

CITY OF DENTON CITY COUNCIL MINUTES

May 22, 2018

After determining that a quorum was present, the City Council convened in a Work Session on Tuesday, May 22, 2018 at 12:30 p.m. in the Council Work Session Room at City Hall.

PRESENT: Council Member Hudspeth, Council Member Briggs, Council Member Ryan, Council Member Gregory, Council Member Meltzer and Mayor Watts.

ABSENT: Council Member Duff

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 May 22, 2018.

Council Member Meltzer noted that he would be recusing himself on Consent Agenda Item I.

3. Work Session Reports

- A. ID 18-801 Receive a report, hold a discussion, and give staff direction regarding current City of Denton facilities, including, but not limited to, City Hall, City Hall East, Development Services and the Service Center, and how to proceed with planning for future needs.

Mark Nelson, Director of Transportation, provided the staff report regarding planning needs for city facilities. He reviewed the history of the Master Plan; facility issues in terms of existing facilities; customer service for citizens; and parking at all facilities. He noted five options for Council consideration.

Kelly Morgan, Nelson+Morgan Architects, reviewed the options available for Council consideration in terms of pros, cons, design and construction costs. Those options included Option 1 - east of existing City Hall; Option 2 - southeast of existing City Hall; Option 3 - northwest corner of Bell and McKinney; Option 4 - southwest corner of Bell and McKinney; Option 4b – which included Option 4 but added a parking garage; and Option 5 - Woodrow Lane.

Council discussion included:

- The construction costs in terms of buildout costs versus project costs
- Whether the projected FTE numbers were adequate
- Concerns that some of the options might take away parking near the current Civic Center
- Obstruction of the view of the current buildings
- Consider the monetary implications when trying to maintain a "one stop shop" concept

Council Member Briggs stated that she was not in favor of Options 4, 4b and 5. She questioned the historical impact of wrapping around current building.

Roman McAllen, Historic Preservation Officer, presented information on rules for how the connection would be made between the buildings. He noted that Options 1 and 2 were similar depending on how the connection was done. Maintaining the existing structure and maintaining the integrity should be in keeping with the historical implication of the building.

Council Member Briggs noted that she was in favor of Option 1.

Council Member Ryan favored Option 1 with parking garage and a sky bridge.

Mayor Watts indicated that he favored Option 1.

Council Member Hudspeth favored Option 1 with parking structure.

Council Member Gregory noted that he favored more green space in the Downtown area but would go with Option 1.

Council Member Meltzer favored Option 1.

Tony Puente, Director of Finance, presented the financial-debt service information for the various options in terms of 20 and 30 year debt as well as the projected tax rate impact for the options.

Council discussed debt capacity; policy for debt service; and effects on the current bond rating.

Nelson continued with a review of the site option strategic plan.

Council discussed:

- How to proceed with the options in terms of presenting the project for consideration
- Increased development in the downtown area and how it affected the buildings being rented by the City at this time
- Where the funding would come from for the project

Consensus of the Council was to proceed with Option 1 with a RFQ for funding for the preliminary design.

- B. ID 18-817 Receive a report, hold a discussion and give staff direction regarding the Denton Municipal Electric FY 2018-19 Operating Budget, Capital Improvement Program and Renewable Resource Plan.

Tony Puente, Director of Finance, presented the staff report regarding the Denton Municipal Electric operating budget, Capital Improvement Program and Renewable Resource Plan. Objectives included load forecast, financial assumptions, commercial/residential comparison, energy cost adjustment, financial forecast, debt, purchased power, Denton Energy Center proforma, and departmental presentation including the Capital Improvement Program. He presented information on load forecast customers by class; load forecast megawatt sales and megawatt peak load; financial assumptions; and Denton Municipal Electric cost containment Strategies.

George Morrow, General Manager-DME, presented future emphasis for projects in DME; comparisons of competitive supplier rates for electricity; commercial/residential comparison of rates; and ECA changes.

Council discussed a proposal to maintain separate balances for the DEC from the other funds to track profits and loss.

Puente continued with the Denton Municipal Electric 5 year forecast. He noted that staff could provide Council with alternatives to this forecast as noted in Council's concerns to maintain the DEC in a separate account.

Council discussed the scrubber debt associated with TMPA.

Puente continued with the DME debt as of September 30, 2017.

Morrow presented the Key purchased power assumptions, the DME purchased power forecast sensitivity analysis, and DEC proforma assumptions. Morrow next presented information regarding the Denton Municipal Electric position summary, goals and accomplishments, process improvements, 5 year capital plan, and CIP maps.

Council discussed the goals and accomplishments presented.

Mayor Watts requested an Informal Staff Report regarding a safety report on the DEC project and the success of the construction of the project.

- C. ID 18-853 Receive a report, hold a discussion, and give staff direction regarding the City's Automated Traffic Signal (Red Light Camera) Enforcement Program including, but not limited to, contract status and history, intersection selection, yellow light interval pilot program, red light violations, crash data, program financial overview, and future direction of the program.

Pritam Deshmukh, Program Engineer, presented the staff report on the Automated Traffic Signal Enforcement Program. It was noted that traffic signal timing was different from red light cameras. He presented the results of the yellow light change interval pilot study which added one second of yellow time at red light camera intersections. He noted the conclusion of the study in terms of reduction of violations, long term effects, and long term change in driver behavior and consistency of yellow light timing throughout the city.

Lee Howell, Police Chief, presented program background information on the Redflex system, selection of the intersections, violation process, financial overview, financial overview in personal services, and financial overview in terms of the cost of program with Redflex.

Council discussion included:

- The constitutionality of the program
- The dismissal procedures at the appeal level
- Differences between violations assessed by a police officer and the red light camera system
- Number of signaled intersections in the city
- Consider adding a patrol officer whose job would be to review the red light camera violations and the cost of that position opposed to the amount of overtime currently paid

Howell continued with violation and crash data, reasons for dismissal of violations, violation and crash data city wide, city-wide red light crashes and red light camera red light crashes

Council discussed:

- Problems with the notification system
- Problems with not having a jury trial if requested
- Whether the program was violating people's rights
- Conditions if the contract were terminated early

Council Member Briggs indicated that she was not in favor of renewing the contract and to use the dollars in the fund to do traffic related items.

Council Member Ryan felt more study was needed in adding seconds to the yellow light as this was a safety issue and not a financial issue. He suggested testing all red light cameras except for 288/Lillian Miller due to the current construction in that location.

Council Member Gregory stated he was in favor of the program as it provided consistent enforcement.

Council Member Meltzer questioned if Denton could extend the right of a jury trial if so desired.

City Attorney Leal stated yes if Council desired.

Consensus of the Council was to not terminate the contact at this point in time but not renew the contract. If the program were continued after 2019 look at the possibility of jury trials with associated policy discussions and to proceed with the testing of the longer yellow light program.

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

1. Closed Meeting:

- A. ID 18-860 Deliberation regarding Economic Development Negotiations - Texas Government Code, Section 551.087; Consultation with Attorneys - Texas Government Code, Section 551.071

Receive information from, and discuss, deliberate and provide direction to, staff regarding the use of a non-disclosure agreement and/or confidentiality agreement to protect the exchange of certain confidential and/or proprietary information related to Project Bluebonnet. Consultation with the City's attorneys about legal issues related to the use of non-disclosure agreements and/or confidentiality agreements to protect the exchange of certain confidential and/or proprietary information related to Project Bluebonnet. A public discussion of these legal issues would conflict with the duty of the City's attorneys to the City of Denton and its City Council under the Texas Disciplinary Rules of Professional Conduct.

Regular Meeting of the City of Denton City Council at 6:30 p.m. in the Council Chambers at City Hall.

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 18-669 Denton Citizen Forester Graduation

Mayor Watts presented the proclamation for the Denton Citizen Forester Graduation.

- B. ID 18-818 Building Safety Month

Mayor Watts presented the proclamation for Building Safety Month.

3. PRESENTATION FROM MEMBERS OF THE PUBLIC

- A. Review of procedures for addressing the City Council.

- B. Receive Scheduled Citizen Reports from Members of the Public

There were no scheduled citizen reports.

- C. Additional Citizen Reports

Suzanne Townsdin requested Mayor Watts read a Bike Month proclamation.

Sally Austin read letter regarding bike experiences in Denton.

4. CONSENT AGENDA

Council Member Gregory motioned, Council Member Ryan seconded to approve the Consent Agenda and accompanying ordinances and resolutions with the exception of Item I which would be considered individually. On roll call vote, Council Member Hudspeth "aye", Council Member Briggs "aye", Council Member Ryan "aye", Council Member Gregory "aye", Council Member Meltzer "aye" and Mayor Watts "aye". Motion carried unanimously.

Approved the minutes listed below

- A. ID 18-688 Consider approval of the minutes of April 3, 2018.

Ordinance No. 18-694

- B. ID 18-694 Consider adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract for background check service with Quick Acquisition LLC., dba Quick Search; providing for the expenditure of funds therefor; and providing an effective date (RFP 6712 - awarded to Quick Acquisition LLC., dba Quick Search, in the three (3) year not-to-exceed amount of \$114,000).

Ordinance No. 18-787

- C. ID 18-787 Consider adoption of an ordinance authorizing the City Manager to execute an Interlocal Cooperation Agreement (MOU) on behalf of the City of Denton with the Texas Department of Public Safety, relating to the enforcement of State Laws on uniform commercial vehicle weight enforcement within Texas Transportation Code Chapter 621, Subchapter F; and providing an effective date.

Ordinance No. 18-828

- D. ID 18-828 Consider adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract for electric utility 69kV and 138 kV instrument transformers with Techline, Inc., for the City of Denton Distribution Center; providing for the expenditure of funds therefor; and providing an effective date (RFP 6554- awarded to Techline, Inc., in the three (3) year not-to-exceed amount of \$1,000,000).

Ordinance No. 18-830

- E. ID 18-830 Consider adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with TranSystems Corporation, dba TranSystems Corporation Consultants for design services of the Hickory Creek (East) FM 2181 to FM 2499 street improvement as set forth in the agreement; providing for the expenditure of funds therefor; and providing an effective date (RFQ 6590-011- Professional Services Agreement for design services awarded to TranSystems Corporation, dba TranSystems Corporation Consultants, in the not-to-exceed amount of \$240,000).

Ordinance No. 18-834

- F. ID 18-834 Consider adoption of an ordinance of the City of Denton, Texas approving a consent to assignment of an Airport Lease between Petersen Hangars, LLC, and Mark Hicks Transport, LLC and providing an effective date. The Council Airport Committee recommends approval (3-0).

Ordinance No. 18-835

- G. ID 18-835 Consider adoption of an ordinance of the City of Denton, Texas approving a consent to Collateral Assignment of an Airport Lease Mark Hicks Transport, LLC and Guaranty Bank; and providing an effective date.

Ordinance No. 18-859

- H. ID 18-859 Consider adoption of an ordinance of the City of Denton, Texas approving a City sponsorship for the 2018 North Texas State Fair and Rodeo which will be held on the North Texas State Fairgrounds in Denton, Texas from August 17, 2018 through August 25, 2018; providing in-kind services not to exceed \$500; the expenditure of funds in the total amount of \$5,000; and providing for an effective date.

Ordinance No. 18-878

- I. ID 18-878 Consider adoption of an ordinance of the City of Denton, Texas approving a City sponsorship in an amount not to exceed \$1,000 of in-kind services and resources for the Rotary Youth Leadership Awards (RYLA) program on Saturday, June 16, 2018; and providing an effective date.

Council Member Meltzer recused himself from deliberation/vote on this item.

Council Member Gregory motioned, Council Member Hudspeth seconded to adopt the ordinance. On roll call vote, Council Member Hudspeth "aye", Council Member Briggs "aye", Council Member Ryan "aye", Council Member Gregory "aye", and Mayor Watts "aye". Motion carried unanimously.

Council Member Meltzer returned to the meeting.

5. ITEMS FOR INDIVIDUAL CONSIDERATION

Ordinance No. 18-749

- A. ID 18-749 Consider adoption of an ordinance of the City of Denton, Texas amending the Fiscal Year 2017-2018 Budget and Annual Program of Services of the City of Denton to allow for an adjustment to the Electric Fund of \$24,000,000 for the purpose of funding Capital Improvement Projects, and Solid Waste Fund of \$774,682 for the purpose of funding a reimbursement to Electric; declaring a municipal purpose; providing a severability clause; providing an open meetings clause; and providing for an effective date.

Tony Puente, Director of Finance, presented the staff report amending the budget for an adjustment to the Electric Fund to fund Capital Improvement Projects and to the Solid Waste fund for a reimbursement to the Electric fund. The result would be a reduction in the Certificates of Obligation that would be issued.

Council Member Hudspeth motioned, Council Member Briggs seconded to adopt the ordinance. On roll call vote, Council Member Hudspeth "aye", Council Member Briggs "aye", Council Member Ryan "aye", Council Member Gregory "aye", Council Member Meltzer "aye" and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 18-847

- B. ID 18-847 Consider adoption of an ordinance considering all matters incident and related to the issuance, sale and delivery of up to \$10,110,000 in principal amount of "City of Denton Certificates of Obligation, Series 2018" for General Government

activities; authorizing the issuance of the Certificates; delegating the authority to certain City officials to execute certain documents relating to the sale of the Certificates; approving and authorizing instruments and procedures relating to said Certificates; enacting other provisions relating to the subject; and providing an effective date.

Tony Puente, Director of Finance, presented information regarding the sale and issue of the Certificates of Obligation. This was a parameters ordinance with six months to complete the sale and would establish the maximum the City would be able to issue. He presented information on the projects which would be funded.

Council discussed the reasons for the change in assumptions that resulted in the proposed issuance;

Council Member Ryan motioned, Council Member Hudspeth seconded to adopt the ordinance. On roll call vote, Council Member Hudspeth "aye", Council Member Briggs "aye", Council Member Ryan "aye", Council Member Gregory "aye", Council Member Meltzer "aye" and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 18-848

- C. ID 18-848 Consider adoption of an ordinance considering all matters incident and related to the issuance, sale and delivery of up to \$19,750,000 in principal amount of "City of Denton General Obligation Bonds, Series 2018"; authorizing the issuance of the Bonds; delegating the authority to certain City officials to execute certain documents relating to the sale of the Bonds; approving and authorizing instruments and procedures relating to said Bonds; and enacting other provisions relating to the subject; and providing an effective date.

Tony Puente, Director of Finance, reviewed the projects to be included in the General Obligation bonds. He noted that the only difference in what was proposed and what was included was the Ruddell realignment project that was postponed and would be included in a future bond issuance.

Council Member Ryan motioned, Council Member Hudspeth seconded to adopt the ordinance. . On roll call vote, Council Member Hudspeth "aye", Council Member Briggs "aye", Council Member Ryan "aye", Council Member Gregory "aye", Council Member Meltzer "aye" and Mayor Watts "aye". Motion carried unanimously.

6. PUBLIC HEARINGS

Ordinance No. DCA18-0003a

- A. DCA18-0003a Hold a public hearing and consider adoption of an ordinance regarding a proposed revision to the Denton Development Code; specifically to update parking requirements in Subchapter 14 Parking Standards related to minimum and maximum parking space requirements, on-street parking credits, and providing administrative parking requirement relief; providing for a penalty in the maximum amount of \$2,000.00 for violations thereof; providing a severability clause and an effective date. (DCA18-0003, Parking, Hayley Zagurski). (The Planning and Zoning Commission recommends approval)

Mayor Watts opened the public hearing.

Richard Cannone, Interim Planning Director, presented the staff report regarding the proposed revision to the parking requirements. He reviewed the background information, recommendations, changes in minimum parking standards in various use categories, current versus recommended parking for nonresidential. Parking maximums and pervious surfaces parking requirements were reviewed. Administrative parking reductions standards were noted along with on-street parking credit. Compact, bicycle and motorcycle space recommendations were presented.

Council discussed how to verify the spaces allocated for the alternate parking spaces.

Cannone continued with considerations for the proposals and recommendation of approval from the Planning and Zoning Commission and staff.

Council discussed whether there was feedback from stakeholders and the effect of the proposed requirements on developments.

No one spoke during the public hearing.

The Mayor closed the public hearing.

Council Member Ryan motioned, Council Member Hudspeth seconded to adopt the ordinance. On roll call vote, Council Member Hudspeth "aye", Council Member Ryan "aye", Council Member Gregory "aye", and Mayor Watts "aye". Council Member Briggs "nay", and Council Member Meltzer "nay". Motion carried with a 4-2 vote.

- B. ID 18-845 Hold a public hearing inviting citizens to comment on the City of Denton's 2018 Action Plan for Housing and Community Development.

Barbara Ross, Community Development Division Manager, stated that this public hearing was an opportunity for citizens to speak on the 2018 Action Plan for Housing and Community Development. She noted that the City would be receiving more funding than initially thought and staff had made funding changes to the recommended projects using increased amounts with un-programmed funds. Both the Community Development Advisory Committee and the Human Services Advisory Committee had approved the changes.

Council discussed the Homeowner's Assistance Program and the Housing Rehab Program.

The Mayor opened the public hearing.

Michelle Connor spoke in favor.

The Mayor closed the public hearing.

No action was required on this item at this item.

7. 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.

Council Member Gregory requested an Informal Staff Report regarding the street lighting funding for University in this budget cycle.

Mayor Watts requested a Work Session on Council appointed ad hoc committees and adherence to the Open Meetings Act.

- B. Possible Continuation of Closed Meeting topics, above posted.

There was no continuation of the Closed Meeting.

With no further business, the meeting was adjourned 7:36 p.m.

CHRIS WATTS
MAYOR
CITY OF DENTON, TEXAS

JENNIFER WALTERS
CITY SECRETARY
CITY OF DENTON, TEXAS