The project would include marketing, branding, promotion, business recruitment, and event and program costs. There was also funding for potential technology space in the form of a lease. The total budget cost was \$220,000.

Mayor Watts stated that this position would also be responsible for other projects. The plan was that if the person was needed, he/she would be brought in right away. If hired the individual would help with the implementation of the new initiative but would also help with additional recruitment opportunities. He questioned the delay in the hiring for the position and indicated his support to fill the position now.

Council Member Gregory stated that he wanted to be sure clear direction was given regarding the Community Market. TIRZ money would not be used at this time for the Community Market. For 2014-15, \$10,000 out the reserve fund would be used as a one-time expense. Staff would research a better source of funding on long range basis.

Council Member Roden offered another suggestion for funding dealing with the amount of money in the Council Contingency Funds. The Mayor had suggested using those funds for the Community Market and he liked the idea of using the contingency funds. The next fiscal year staff could look at HOT funds for funding for the Community Market. For this year, take the funding from the contingency funds and allocate them to the Community Market. Council would not be losing their contingency funds for future years but rather would be allocating them for just one year.

Mayor Watts stated that he struggled taking that money out of reserve funds. If the Community Market had a 501(c) 3 status, a HOT funds allocation could be looked at. There were reserves in that fund and he felt there was no problem finding a way to provide funding out of the HOT funds as the budget had not been finalized.

Council Member Hawkins suggested using both council contingency funds and HOT fund reserves.

Springer stated that the HOT Committee had budgeted a contingency of \$15,000 which could be used for the Community Market.

Mayor Watts stated that the Council consensus was to have the HOT Committee meet and provide a recommendation.

Council Member Ryan stated that the job description for the bike coordinator did not include anything about grant writing.

Mark Nelson, Director of Transportation, stated that was included in the responsibility of the job.

Council Member Ryan asked about the health insurance fund and its associated contingency fund.

Bryan Langley, Assistant City Manager, presented information on the purpose of the fund balance and that the contingency line item was to have a plan in place with resources for any large reduction in contributions into the insurance fund.

Council discussed property values and tax rate, re-evaluation of property, whether to cut funding from the street fund at this time and the concept of having excess funds that could be returned and not use for immediate needs.

Mayor Watts stated that the effective tax rate was the same amount of money needed for budgetary needs. If the City had a small tax cut, the difference could be taken out of the reserve fund. He felt strongly that when there was this kind of increase, the City needed to show citizens that it was trying to be fiscally responsible.

Council Member Gregory stated that he had heard from citizens that they would like the streets fixed but had not heard that they wanted a reduction in taxes. Additional funds would be available for streets and for a long time Council had looked for ways to fund streets. Even with this money they would not be where they needed to be in keeping the streets where they were now.

Mayor Watts stated that he was not proposing to remove that money; only look at the difference on what was put in.

Council Member Hawkins stated that he understood that concept but felt as accurate the five year forecast was, that it needed to go into the streets.

Council Member Roden stated that he was comfortable with the staff recommendation as the forecast from last year was for a 1 cent tax increase and from that perspective, taxpayers were getting tax relief.

Council Member Johnson stated that there were big jumps in health care and the City needed to be as frugal as possible about money. He did not agree with a reduction in the tax rate but to leave it as proposed.

Mayor Watts agreed to keep it as presented for this year but to make sure that throughout the next year Council stay on top of things and ask questions so that next year the City was continuing to be prudent as what was done during the recession.

- D. HL13-0001A Receive a report, hold a discussion, and give staff direction regarding an application from the Denton County Historical Commission for the Texas Historical Commission Recorded Texas Historic Landmark Marker for City Hall West.

Bryan Lockley, Director of Planning and Development stated that staff was seeking direction from Council on whether or not to proceed with a Recorded Texas Historic Landmark Designation (RTHL) for City Hall West. He reviewed the history of City Hall West in terms of uses and noted that the building was designated as a local historic landmark in 1982. The effects of local historic designation, the RTHL designation, and opportunities associated with RTHL designation were presented. Another question was whether to do a partial designation of City Hall West but staff had learned that was not an option per the THC requirements. A proposed timeline was presented for a Council resolution and submission of the application. The types of designation markers and associated costs were reviewed.

Council Member Roden thought that Council had given direction in April to move forward with the designation.

Lockley stated that there was no clear direction on moving forward or whether to notify a potential buyer that the designation was a significant factor of the building.

Council Member Johnson stated that if the City owned the building and the usage changed over the years, should only the historic portion of the building be preserved and not the sides. He questioned if the designation would protect the entire exterior of the building which was not readily handicapped accessible. The building would be bound by what the Texas Historical Commission said could be done to the building.

Lockley stated that the THC only made recommendations which the City did not have to follow. The Commission needed to be notified of any changes but it had no ability to approve or deny the changes. It only wanted to ensure that the improvements were in line with the historical nature of a building.

Council Member Gregory stated that the building was already restricted due to local historic designation and a Certificate of Appropriateness would be required if the building were changed.

Council discussed a commitment to preserving the building and the fact that it would add comfort to the community to preserve it without having additional regulations. It was felt that such a designation might also encourage tourism.

Consensus of the Council was to move forward with the designation.

Following the completion of the Work Session, the City Council convened in a Closed Meeting at 6:15 p.m. to consider the specific items listed below under the Closed Meeting section of this agenda.

1. Closed Meeting:

- A. ID 14-0442 Deliberations regarding Real Property - Under Texas Government Code, Section 551.072; and Consultation with Attorneys - Under Texas Government Code, Section 551.071.
 1. Discuss, deliberate, and receive information from staff and provide staff with direction pertaining to the proposed site for reconstruction of the existing Locust Substation in the general area between the intersection of Locust and E. Daugherty and the intersection of Locust and W. Collins St., in the City of Denton, Denton County, Texas, as part of Denton Municipal Electric's service territory. Consultation with the City's attorneys regarding legal issues associated with the potential proceedings against the real property associated with above described area where a public discussion of these legal matters would conflict with the duty of the City's attorneys to the City of Denton and the Denton PUB or the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal position in any administrative proceeding or potential litigation. (Locust Substation Reconstruction-Denton Municipal Electric) [ID14-0443]

- B. ID 14-0444 Deliberations regarding Real Property - Under Texas Government Code, Section 551.072; and Consultation with Attorneys - Under Texas Government Code, Section 551.071.
 1. Discuss, deliberate, and receive information from staff and provide staff with direction pertaining to the potential eminent domain proceedings against certain real property interests located in the M. Forrest Survey, Abstract Number 417, in the City of Denton, Denton County, Texas, being a fee interest in land, regarding a certain 10.372 acre tract of land located generally north of Blagg Road and east of Geesling Road, for the public use of expansion, construction, maintenance, operation, and improvement of electric transmission and distribution lines facilities, and structures, as well as substations. Consultation with the City's attorneys regarding legal issues associated with the potential proceedings against the real property described above where a public discussion of these legal matters would conflict with the duty of the City's attorneys to the City of Denton and the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal position in any

administrative proceeding or potential litigation. (ARCO Substation Re-construction-Denton Municipal Electric) [ID 14-0397]

- C. ID 14-0447 Certain Public Power Utilities: Competitive Matters - Under Texas Government Code, Section 551.086.
 - 1. Receive a presentation from Staff regarding the proposed amendment of the FY 2013-2014 DME Budget and Annual Program of Services; discuss, deliberate and provide staff with direction. [ID 14-0446]

- D. ID 14-0449 Certain Public Power Utilities: Competitive Matters - Under Texas Government Code Section 551.086.
 - 1. Receive competitive public power information and competitive financial information from staff in the form of a proposed operating budget for Denton Municipal Electric ("DME") for FY 2014-2015, including without limitation, revenues, expenses, commodity volumes, and commitments; and discuss, deliberate, consider adoption of the budget and other matters, and provide staff with direction regarding such matters.

This item was not considered.

- E. ID 14-0455 Consultation with Attorneys - Under Texas Government Code, Section 551.071.
 - 1. Consult with and provide direction to City's attorneys regarding legal issues and strategies associated with Gas Well Ordinance regulation of gas well drilling and production within the City Limits and the extraterritorial jurisdiction, including: Constitutional limitations, statutory limitations upon municipal regulatory authority; statutory preemption and vested rights; impacts of federal and state law and regulations; impacts of gas well drilling upon protected uses and vice-versa; moratorium on drilling and production; other concerns about municipal regulatory authority or matters relating to enforcement of the Gas Well Ordinance; settlement matters concerning gas well drilling in the City; surface development issues involving surface and mineral estates; and legal matters associated with a citizen's initiative regarding hydraulic fracturing where a public discussion of these legal matters would conflict with the duty of the City's attorneys under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas.

Regular Meeting of the City of Denton City Council at 6:30 p.m. in the Council Chambers at City Hall, 215 E. McKinney Street, Denton, Texas.

1. PLEDGE OF ALLEGIANCE

The Council and members of the audience recited the Pledge of Allegiance to the U. S. and Texas flags.

2. PROCLAMATIONS/PRESENTATIONS

A. ID 14-0415 Live United Month

Mayor Watts presented the proclamation for Live United Month.

B. ID 14-0459 Presentation by Phil Williams, DME General Manager, recognizing the outstanding accomplishments of Denton Municipal Electric's Lineman Rodeo Team at the 18th Annual Texas Lineman's Rodeo.

Phil Williams, DME General Manager, recognized the outstanding accomplishments of Denton Municipal Electric's Lineman Rodeo Team.

3. CONSENT AGENDA

Council Member Gregory motioned, Council Member Hawkins seconded to approve the Consent Agenda with the exception of Item P which would be pulled for separate consideration. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "aye", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2014-245

A. ID 14-0375 Consider adoption of an ordinance authorizing the City Manager to execute an Interlocal Cooperative Purchasing Program Agreement with the City of Bryan, Texas under Section 271.102 of the Local Government Code, to authorize mutual participation in various City of Bryan and City of Denton contracts for the purchase of various goods and services; authorizing the expenditure of funds therefor; and declaring an effective date (File 5580-Cooperative Purchasing Agreement with City of Bryan).

Ordinance No. 2014-246

B. ID 14-0406 Consider adoption of an ordinance accepting competitive proposals by way of an Interlocal Agreement with the City of Bryan under Section 271.102 of the Local Government Code, for Supplemental Payment Recovery Services for the City of Denton Fire Department; providing for the expenditure of funds therefor; and providing an effective date (File 5613 awarded to MED3000 in the not-to-exceed three (3) year amount of \$250,000).

Ordinance No. 2014-247

C. ID 14-0397 Consider adoption of an ordinance of the City of Denton, Texas authorizing the City Manager or his designee to execute a Contract of Sale by and between John P. Walker and William A. Martin, as owner(s), and the City of Denton, Texas, as buyer, to acquire fee simple to a 10.372 acre tract being generally situated in the M. Forrest Survey, Abstract Number 417, in the City of Denton, Denton County, Texas to be used and utilized for and in connection with the expansion, construction, maintenance, replacement, augmentation, and improvement of electric

transmission and distribution lines, facilities, and structures (herein the "DME Expansion Project") for the purchase price of Six Hundred Thousand Dollars (\$600,000.00), and other consideration, as prescribed in the Contract of Sale as described in the ordinance as attached as Exhibit One; authorizing the expenditure of funds therefor; and providing an effective date. (Denton Municipal Electric ARCO Substation Project)

Ordinance No. 2014-248

- D. ID 14-0432 Consider the adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the Buy Board Cooperative Purchasing Program for the acquisition nine (9) refuse truck chassis and (5) refuse bodies for the City of Denton Solid Waste Department; and providing an effective date (File 5622- Purchase of nine (9) refuse truck chassis and three (3) refuse bodies from Rush Truck Center, Crane in the amount of \$1,600,512.00 and two (2) refuse bodies from McNeilus Truck and Manufacturing Co. in the amount of \$166,370.00). The Public Utilities Board recommends approval (5-0).

Ordinance No. 2014-249

- E. ID 14-0433 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract with the Houston-Galveston Area Council of Governments (H-GAC) for the acquisition of four (4) refuse truck bodies for the City of Denton Solid Waste department; and providing an effective date (File 5621-Purchase of Four (4) Truck Bodies awarded to DaDee Manufacturing, LLC in the amount of \$582,721.28). The Public Utilities Board recommends approval (5-0).

Ordinance No. 2014-250

- F. ID 14-0434 Consider adoption of an ordinance authorizing the City Manager to execute a Personal Services Agreement with Capital Edge Strategies, LLC for consulting services related to assisting the City of Denton in advancing its Federal Legislative Program which includes assisting Council and staff in addressing proposed legislation, and making the City aware of any legislative or administrative initiatives believed to be detrimental to the interests of the City; and providing an effective date (File 5620-awarded to Capital Edge Strategies, LLC in the three (3) year not-to-exceed amount of \$162,000).

Ordinance No. 2014-251

- G. ID 14-0435 Consider adoption of an ordinance accepting competitive proposals and awarding a public works contract for the construction of Fire Station No. 2 located at 2209 East McKinney Street, Denton, Texas; providing for the expenditure of funds therefor; and providing an effective date (RFP 5545-awarded to Schmoldt Construction, Inc. in the not-to-exceed amount of \$4,575,000).

Ordinance No. 2014-252

- H. ID 14-0437 Consider adoption of an ordinance of the City of Denton, Texas providing for, authorizing, and approving a contract for pavement maintenance at Denton Enterprise Airport using the E-Krete Polymer Concrete Micro-Overlay system, which is available from only one source and in accordance with Chapter

252.022 of the Texas Local Government Code such purchases are exempt from the requirements of competitive bidding; and providing an effective date (File 5594 awarded to International Business Consultants Inc. dba IBC Construction Corporation in the three (3) year not-to-exceed amount of \$500,000).

Ordinance No. 2014-253

- I. ID 14-0438 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the State of Texas Smart Buy Program for the purchase of asphalt patching material for the City of Denton Streets Department as awarded by the State of Texas Contract 745-A1; and providing an effective date (File 5615-awarded to Zack Burkett in the three (3) year not-to-exceed amount of \$600,000).

Ordinance No. 2014-254

- J. ID 14-0439 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the State of Texas for the purchase of recycled copy paper for the City of Denton Distribution Center as awarded by the State of Texas Contract 645-A1; and providing an effective date (File 5602-Purchase of Recycled Copy Paper for the City of Denton Distribution Center awarded to TIBH Industries, Inc. in the three (3) year not-to-exceed amount of \$200,000).

Ordinance No. 2014-255

- K. ID 2014-255 Consider adoption of an ordinance approving a sponsorship in an amount not to exceed \$4,700.00 of in-kind services and resources for the fourth annual Susan G. Komen North Texas Denton Race for the Cure to be held at C.H. Collins Athletic Complex and Long Road on Saturday, September 27, 2014; and providing an effective date.

Approved the request listed below.

- L. ID 14-0441 Consider a request for an exception to the Noise Ordinance for the purpose of the fourth annual Susan G. Komen North Texas Denton Race for the Cure to be held at C.H. Collins Athletic Complex and Long Road, on Saturday, September 27, 2014, from 6 a.m. to 11 a.m. Amplified sound is needed for public announcements regarding race times and to play music during the event. The exception is specifically requested to increase sound levels from 70 to 75 decibels. Staff recommends approval of request.

Ordinance No. 2014-256

- M. ID 14-0446 Consider adoption of an ordinance of the City of Denton, Texas amending the Fiscal Year 2013-2014 Budget and Annual Program of Services of the City of Denton to allow for adjustments to the Electric Fund of six million six hundred and six thousand three hundred and seventy-four dollars (\$6,606,374), and the Solid Waste Fund of three hundred ten thousand and six hundred dollars (\$310,600); declaring a municipal purpose; providing a severability clause; providing an open meetings clause; and providing for an effective date. The Public Utilities Board recommends approval (5-0).

Ordinance No. 2014-257

- N. ID 214-0450 Consider adoption of an ordinance of the City of Denton, Texas approving a Third Amendment to the Meet and Confer Agreement between the City of Denton and the Denton Fire Fighters Association, IAFF Local 1291; and providing an effective date.

Ordinance No. 2014-258

- O. ID 14-0453 Consider adoption of an ordinance of the City of Denton, Texas approving a Second Amendment to the Meet and Confer Agreement between the City of Denton and the Denton Police Officers Association; and providing an effective date.
- P. ID 14-0457 Consider adoption of an ordinance of the City of Denton, Texas approving the Project and Financing Plan for Tax Increment Reinvestment Zone Number Three (“Convention Center TIRZ”); making certain findings and other matters related thereto; and providing an effective date.

Note: Council had an extensive discussion of this item during the Work Session. Computer problems affected the transcription of this portion of the meeting.

Council discussed with David Pettit, consultant with Pettit Consulting, the technical aspects of the TIRZ and associated convention center. Concerns expressed by Council were the wording of “final plan and final financing plan” and attaching an exhibit to the plan that would probably change. Pettit stated that using those words were a way to meet the requirements of the State in terms of terminology but also be transparent that it was subject to amendments and was still in the feasibility stage with exhibits.

Council Member Gregory motioned to postpone the item to the September 9th Council meeting to allow for adjustments to the document. After discussion of the motion, Council Member Gregory withdrew his motion.

Council Member Roden motioned to adopt the ordinance with amendments to strike the drawings and change the square footage wording with a range instead of a set number. Council Member Johnson seconded the motion.

Council Member Ryan stated that the ordinance had a statement that the facts were true and correct and he was not able to say that they were true and correct. He would be voting against the motion.

Council discussed the pros and cons of the motion in terms of the facts stated, that there had been a lot of information provided in the last 30 days regarding the TIRZ, concerns on the participation of the other taxing entities and the outcome of the project if the other taxing entities did not participate in the project.

Council Member Roden withdrew his motion to approve the ordinance until everyone was comfortable with the process. Council Member Johnson withdrew his second.

Council Member Gregory motioned, Council Member Hawkins seconded to postpone the item until the September 9th Council meeting. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "aye", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried unanimously.

4. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. ID 14-0448 Consider nominations/appointments to the City's Boards and Commissions: Community Development Advisory Committee; Health & Building Standards Commission; Historic Landmark Commission; Human Services Advisory Committee; Parks, Recreation and Beautification Board; Public Art Committee; Public Utilities Board; Traffic Safety Commission; and Zoning Board of Adjustment.

Jennifer Walters, City Secretary, reviewed the positions which were available for Council consideration.

Council discussed the possible nominations and the noted vacancies.

Council Member Hawkins motioned, Mayor Pro Tem Engelbrecht seconded to approve the nominations as presented. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "aye", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried unanimously.

- B. ID SI14-0003 Consider appointment of Council Members to serve on the City Council Historic Landmark Committee.

Brian Lockley, Director of Planning and Development, stated that this was the second phase of the creation of the Ad Hoc City Council Committee. The purpose of the item was to ask for City Council appointments to serve on the committee which would be composed of three members of the Council appointed by Mayor and approved by Council. The Committee would be reviewing any necessary changes to historic preservation.

Mayor Watts stated that interest had been expressed at a prior meeting by Council Members Roden, Johnson and Ryan to serve on the Committee.

Mayor Pro Tem Engelbrecht motioned, Council Member Hawkins seconded to approve the nominations. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "aye", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried unanimously.

5. PUBLIC HEARINGS

- A. ID 14-0408 Hold a public hearing on a proposal to adopt a tax rate of \$0.689750 per \$100 valuation, which will exceed the lower of the rollback rate or the effective rate.

Chuck Springer, Director of Finance, stated that the Texas Constitution and Texas Property Tax Code require taxing units to comply with specific guidelines in adopting tax rates. The guidelines were related to a concept known as truth-in-taxation. This concept was a way to make taxpayers aware of tax rate proposals and allow tax payers in certain circumstances, to roll back or limit a tax increase. This public hearing was required when the proposed tax rate exceed the lower of the rollback rate or the effective rate.

The Mayor opened the public hearing.

No one spoke during the public hearing.

The Mayor closed the public hearing.

No action was required on this item.

- B. ID 14-0409 Hold a public hearing and receive citizen input on the FY 2014-15 Proposed Budget.

Chuck Springer, Director of Finance, stated that this public hearing was a requirement of the City Charter and of State law allowing citizens to provide input on the proposed budget.

The Mayor opened the public hearing.

No one spoke during the public hearing.

The Mayor closed the public hearing.

No action was required on this item.

Ordinance No. 2014-259

- C. CA14-0001 Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, providing for a Comprehensive Plan Amendment from a "Neighborhood Centers" future land use designation to an "Employment Centers" future land use designation on approximately 2.35 acres of land generally located on the south side of Morse Street, approximately 200 feet west of Woodrow Lane and 425 feet east of Baldwin Street; and providing for a penalty in the maximum amount of \$2,000.00 for violations, thereof, severability and an effective date. (CA14-0001) The Planning and Zoning Commission recommended approval of this request (5-0).

Brian Lockley, Director of Planning and Development stated that this would be a combined presentation for Public Hearings C and D which would include a Comprehensive Plan Amendment and a zoning change for the property located on Woodrow Lane and Baldwin Street. He presented information on the location of the property, future land use designation, current zoning map, proposed zoning map and aerials of the property locations. The criteria for the Comprehensive Plan amendment and the zoning amendment were reviewed. Site photos and the public notification map were shown. The Planning and Zoning Commission and the Development Review Committee recommended approval.

The Mayor opened the public hearing.

The following individuals spoke during the public hearing:

Lee Allison, representing the petitioner, spoke in favor.

Council Member Hawkins questioned Mr. Allison on the types of existing businesses in the area.

Allison stated that there were small businesses and small manufacturing in the area.

Mark Marshall, property owner, stated that there was an automotive shop, bail bonds and small commercial retail businesses in the area.

Mayor Pro Tem Engelbrecht questioned if there would be access to the properties from Morse Street or would the access remain as it was from Woodrow.

Allison stated that the lot to the far north which Mr. Marshall owned would have an access off Morse but the others would be from the back of the property.

The Mayor closed the public hearings for Public Hearings Items C and D.

Council Member Gregory motioned, Council Member Hawkins seconded to adopt the ordinance for Item C. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "nay", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried with a 6-1 vote.

Ordinance No. 2014-260

D. Z14-0004 Hold a public hearing and consider adoption of an ordinance, of the City of Denton, Texas, providing for a zoning change from a Neighborhood Residential 4 (NR-4) zoning district and use classification to an Employment Center Industrial (EC-I) zoning district and use classification on approximately 2.35 acres of land generally located on the south side of Morse Street, approximately 200 feet west of Woodrow Lane and 425 feet east of Baldwin Street; and providing for a penalty in the maximum amount of \$2,000.00 for violations, thereof, severability and an effective date. (Z14-0004) The Planning and Zoning Commission recommended approval of this request (5-0)

The public hearing for this item was considered with Item C.

Council Member Johnson motioned, Council Member Hawkins seconded to adopt the ordinance for Item D. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "nay", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried with a 6-1 vote.

Ordinance No. 20014-261

E. CA14-0002 Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, providing for a Comprehensive Plan Amendment from an "Employment

Centers" future land use designation to an "Industrial Centers" future land use designation on two tracts totaling approximately 131.7 acres of land. Tract 1 is generally located on the northwest corner of Western Boulevard and Jim Christal Road. Tract 2 is generally located on the east side of Western Boulevard, approximately 425 feet south of U.S. 380 and 1,700 feet north of Jim Christal Road; and providing for a penalty in the maximum amount of \$2,000.00 for violations, thereof, severability and an effective date. (CA14-0002) The Planning and Zoning Commission recommended approval of the request (5-0).

Mayor Watts stated that Item E and F would be presented together with a joint public hearing but would be voted on separately.

Brian Lockley, Director of Planning and Development, stated that this was a request for a Comprehensive Plan amendment coupled with a request for rezoning. He presented information on the location map, future land use designation, proposed future land use, existing zoning map, and background of property. The majority of the surrounding properties were zoned industrial uses. Site photos were shown along with a zoning analysis of the property. The Planning and Zoning Commission and the Development Review Committee recommended approval.

Council Member Gregory asked if the Selwyn School had received notifications.

Lockley stated that there had been no response from the school and due to the summer recess he was not sure if they received the notifications.

The Mayor opened the public hearing for Item E and F.

Steve Homer, Homer Engineering, spoke in favor.

Mayor Watts asked if there were plans for a controlled intersection at Western Blvd. and Highway 350.

Lockley stated that one may be proposed in the future.

The Mayor closed the public hearing.

Council Member Johnson motioned, Council Member Hawkins seconded to adopt the ordinance for Item E. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "aye", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried with a 6-1 vote.

Ordinance No, 2014-262

F. Z14-0009 Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, providing for a zoning change from an Employment Center Commercial (EC-C) zoning district and use classification to an Industrial Center General (IC-G) zoning district and use classification on two tracts totaling approximately 131.7 acres of land. Tract 1 is generally located on the northwest corner of Western Boulevard and Jim Christal Road. Tract 2 is generally located on the east side of Western Boulevard, approximately 425 feet south of U.S. 380 and 1,700 feet north of Jim Christal Road; and

providing for a penalty in the maximum amount of \$2,000.00 for violations, thereof, severability and an effective date. (Z14-0009) The Planning and Zoning Commission (P&Z) recommended approval of this request (5-0)

The public hearing for this item was included with Public Hearing Item E.

Council Member Gregory motioned, Council Member Roden seconded to adopt the ordinance for Item F. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "aye", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried with a 6-1 vote.

G. A14-0001b Hold the second of two public hearings to consider the adoption of an ordinance of the City of Denton annexing 40.33 acres of land, more or less, generally located on the west side of Cooper Creek Road, approximately 800 feet south of Silver Dome Road, and approximately 1,800 feet north of Mingo Road, more specifically described in Exhibits "A" and "B"; approving a service plan for the subject property and temporarily placing the property in the Rural Residential - 5 (RD-5) zoning district; providing for a correction of the City Map to include the annexed lands; providing for a savings clause and effective date. (A14-0001)

Brian Lockley, Director of Planning and Development, presented the second of two required public hearings. He reviewed the location map, future land use map, zoning map, and notification information. Findings of annexation consideration were presented and noted that the proposed was also in conformance with the Denton Plan. The first reading of the annexation ordinance would be held in September with the second reading in October. The Development Review Committee recommended the continuation of the annexation process.

The Mayor opened the public hearing.

No one spoke during the public hearing.

The Mayor closed the public hearing.

No action was required on this item at this time.

Resolution No. R2014-030

H. ID 14-0443 Hold a public hearing and consider approval of a resolution approving the site proposed for reconstruction the existing Locust Substation in the general area between the intersection of Locust and E. Daugherty and the intersection of Locust and W. Collins St., in the City of Denton, Denton County, Texas

Brent Heath, Executive Manager of Energy Delivery, presented the details regarding the Locust Street Substation. This project would help solve two key factors of growth and aging infrastructure. Rebuilding on the existing site was not possible without extended outages that would have to last for many months at a time. The existing station equipment and foundations would have to be removed to make room for reconstruction because of conflicts between the new installation and the existing. That would result in unacceptable reliability risks. Rebuilding the

Locust Substation on a new site would allow complete construction and testing of the new substation while leaving the existing substation in service with its full capability available. Construction of and transition to the new substation would then require only minimum outages.

A public involvement process meeting was held at the Civic Center noting the different proposed sites. Discussions at the meeting center on the need to rebuild the substation and the options on where to relocate the substation. Site 1 was the current substation with Site 2 including an adjacent piece of property to the existing site. Site 1 and 2 would have to be combined to meet the needs of the project but presented problems as noted previously. Notices of the public meeting were sent to properties within 500 feet of proposed sites. Sixteen people attended the public meeting with most of their comments in favor of Site 3 or 4. Site 3 had already been considered for some development; however, the property owner had indicated that he would be willing to sell the buffered property between Site 1 and 4. The Public Utilities Board also held a public hearing regarding the proposed sites with seven people attending. Three indicated a preference for Option 4 and one in opposition to Option 4. The Public Utilities Board recommended Option 4.

Council Member Hawkins asked what would happen to the current site after the new substation was built.

Heath stated it would remain energized until after completion and once the new site was function, it would be torn down.

Mayor Watts questioned that the primary reason for Option 4 was because of the proposed developer.

Heath stated that there was a concern about Site 3 as it had already started in a development process and there were serious drainage problems at Site 3. Option 4 presented a contiguous site to Site 1 with the addition of the buffer property.

Mayor Watts questioned if the property had been purchased.

Heath stated only Site 1 was owned by the City.

Mayor Watts questioned that even if the buffer property was not purchased, Site 4 would still be adequate for the new substation.

Heath replied correct.

Council Member Roden questioned if Site 1 was sufficient for the new station.

Heath stated that they would need Site 2 if considering using Site 1 and that there was concern where to move the customers off Site 1 for the operations and building.

Council Member Roden stated if the general policy was never to build on an existing site, at some point it would be difficult as City grew. He questioned how other cities worked with an existing site.

Heath replied that the conversion required more development.

Council Member Roden stated that Council helped shape the process of public involvement. He was concerned that as the project moved forward it sounded like Site 1 was not viable and Site 2 was not big enough on its own so that there really were only two options as two were not viable. He would like to make sure going forward that each option was a real substantial option for consideration.

The Mayor opened the public hearing.

The following individuals spoke during the public hearing:

Alejandro Garcia, 216 Dallas Drive, Denton, 76205 – opposed
Tomasa Garcia, 316 Dallas Drive, Denton – opposed

Council Member Gregory stated that he confused by Ms. Garcia's presentation and questioned if there was a building being constructed on the property.

Garcia stated that there was a brick building already on the property.

Council Member Roden stated that the last date of any activity appeared to be 2007 and questioned if there were any current plans.

Garcia stated that they had an architect in 2009 but that at some point after that, the bank did not pay the architect.

Council Member Roden asked what the plans were for the property.

Garcia stated that they wanted to put a business on it.

Council Member Johnson stated that it sounded like there was a project working on it which ended in 2009.

Garcia stated that a grant agency gave them three years to build the project and one additional year out to 2010 but the project did not happen. The bank then backed out on them.

Sam Alexander, 3219 McReynolds, Sanger, 76266 – spoke in opposition

Mayor Watts noted that a comment card had been submitted by Hatice Salih, 300 Northridge, Denton, 76201 in opposition.

Tim Batey spoke in favor. He noted that he was the lien holder on property and had been notified several times regarding the hearings.

Richards Woods, property owner, spoke in favor.

The Mayor closed the public hearing

Council Member Johnson asked when it was determined that it would be necessary to buy additional property at the site.

Heath replied that it was decided to expand in 2011 and that started the analysis.

Council Member Johnson asked if there was documentation that contemplated this site at some point after 2011.

Heath stated that DME did a detailed analysis on CIP projects which were listed in fiscal budget years and each year told how much they planned on spending.

Council Member Roden asked if staff had spoken directly to individuals about potential sites.

Heath stated that they had started that process since bringing on Freese and Nichols who contacted each property individually.

Council Member Roden asked how the conversation came about on the buffer property.

Heath stated that the property owner came to the October meeting and it was there that staff learned of his interest in selling the property.

Council Member Hawkins asked about the notification process.

Brian Daskam, Energy Service Development Officer, stated that there were three steps involved in the notification process. The first step was to conduct an informal open house to discuss the project with the public. Letters were mailed to those within 500 feet with regular mail using service addresses and also physical address. Public hearings were then held both with the City Council and the Public Utilities Board.

Council Member Ryan asked if the notices were sent to the physical address and service owner.

Daskam stated that they went to the property owner and any renter.

Mayor Watts asked about notices to the Garcias regarding the October meeting and if staff had verified that notice had been provided.

Daskam stated that the notice had gone to the PO Box with Ms. Garcia's name for the October meeting as well as for the Public Utilities board meeting. He assumed she received the PUB notice as he received a call from her with a follow up email.

Council discussed the notification process for property owners and the pros and cons for each of the sites. It was noted that the Freese and Nichols staff had contacted Kent Keys, the property owner for the buffer property, and Chris Henry, the Garcia's attorney on several occasions regarding the interest of the City in their properties.

Council Member Roden motioned, Council Member Johnson seconded to approve the resolution. On roll call vote, Mayor Pro Tem Engelbrecht "aye", Council Member Gregory "aye", Council

Member Hawkins "aye", Council Member Johnson "aye", Council Member Roden "aye", Council Member Ryan "aye", and Mayor Watts "aye". Motion carried with a 6-1 vote.

6. CONCLUDING ITEMS

- A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the City Council or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

Mayor Pro Tem Engelbrecht commented on the great work that the line crews did every day.

Council Member Hawkins felt that the public notification process was flawed and requested that the process be examined.

- B. Possible Continuation of Closed Meeting under Sections 551.071-551.086 of the Texas Open Meetings Act.

There was no continuation of the Closed Meeting.

With no further business, the meeting was adjourned at 10:44 p.m.

CHRIS WATTS
MAYOR
CITY OF DENTON, TEXAS

JENNIFER WALTERS
CITY SECRETARY
CITY OF DENTON, TEXAS