

CITY OF DENTON CITY COUNCIL MINUTES

September 20, 2016

After determining that a quorum was present, the City Council convened in a Work Session on Tuesday, September 20, 2016 at 11:30 a.m. in the Council Work Session Room at City Hall.

PRESENT: Mayor Pro Tem Roden, Council Member Wazny, Council Member Briggs, Council Member Hawkins, Council Member Gregory, and Mayor Watts.

ABSENT: Council Member Bagheri

1. Citizen Comments on Consent Agenda Items

There were no comments from citizens on Consent Agenda Items.

2. Requests for clarification of agenda items listed on the agenda for September 20, 2016.

Council Member Hawkins asked about Consent Agenda Item G relating to the water park.

Council Member Briggs asked that Consent Agenda Items M, N, and K be pulled for separate consideration.

Interim City Manager Martin stated that Item 5B would be pulled from consideration.

City Attorney Burgess stated that there was an alternate ordinance to consider for Item J. She also noted that the Exhibit A for 6A reduced the take area and should be noted for consideration.

3. Work Session Reports

- A. ID 16-1170 Receive a report, hold a discussion, and give staff direction regarding a proposed Chapter 380 Economic Development Program Grant Agreement with Sally Beauty Supply, LLC, for a business expansion at 3900 Morse Street.

Council Member Briggs left the meeting with a conflict of interest.

Caroline Booth, Assistant Director of Economic Development, presented the background information on the Sally Beauty request for an economic incentive. Information on a prior incentive for Sally Beauty was reviewed as well as the current request. The EDP Board recommended a three year 50% rebate totaling \$72,714. She presented information on the City's tax abatement and incentives policy and the fiscal impact of the abatement. The economic impact for the community at-large was noted. The proposed agreement and conditions for the agreement were reviewed.

Council discussed the valuation of the assessed value of \$22 million and that it appeared to be too low and suggested revising the wording for the assessed value.

Council Member Briggs returned to the meeting.

- B. ID 16-1064 Receive a report; hold a discussion, and give staff direction regarding the FY 2016-17 City Manager's Proposed Budget, Capital Improvement Program, and Five-Year Financial Forecast.

Chuck Springer, Director of Finance, summarized where the budget stood at this point in time. He reviewed the property tax rate which was a 3/4 cent decrease from last year, the proposed expenditures, the proposed revenues, and proposed additional expenditures for the budget. Springer continued with other fund changes to the Downtown TIRZ fund and the Traffic Safety Fund. He presented the decreases in the General Fund Travel and Training.

Council Member Wazny suggested restoring the training money and take out money for the conservation plan. That would restore police and fire training.

Council Member Hawkins noted that he would rather the tax reduction stay at 1/2 cent rather than the 3/4 cent reduction. There were collateral damages with the extra reduction.

Council Member Gregory stated that training for health inspectors would be included in one of the areas that would be cut and that type of training was just as important for the health and safety of citizens as police and fire.

Council Member Wazny felt that money from the Traffic Safety Fund could pay for something as long as it met the requirements for the expenditures from the fund. Money could be spent on a traffic light and the money from the traffic light could solve the problem of cutting a large item.

Springer noted that the 2015-16 funds were one-time funds from the fund balance but that was a permanent tax rate reduction with the savings only a one-time reduction. Expenditures and revenues would be out of sync.

Council Member Wazny stated that was a risk she was willing to take considering the size of the budget and what was being asked to cut. The assumption was a growing economy and increased revenue.

Council discussed options to restore the training funding and how that affected the tax rate. They discussed with the Police and Fire Chiefs how a reduction in training would affect their departments.

Mayor Pro Tem Roden felt that problems would be created for every department with these reductions. If Council was adamant for another 1/4 cent reduction, he felt this was the wrong place to cut and sent the wrong message across the city. Every director would say the same thing - opposed to cuts.

Council Member Briggs felt training was important and would agree with using the Traffic Safety Fund to restore the training budget.

Mayor Watts expressed concern with that process as it was a one-time budget expenditure which would be in the same place next year.

Council Member Wazny stated that the Traffic Safety Fund could spend money on a traffic light. She suggested putting money back into the budget with the elimination of the pavement marking equipment and using the Traffic Safety Fund for that purchase. Take the money for the traffic signal and use it to restore the training fund and other items Council might want to restore.

Council Member Gregory stated that the solution for the traffic light did not solve the problem to keep expenditures and revenues balanced. That was suggesting to reduce the tax rate by going into the fund balance. He could not agree to this solution of reducing important items to reduce the tax rate 1/4 cent. That resulted in an unbalanced budget and going into fund balance which was not necessary.

Mayor Watts stated that his goal was to think through the budget process. He was ok with restoring the \$100,000.

Council Member Gregory was in favor of putting the \$100,000 back in training and adjust the tax rate and move on.

Council Member Wazny was in favor of that proposal as was Mayor Watts.

Springer reviewed the items to be considered during the regular meeting.

- C. SI16-0001 Receive a report, hold a discussion, and give staff direction regarding a Boundary Adjustment Agreement with the City of Corinth, Texas, adjusting a mutual boundary of the cities.

Ron Menguita, Long Range Planning Administrator, stated this was boundary adjustment with the City of Corinth for the extension of Lake Sharon Drive. He presented the location of the property and reviewed the schedule which included a first and second reading of the ordinance.

- D. ID 16-1238 Receive a report, hold a discussion, and give staff direction on the Renewable Denton Plan and activities related to the future power supply plans to meet the City's growth and needs.

Mayor Watts noted that he had no concerns related to the information Council Member Briggs had provided.

Mayor Pro Tem Roden stated that he had no concerns and was in favor of moving forward with the vote.

Council Member Briggs stated that if there was no issue, then thank you.

Council Member Wazny stated that there were questions raised about the process. In terms of going back and changing the process, that could not be done. The need was to go forward with a process with a new City Manager. She felt there was no criminal intent shown in the emails. It came down to where the City was going to get power and what would be the rates.

Council Member Gregory agreed and also did not find anything that indicated wrong doing. What he saw was due diligence on the part of the staff to find the best source for power.

Council Member Hawkins did not believe there was any criminal activity and that it was time to move forward and vote on the issues.

Council Member Briggs stated that no one was accused of criminal activity; it was a call for concern.

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 16-1029 Deliberations regarding Real Property - Under Texas Government Code Section 551.072; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from staff and discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property interests located east of Bonnie Brae St and west of N. Locust St, and terminating at DME's Northlakes substation just south of Loop 288 in the City of Denton, Denton County, Texas; for the construction, expansion and use of electric power transmission lines; where discussions had, deliberation, and direction given, by the Denton City Council in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party. Consultation with the City's attorneys regarding legal issues associated with the acquisition of the real property interests described above; discussion of these legal matters in an open meeting 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. [Bonnie Brae to North Lakes TM Line] [ID 16-1074]

- B. ID 16-1145 Deliberations Regarding Certain Public Power Utilities: Competitive Matters - Under Texas Government Code Section 551.086. Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from staff, discuss, deliberate and provide staff with direction regarding the revised uniform pole attachment agreement involving poles and conduits owned by the City. Consultation with the City's attorneys regarding legal issues associated with the uniform pole attachment agreement 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. [ID 16-1146]

Council Member Briggs left the meeting with a conflict of interest.

- C. ID 16-1171 Deliberations regarding Economic Development Negotiations - Under Texas Government Code Section 551.087.

Receive a report and hold a discussion regarding a proposed economic development program grant agreement between the City of Denton and Sally Beauty Supply, LLC. This discussion shall include commercial and financial information the City Council has received from Sally Beauty Supply, LLC., a business prospect which the City Council seeks to have locate, stay, or expand in or near the territory of the city, and with which the City Council is conducting economic development negotiations; deliberate the economic development program grant agreement between the City of Denton and Sally Beauty Supply, LLC. [ID 16-1172]

Council Member Briggs returned to the Closed Meeting.

- D. ID 16-1227 Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from the City's attorneys and discuss costs, status, strategy, and potential resolution of the City of Denton v. 551 Mayhill Joint Venture, et al. pending in the Probate Court, Denton County, Texas related to the Mayhill Road Widening and Relocation Project. [ID 16-1228]

Council Member Briggs left the meeting at the start of this Close Meeting item.

- E. ID 16-1233 Deliberations Regarding Certain Public Power Utilities: Competitive Matters - Under Texas Government Code Section 551.086; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive a presentation from Denton Municipal Electric staff ("DME") regarding public power competitive and financial matters pertaining to plans, strategies, opportunities, and developments for generation improvements to the DME system; discuss and deliberate strategies regarding same; discuss and deliberate opportunities and strategies for the City to acquire purchased power and enter into agreements regarding the same, in order to meet its future energy needs. Discuss, deliberate and provide Staff with direction. Consultation with the City's attorneys regarding legal issues associated with the foregoing matters where 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. [ID 16-1230 & 16-1231]

- F. ID 16-1239 Deliberations regarding Real Property - Under Texas Government Code Section 511.072; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from staff, discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property interests generally located in (i) the Gibson Myers Survey, Abstract No. 843, the Johnson, Green, Myers, and Brummell Survey, Abstract No. 1699, the Moses H. Davis Survey, Abstract No. 377, and the William Wilburn Survey, Abstract No. 1419, City of Denton, Denton County, Texas, for the possible construction of an electric generation facility, and (ii) the William Wilburn Survey, Abstract No. 1419, City

of Denton, Denton County, Texas, for the West Parallel Runway Project for Denton Enterprise Airport where deliberation of the potential acquisition of these real property interests in an open meeting would have a detrimental effect on the position of a governmental body in negotiations with a third party. Consultation with the City's attorney's regarding legal issues associated with the acquisition of the real property interests 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. [ID 16-1229]

- G. ID 16-1058 Certain Public Power Utilities: Competitive Matters --- Under Texas Government Code, Section 551.086.

Receive competitive public power competitive information and financial information from staff regarding the proposed FY 2016-2017 operating budget for Denton Municipal Electric ("DME") including without limitation, proposed rates for DME for FY 2016-2017, expected revenues, expenses, commodity volumes, and financial commitments of DME; discuss, deliberate and provide staff with direction.

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

Council Member Briggs returned to the meeting.

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 16-1151 Live United Month

Mayor Watts presented the proclamation for Live United 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.

- A. ID 16-1079 Sam O'Donnell regarding skate park development.

Mr. O'Donnell stated that his goal was to update the research and plans his committee had developed for an improved skate park. He also asked for Council's help to make the new park

happen. They had been working with the Parks Department for a plan to build a skate dock and eventually progress into a larger skate park which included skate trails and skate art.

- B. ID 16-1119 Willie Hudspeth regarding closed session meetings and the future city manager.

Mr. Hudspeth spoke on his preference for a city manager who would represent all citizen groups in the city. In regards to Closed Sessions, he questioned the amount of staff who remained during that portion of the meeting.

- C. ID 16-1133 Alfred Sanchez regarding tax freeze for senior citizens and people with disabilities.

Mr. Sanchez spoke against the adoption of a tax freeze for senior citizens and people with disabilities as it would hurt those who would not qualify for the lower tax amount. Others not eligible for the tax freeze would have to make up the difference.

- D. ID 16-1226 Deborah Lantrip regarding ending homelessness in Denton.

Ms. Lantrip stated that she had been homeless but now had an apartment. She was grateful for everyone who helped her but stated that there were people who were in worse condition than she ever was. She encouraged the City to build homes for the homeless so that others could get off the streets.

C. Additional Citizen Reports

1. Donna Zalesko spoke in opposition to the property tax freeze for seniors and the disabled.

4. **BUDGET ITEMS FOR INDIVIDUAL CONSIDERATION**

Ordinance No. 2016-260

- A. ID 16-1174 Consider adoption of an ordinance of the City of Denton, Texas, levying the ad valorem property tax of the City of Denton, Texas, for the year 2016, on all taxable property within the corporate limits of the city on January 1, 2016, and adopting a tax rate of \$0.682250 or a tax rate not to exceed \$0.689750 per \$100 of valuation for 2016; providing revenues for payment of current municipal maintenance and operation expenses and for payment of interest and principal on outstanding City of Denton debt; providing for limited exemptions of certain homesteads; providing for enforcement of collections; providing for a severability clause; and providing an effective date.

Chuck Springer, Director of Finance, presented information on Items A, B, C, and D. He noted that based on the discussion at the Work Session, replacement ordinances and a motion for the tax rate had been provided. All four items reflected that tax rate. He presented highlights of the proposed budget.

Council Member Gregory questioned if the budget was adjusted to accommodate that group of people disabled not included in the senior citizen homestead exemption.

Springer stated that the ordinance included that exemption for the disabled.

The following individuals submitted Speaker Cards:

Willie Hudspeth – did not speak on the tax rate but rather spoke on the meeting times of Work Sessions

Jodi Ismert – opposed to raising the tax

City Attorney Burgess stated that a motion should be related to the substitute ordinance that was distributed at the meeting rather than the one submitted in the backup materials.

Mayor Pro Tem Roden motioned that the property tax rate be increased by the adoption of a tax rate of \$0.683340, which is effectively a 3.01 percent increase in the tax rate. Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", and Mayor Watts "aye". Council Member Bagheri "nay". Motion carried with a 6-1 vote.

Ordinance No. 2016-261

B. ID 16-1175 Consider adoption of an ordinance of the City of Denton, Texas, approving the 2016 tax rolls; and providing an effective date.

Chuck Springer, Director of Finance, stated that this was a formal requirement to adopt the tax rolls. The only change was the estimated amount of taxes.

Willie Hudspeth spoke in opposition.

Council Member Hawkins motioned, Council Member Gregory seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", and Mayor Watts "aye". Council Member Bagheri "nay". Motion carried with a 6-1 vote.

Ordinance No. 2016-262

C. ID 16-1176 Consider adoption of an ordinance of the City of Denton, Texas, adopting the Fiscal Year 2016-2017 Annual Program of Services (Budget) and the Capital Improvement Program of the City of Denton, Texas, for the fiscal year beginning on October 1, 2016, and ending on September 30, 2017; and declaring an effective date.

Springer noted that this ordinance would formally adopt the budget.

The following individuals submitted Speaker Cards:

Willie Hudspeth – did not speak on the budget but rather made a point of order that there was not to be discussion after a motion was made but rather after a second was made.

Jodi Ismert - suggested looking at existing programs such as the Chamber of Commerce funding to make the budget more community oriented rather than tourism.

Council Member Gregory motioned, Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", and Mayor Watts "aye". Council Member Bagheri "nay". Motion carried with a 6-1 vote.

Ordinance No. 2016-263

D. ID 16-1177 Consider adoption of an ordinance of the City of Denton, Texas, ratifying the adoption of the Fiscal Year 2016-2017 Annual Program of Services (Budget) and the Capital Improvement Program of the City of Denton, Texas, for the fiscal year beginning October 1, 2016, and ending on September 30, 2017 when the Budget will raise more revenue from property taxes than last year's budget; and providing an effective date.

Springer noted that this item was a requirement of State law for ratifying the ordinance adopting the budget.

Mayor Pro Tem Roden motioned, Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", and Mayor Watts "aye". Council Member Bagheri "nay". Motion carried with a 6-1 vote.

5. CONSENT AGENDA

Council Member Bagheri requested that Items T and Z be pulled for separate consideration.

Council Member Hawkins motioned, Council Member Gregory seconded to approve Consent Agenda Items A-OO and the accompanying ordinances and resolutions with the exception of Item B which would not be considered, the alternate ordinance for Item J and pulling Items K, L, M and N, T and Z for separate consideration. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Resolution No. R2016-032

A. ID 16-1243 Consider the approval of a resolution of the City Council of the City of Denton, a Texas home rule municipal corporation ("City"), stating the circumstances and condition for the exchange of 1.334 acres located in the N. Meisenhamer Survey, Abstract No. 0, Denton, Denton County, Texas, to Rayzor Investments, Ltd. ("Rayzor"), for permanent and temporary easements from, and dedication of right of way, to the City from Rayzor and the public purpose achieved by said exchange as required by Local Government Code Section 272.001(k); and providing an effective date

This item was not considered.

- B. ID 16-1074 Consider an ordinance of the City of Denton, a Texas home rule municipal corporation ("City"), approving the exchange of a 1.334 acre tract located in the N. Meisenhamer Survey, Abstract, No. 810, Denton, Denton County, Texas ("Property"), to Rayzor Investments, Ltd. ("Rayzor"), for permanent and temporary utility easements, also located in the N. Meisenhamer Survey, and reservations of permanent utility easements and dedication of right of way in the Property to the City, all with the equivalent value of One Hundred and Fifty Thousand Dollars and No Cents (\$150,000.00) as stated in the contract of sale ("Contract"); authorizing the City Manager in accordance with Texas Local Government Code 272.001(k) to execute a deed to Rayzor together with any other documents necessary to exchange the Property for permanent and temporary utility easements and reservations of permanent utility easements and dedication of right of way; and, providing an effective date. [Bonnie Brae to North Lakes TM Line Rebuild (Easement Exchange)]

Ordinance No. 2016-264

- C. ID 16-1108 Consider adoption of an ordinance approving a grant application from Robert Mullins, representing Armadillo Brewing Company, from the Downtown Reinvestment Grant Program not to exceed \$25,000; and providing for an effective date.

Ordinance No. 2016-265

- D. ID 16-1123 Consider adoption of an ordinance of the City Council of the City of Denton, Texas, approving guidelines for operation of the City of Denton Home Improvement Program and eligibility criteria; authorizing expenditures in excess of \$100,000 for projects meeting program guidelines and criteria; and providing for an effective date.

Ordinance No. 2016-266

- E. ID 16-1127 Consider adoption of an ordinance approving a City sponsorship in an amount not to exceed \$3,500 of in-kind services and resources for the Denton County Veterans Coalition's Stand Down event, to be held in the Civic Center and Quakertown Park located at 321 E. McKinney on October 20, 2016; and providing an effective date.

Ordinance No. 2016-267

- F. ID 16-1134 Consider adoption of an ordinance approving a City sponsorship in an amount not to exceed \$6,000 of in-kind services and supplies for the 28th Annual Denton Holiday Lighting Festival to be held on the Downtown Square on December 2, 2016; and providing an effective date.

Ordinance No. 2016-268

- G. ID 16-1137 Consider adoption of an ordinance adopting a Schedule of Fees for use of certain park facilities; superseding all prior fees in conflict with such schedule; and providing for severability and an effective date. The Parks Recreation and Beautification Board recommends approval (4-0).

Ordinance No. 2016-269

- H. ID 16-1142 Consider adoption of an ordinance awarding the expenditure of funds for service and support for the City of Denton for continued vendor support of wireless access for mobile data computers and devices as awarded by the State of Texas Department of Information Resources (DIR) Contract Number DIR-SDD-1777; providing the expenditure of funds therefore and providing an effective date (File 3561 awarded to AT&T Mobility in a three (3) year not-to-exceed amount of \$928,458).

Ordinance No. 2016-270

- I. ID 16-1143 Consider adoption of an ordinance of the City of Denton, Texas providing for, authorizing, and approving three (3) year software maintenance for continued vendor support of the TriTech Public Safety System and associated modules used for Police and Fire Department Dispatching and Records Management, 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 2640 awarded to TriTech Software Systems in the three (3) year not-to-exceed amount of \$716,200).

Ordinance No. 2016-271

- J. ID 16-1146 Consider adoption of an ordinance of the City of Denton, Texas adopting and approving a uniform pole attachment agreement for all pole attachment fees and charges and all conduit fees and charges involving poles and conduits owned by the City of Denton, Texas; establishing authorizing the City Manager to execute said agreements; authorizing the expenditure of funds; and providing an effective date.

Ordinance No. 2016-276

- O. ID 16-1154 Consider adoption of an ordinance of the City of Denton, Texas providing for the schedule of miscellaneous fees, deposits, billings and procedures for administrative services to city utilities customers contained in Ordinance No. 2015-295; providing for a repealer; providing for a severability clause; and providing for an effective date. The Public Utilities Board recommends approval (6-0).

Ordinance No. 2016-277

- P. ID 16-1155 Consider adoption of an ordinance of the City of Denton, Texas providing for, authorizing, and approving a three (3) year Small Government Enterprise License Agreement (SGELA) software maintenance for continued vendor support of the Geographic Information System (GIS) software, 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 3880 awarded to Environmental Systems Research Institute (ESRI) for a three (3) year not-to-exceed amount of \$297,000).

Ordinance No. 2016-278

- Q. ID 16-1156 Consider adoption of an ordinance of the City of Denton, Texas authorizing the City Manager to execute a First Amendment to a contract by and

between the City of Denton, Texas and Relief Services for Veterinary Practitioners (RSVP) for veterinary services for the City of Denton Animal Shelter Department; providing for the expenditure of funds therefor; and providing an effective date (File 5626 in the additional amount not-to-exceed \$200,000; aggregating a total not-to-exceed \$900,000).

Ordinance No. 2016-279

- R. ID 16-1157 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the Houston-Galveston Area Council of Governments (H-GAC) Cooperative Purchasing Program for the acquisition of radios and radio accessories including replacement parts for the City of Denton; and providing an effective date (File 6216- awarded to Motorola Solutions Inc. in the three (3) year not-to-exceed amount of \$2,500,000).

Ordinance No. 2016-280

- S. ID 16-1158 Consider adoption of an ordinance accepting competitive proposals and awarding a contract for Load Profiler Web-Based Services for the City of Denton; providing for the expenditure of funds therefor; and providing an effective date (RFP 6067-awarded to Picotera Systems, LLC in the three (3) year not-to-exceed amount of \$225,000). The Public Utilities Board recommends approval (7-0).

Ordinance No. 2016-282

- U. ID 16-1161 Consider adoption of an ordinance accepting competitive proposals and awarding a contract for the purchase of pavement markers for the City of Denton Traffic Department and which are to be stocked in the City of Denton Distribution Center; providing for the expenditure of funds therefor; and providing an effective date (RFP 6181-awarded to multiple vendors in the three (3) year not-to-exceed amount of \$250,000).

Approved the minutes listed below.

- V. ID 16-1164 Consider approval of the minutes of July 18, July 19, July 21, July 26, August 1, August 2, August 4, and August 9, 2016.

Ordinance No. 2016-283

- W. ID 16-1166 Consider adoption of an ordinance awarding a contract for the purchase of software maintenance for the City of Denton for continued vendor support of the Oracle EnterpriseOne (formerly PeopleSoft EnterpriseOne (formerly JD Edwards OneWorld)) software as awarded by the State of Texas Department of Information Resources (DIR) through the Go DiRECT Program, Contract Number DIR-TSO-2539; providing for the expenditure of funds therefor and providing an effective date. (File 3100 awarded to Oracle America, Inc. in the three (3) year not-to-exceed amount of \$575,000).

Ordinance No. 2016-284

- X. ID 16-1168 Consider adoption of an ordinance accepting competitive proposals and awarding a contract for the purchase of four (4) dry pit submersible pumps for Raw

Wastewater Pump Station No. 2 located at the City of Denton Pecan Creek Water Reclamation Plant; providing for the expenditure of funds therefor; and providing an effective date (RFP 6152-Xylem Water Solutions, USA Inc. in the not-to-exceed amount of \$226,851.24). The Public Utilities Board recommends approval (7-0).

Ordinance No. 2016-285

Y. ID 16-1169 Consider adoption of an ordinance accepting competitive proposals and awarding a contract for the purchase of one (1) wet well, two (2) non-clog submersible pumps, and one (1) lift station control panel for the City of Denton West Lift Station Project; providing for the expenditure of funds therefor; and providing an effective date (RFP 6186-awarded to Xylem Water Solutions, USA Inc. in the not-to-exceed amount of \$115,808.11). The Public Utilities Board recommends approval (7-0).

Ordinance No. 2016-287

AA. ID 16-1179 Consider adoption of an ordinance of the City Council of the City of Denton, Texas, amending the City's Fund Balance Policy; and providing an effective date.

Ordinance No. 2016-288

BB. ID 16-1180 Consider adoption of an ordinance of the City of Denton, Texas amending the Fiscal Year 2015-2016 Budget and Annual Program of Services of the City of Denton to allow for adjustments to the General Fund of one million, seven hundred twelve thousand three hundred eighty dollars (\$1,712,380) for the purpose of funding improvements, equipment and other expenses, the Water Fund of one million dollars (\$1,000,000) for the purpose of funding a reimbursement grant to Denton-Tarrant PRW, LLC, the Wastewater Fund of eight hundred sixty-five thousand dollars (\$865,000) for the purpose of funding a reimbursement grant to Denton-Tarrant PRW, LLC, the Materials Management Fund of five hundred thousand dollars (\$500,000) for the purpose of purchasing additional material inventory related to increased capital construction throughout the City, and the Traffic Safety Fund of three hundred fifty thousand dollars (\$350,000) for the purpose of making additional disbursements to Texas State Comptroller; declaring a municipal purpose; providing a severability clause; providing an open meetings clause; and providing for an effective date.

Ordinance No. 2016-289

CC. ID 16-1186 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the National IPA Purchasing Program for the acquisition of one (1) 2014 CAT model MH3037 materials handler for the City of Denton Solid Waste Department; and providing an effective date (File 6224-awarded to Holt CAT in the amount of \$455,584.49). The Public Utilities Board recommends approval (7-0).

Ordinance No. 2016-290

DD. ID 16-1188 Consider 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 Network for the acquisition of one (1) 2014 Elgin model Broom Badger street sweeper for the City of Denton Solid Waste Department; and providing an effective date (File 6225-awarded to Kinloch Equipment & Supply, Inc. in the amount of \$169,000). The Public Utilities Board recommends approval (7-0).

Ordinance No. 2016-291

EE. ID 16-1190 Consider adoption of an ordinance accepting competitive bids by way of a Cooperative Purchasing Program Participation Agreement with the City of Frisco under section 271.102 of the Local Government Code, for Healthcare Consulting Services regarding transparent pricing and quality metric for City of Denton employees; providing the expenditure of funds therefor; and providing an effective date (File 6223-awarded to Compass Professional Health Services at the rate of \$4.50 per employee per month for a three (3) year not-to-exceed amount of \$270,000).

Ordinance No. 2016-292

FF. ID 16-1191 Consider adoption of an ordinance approving a City sponsorship in an amount not to exceed \$3,090 of in-kind services and resources for the Second Annual Downtown Denton Turkey Trot on November 24, 2016; and providing an effective date.

Ordinance No. 2016-293

GG. ID 16-1195 Consider adoption of an ordinance of the City of Denton authorizing an agreement between the City of Denton, Texas and Day of the Dead Festival; for the purpose of the 2016 Day of the Dead Festival; authorizing the expenditure of funds; and providing for an effective date. (\$500)

Ordinance No. 2016-294

HH. ID 16-1197 Consider adoption of an ordinance of the City of Denton authorizing an agreement between the City of Denton, Texas and Communities in Schools of North Texas for the purpose of Dropout Prevention Programs in Denton Independent School District; authorizing the expenditure of funds; and providing for an effective date. (\$500)

Ordinance No. 2016-295

II. ID 16-1199 Consider adoption of an ordinance of the City of Denton authorizing an agreement between the City of Denton, Texas and Salvation Army for the purpose of Emergency Shelter Services, Food Services, and Social Services; authorizing the expenditure of funds; and providing for an effective date. (\$725)

Ordinance No. 2016-296

JJ. ID 16-1200 Consider adoption of an ordinance of the City of Denton authorizing an agreement between the City of Denton, Texas and the Texas Storytelling Association; for the purpose of expenses for the Texas Storytelling Festival; authorizing the expenditure of funds; and providing for an effective date. (\$450)

Resolution No. R2016-033

KK. ID 16-1209 Consider approval of a resolution approving the City of Denton's Strategic Plan for FY 2016-17; and providing for an effective date.

Ordinance No. 2016-297

LL. ID 16-1214 Consider adoption of an ordinance authorizing the City Manager to execute a Professional Services Agreement (PSA) with Solutient GeoSciences, Inc., for hydrogeological and analytical services pertaining to groundwater monitoring and reporting requirements at the City of Denton Landfill; and providing an effective date (File 6231-awarded to Solutient GeoSciences, Inc. in a three (3) year amount not-to-exceed \$304,961). The Public Utilities Board recommends approval (7-0).

Ordinance No. 2016-298

MM. ID 16-1220 Consider adoption of an ordinance of the City of Denton, Texas amending section 28-253 of the Code of Ordinances to provide for the adoption of the 2015 International Energy Conservation Code (IECC) as published by the International Code Council; providing for amendments thereto; providing a penalty for violation of a fine not to exceed \$2,000.00; providing for severability; repealing all ordinances in conflict therewith; and providing an effective date.

Ordinance No. 2016-299

NN. ID 16-1224 Consider adoption of an ordinance authorizing the City Manager to execute a Interlocal Agreement with the University of North Texas under section 791.001 of the State of Texas Government Code, and to authorize the City of Denton to participate in the ITDS Corporate Partners Program-Professional Development Program for City of Denton employees; authorizing the expenditure of funds therefor; and declaring an effective date (File 6217-Interlocal Agreement with the University of North Texas in the two (2) year amount of \$15,375).

Ordinance No. 2016-300

OO. ID 16-1228 Consider adoption of an ordinance authorizing the settlement of litigation styled City of Denton, Texas v. 551 Mayhill Joint Venture and American National Bank, Cause No. PR-2014-00309, currently pending in the Probate Court of Denton County, Texas, regarding the acquisition of a 2.115 acre fee tract and a 0.202 acre slope easement tract for the Mayhill Widening and Improvements project in settlement amount of Four Hundred and Forty Thousand Dollars and No Cents (\$440,000.00), authorizing the City Attorney to effectuate an Agreed Final Judgment in Condemnation and any such documents as necessary and appropriate for settlement, authorizing the expenditure of funds therefor; providing a savings clause; and providing an effective date. (Mayhill Road Widening and Improvements project - Parcel M070 - 551 Mayhill Joint Venture)

The items requested for individual consideration were considered.

Ordinance No. 2016-272

K. ID 16-1036 Consider adoption of an ordinance amending the schedule of electric rates contained in Ordinance No. 2015-292 for electric service; amending the provisions of the Residential Service Rate Schedule (Schedule RES); amending the provisions of the Residential Renewable Energy Service Rider (Schedule RG); amending the provisions of the Residential Prepaid Service Schedule (Schedule RPP); amending the provisions of the Residential Time Of Use Schedule (Schedule RTOU); amending the provisions of the General Service Small Schedule (Schedule GSS); amending the provisions of the General Service Medium Schedule (Schedule GSM); amending the provisions of the General Service Large Schedule (Schedule GSL); amending the provisions of the General Time of Use Schedule (Schedule TGS); amending the provisions of the Local Government Small Schedule (Schedule G2); amending the provisions of the Local Government Schedule (Schedule G1); amending the provisions of the Weekend Service Schedule (Schedule WK); amending the provisions of the Athletic Field Schedule (Schedule AF); amending the provisions of the Street Lighting Schedule (Schedule LS); amending the provisions of the Traffic Lighting Schedule (Schedule LT); amending the provisions of the Unmetered School Zone/Crossing Flashers Schedule (Schedule UFL); amending the provisions of the Unmetered Traffic Lights Schedule (Schedule ULT); amending the provisions of the Unmetered Security Camera Schedule (Schedule USC); amending the provisions of the Unmetered Wi-Fi Devices Schedule (Schedule UWF); amending the provisions of the Other Lighting Schedule (Schedule LO); amending the provisions of the Security Lighting Schedule (Schedule DD); amending the provisions of the Decorative Downtown Lighting Schedule (Schedule DDL); amending the provisions of the Non Standard Street Lighting Schedule (Schedule DSL); amending the provisions of the Temporary Service Schedule (Schedule T1); amending the provisions of the Economic Growth Rider (Schedule EGR); amending the provisions of the Transmission Cost Recovery Factor Schedule (Schedule TCRF); amending the provisions of the Independent Wholesale Generator (Schedule IWG); adding the provisions of the Pole Attachment Fee (Schedule PAF); providing for a repealer; providing for a severability clause; and providing for an effective date. The Public Utilities Board recommends approval (5-0).

Chuck Springer, Director of Finance, presented information concerning the various utility rates in terms of impact to the citizens.

Willie Hudspeth spoke in opposition.

Council Member Gregory motioned, Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Council Member Briggs "nay". Motion carried with a 6-1 vote.

Ordinance No. 2016-273

L. ID 16-1140 Consider adoption of an ordinance of the City of Denton, Texas amending the schedule of rates for solid waste service contained in Ordinance No. 2015-296 as authorized by Chapter 24 of the Code of Ordinances of the City of Denton, Texas;

providing that the provisions of Sections 26-3, 26-4, 26-5, 26-7, 26-8(a), and 26-9 of the Code of Ordinances of the City of Denton, Texas shall expressly apply to City of Denton Solid Waste and Recycling Services; providing for amendments to the residential refuse & recycling collection services rates; providing for amendments to the commercial refuse and recycling collection services rates; providing for amendments to the Solid Waste & Recycling Services definitions and additional details; providing for a repealer; providing for a severability clause; providing an effective date. The Public Utilities Board recommends approval (6-0).

Mayor Pro Tem Roden motioned, Council Member Gregory seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2016-274

M. ID 16-1152 Consider adoption of an ordinance amending the schedule of water rates contained in Ordinance No. 2015-293 for water service rates and water rates; amending the residential water service rate (Schedule WR); amending the commercial/industrial water service rate (Schedule WC); amending the metered water from fire hydrant rate (Schedule WFH); amending the wholesale treated water service rate to the Upper Trinity Regional Water District (Schedule WW); amending the wholesale raw water service rate to Upper Trinity Regional Water District (Schedule WRW); amending the wholesale raw water pass-through rate to Upper Trinity Regional Water District from Lake Chapman into Lake Lewisville (Schedule WCL); providing for a repealer; providing for a severability clause; and providing for an effective date. The Public Utilities Board recommends approval (6-0).

Mayor Pro Tem Roden motioned, Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Council Member Briggs "nay". Motion carried with a 6-1 vote.

Ordinance No. 2016-275

N. ID 16-1153 Consider adoption of an ordinance amending the schedule of wastewater rates contained in Ordinance No. 2015-294; providing for an amendment in the rates for residential wastewater service (Schedule SR); amending the mobile home park wastewater service (Schedule SMH); amending the commercial and industrial wastewater service (Schedule SC); amending the commercial/industrial wastewater service which measures with dedicated water meters (sub- meters) (Schedule SCD); amending the commercial/industrial wastewater service which measures with dedicated water meters (sub-meters) (Schedule SCS); amending the equipment services facilities and restaurant & food service establishments wastewater service (Schedule SEE); amending the metered wastewater inside and outside corporate limits (Schedule SM); amending the sale of treated wastewater effluent (Schedule SGE); amending the wholesale wastewater treatment services for a governmental agency, division, or subdivision (Schedule SSC); amending the wastewater tap and manhole fees (Schedule ST); providing for a repealer; providing for a severability

clause; and providing for an effective date. The Public Utilities Board recommends approval (6-0).

Council Member Hawkins motioned, Council Member Wazny seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2016-281

- T. ID 16-1160 Consider adoption of an ordinance approving an agreement between the City of Denton, Texas, and the Denton Chamber of Commerce regarding an Economic Development Partnership; and providing an effective date [\$238,836.00].

Council Member Bagheri suggested modifying the contract by reducing the amount of the contract to \$220,000 and increase the Chamber's portion \$18,000 as an in-kind contribution. She motioned to modify the contract. There was no second to the motion.

Mayor Pro Tem Roden felt that the EDP Board should also weigh in on this issue and should not be left out of discussion this year. He would not agree to the amendment.

Mayor Pro Tem Roden motioned, Council Member Gregory seconded to adopt the ordinance as presented. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Hawkins "aye", Council Member Gregory "aye", and Mayor Watts "aye". Council Member Briggs "nay", and Council Member Bagheri "nay". Motion carried with a 5-2 vote.

Ordinance No. 2016-286

- Z. ID 16-1178 Consider adoption of an ordinance of the City of Denton, Texas authorizing the City Manager to execute a professional services agreement between the City of Denton and Solutions for Local Control, LLC to assist the City of Denton in advancing its State Legislative Program, assist Council and staff in addressing proposed legislation, and make the City aware of any legislative or administrative initiatives believed to be detrimental to the interests of the City; authorizing the expenditure of funds; and providing an effective date (File 6232-Legislative Consulting Services awarded to Solutions for Local Control, LLC in an amount not to exceed \$49,200 annually for a four (4) year not-to-exceed amount of \$196,800).

Council Member Bagheri suggested amending the contract to a two year contract with no extensions. Everything else would remain the same.

Mayor Pro Tem Roden questioned why she would want to decrease resources to retain local control.

Council Member Bagheri stated that the spending would be the same, just less years. She felt there were redundant services provided.

Council Member Bagheri motioned to modify the contract to a two year contract with no options for extension.

Council Member Gregory stated that he would not support the motion as the services were not redundant.

Council Member Bagheri motioned, Council Member Briggs seconded to amend the ordinance to remove the two year extension options. On roll call vote, Council Member Wazny "aye", Council Member Briggs "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Mayor Pro Tem Roden "nay", Council Member Hawkins "nay", and Council Member Gregory "nay". Motion carried with a 4-3 vote.

6. ITEMS FOR INDIVIDUAL CONSIDERATION

Ordinance No. 2016-301

- A. A16-0002b Conduct the second of two readings and take final action on an ordinance to annex an approximately 0.375 acre tract generally located on the north side of Crawford Road, approximately 675 feet east of I-35W Crawford Road on-ramp. (A16-0002; Ranch View Specialty Hospital).

Julie Wyatt, Senior Planner, presented the details of the proposal. She reviewed the location of the property, the schedule for voluntary annexation, and read the ordinance caption for the record.

Council Member Hawkins motioned, Mayor Pro Tem Roden seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

- B. ID 16-1163 Consider nominations/appointments to the City's Boards and Commissions: Airport Advisory Board; Community Development Advisory Committee; Health & Building Standards Commission; Human Services Advisory Committee; Parks, Recreation and Beautification Board; and Zoning Board of Adjustment.

Council Member Wazny nominated Ann Patterson to the Community Development Advisory Committee; Council Member Gregory nominated Glen Farris to the Alternate position on the Health and Building Standards Commission; Council Member Hawkins nominated Connor Morgan to the Human Services Advisory Committee; and Council Member Hawkins nominated Greg Price to the Alternate 1 position on the Zoning Board of Adjustment.

Willie Hudspeth submitted a Speaker Card and spoke on Council's approval of nominations.

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

- C. ID 16-1172 Consider adoption of an ordinance establishing an Economic Development Program under Chapter 380 of the Local Government Code for making grants of public money to promote economic development and to stimulate business

activity in the city of Denton; approving an economic development program grant agreement with Sally Beauty Supply, LLC, setting forth the various conditions precedent to Sally Beauty Supply, LLC receiving the program grant; providing for a severability clause; and providing an effective date.

Council Member Briggs left the meeting with a conflict of interest.

Caroline Booth., Assistant Director of Economic Development, presented background information on Sally Beauty. The prior incentive, current request and EDP Board recommendation was reviewed. She also presented the policy and precedent information for tax abatements and incentives. The fiscal impact, economic impact in terms of labor and sales tax impact were presented. Proposed agreement provisions were reviewed.

Council discussion included the number of proposed jobs; sales tax to be generated; remodel of the Sally facility was the cost of doing business and should not result in a tax rebate; minimum value was rated too low; and these types of expansions helped the entire community as investments were made at all levels of services.

Willie Hudspeth submitted a Speaker Card in opposition.

Mayor Watts questioned if a continuance would be more appropriate to try and get additional information from Sally or vote up or down on the proposal.

Council Member Gregory felt that it Council was going to tie the incentive to a number of jobs, staff needed to know if it would make a difference to Sally.

Mayor Watts stated that the actual dollar amount was very minimal. However if it was just a remodel, he would not be in favor. He felt it needed to be tied to a number of jobs.

Council Member Hawkins felt that moving forward the provisions needed to be clearer but as this was a small amount he was comfortable with this proposal.

Mayor Pro Tem Roden questioned how long the discussions had been in process.

Booth stated that the EDP Board approved the proposal in March and based on their recommendation staff went back for further negotiations. The thought process of the EDP Board was for a council member to advocate for the recommendation. The current member was against the recommendation.

Mayor Watts questioned if the EDP Board recommendation of 50% for 3 years was the only recommendation from the Board.

Booth stated that the EDP Board received information on jobs and the impact on jobs but not on valuation. Their recommendation was 3 years and 50%.

Council Member Gregory motioned, Council Member Hawkins seconded to postpone with staff direction to modify the conditions of the abatement. On roll call vote, Mayor Pro Tem Roden

"aye", Council Member Wazny "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Council Member Briggs returned to the meeting.

First Reading

- D. SI16-0001a Consider adoption of an ordinance of the City of Denton, Texas, on first reading, confirming and approving a Boundary Adjustment Agreement with the City of Corinth, Texas, adjusting a mutual boundary of the cities not exceeding 1,000 feet; providing for severability; and providing an effective date.

Ron Menguita, Long Range Planning Administrator, presented the information regarding the ordinance for a boundary adjustment with the City of Corinth, including the location of the proposed boundary adjustment. This was the first reading of two required readings. He read the ordinance caption into the record.

Council Member Gregory motioned, Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2016-302

- E. ID 16-1229 Consider adoption of an ordinance authorizing the City Manager, or his designee, to execute a real estate sales contract, between the City of Denton, Texas, a Texas Home-Rule Municipal Corporation, as purchaser, and Eagle Farms, Inc., a Texas Corporation, and John Porter Auto Sales, Inc., a Texas Corporation, (Collectively "Owner"), as seller, to acquire fee title to a 340.469 acre tract situated in the Gibson Myers Survey, Abstract No. 843, The Johnson, Green, Myers, and Brummell Survey, Abstract No. 1699, the Moses H. Davis Survey, Abstract No. 377, and the William Wilburn Survey, Abstract No. 1419, located in the City of Denton, Denton County, Texas, generally south of Jim Christal Road, east of Hickory Court, and north of Tom Cole Road, and more particularly described in Exhibit "A" ("Property Interest") for the purchase price of eleven million five hundred thousand dollars and no cents (\$11,500,000.00), and other consideration, as prescribed in the Contract of Sale (the "Contract"); authorizing the expenditure of funds; and providing an effective date.

Galen Gillum, Executive Manager of Administrative Services, presented the details of the ordinance which would purchase property for multiple purposes for the city that included an airport runway project, Denton Energy Center; a switchyard/substation and future Loop 288. He reviewed the cost distribution of the property in terms of parcel type.

The Mayor opened the public hearing.

The following individuals submitted Speaker Cards:

Ken Gold – opposed

Jodi Ismert - opposed
Deb Armintor – opposed
Willie Hudspeth – opposed
Dan Unshew – opposed
Ben Huttash – opposed
Marshall Smith - opposed
Cindy Spoon – opposed
Matthew Messer – opposed
Jennifer Lane - opposed

Mayor Watts noted that there were five Comment Cards submitted in support and five submitted in opposition.

Council Member Bagheri noted that her focus was on the pricing.

Mayor Watts noted that he had received many emails on the issue and would be voting no.

Council Member Hawkins motioned, Mayor Pro Tem Roden seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Hawkins "aye", and Council Member Gregory "aye". Council Member Briggs "nay", Council Member Bagheri "nay", and Mayor Watts "nay". Motion carried with a 4-3 vote.

Ordinance No. 2016-303

F. ID 16-1230 Consider adoption of an ordinance of the City Council of the City of Denton, a Texas home-rule municipal corporation, providing for, authorizing, and approving the execution by the City Manager, or his designee, of an Equipment Supply and Services Contract for the purchase of twelve (12) reciprocating internal combustion engines and related technical services between the City of Denton and Wärtsilä North America, Inc., a Maryland corporation,; approving the execution of such other and further related documents deemed necessary to effectuate this transaction by the City Manager, or his designee, which are incident or related thereto; confirming and ratifying that the City of Denton, its City Manager, and its City Attorney shall be authorized and empowered to perform such acts and obligations as are reasonably required to consummate this transaction; ratifying all prior actions taken by the City Council, City Manager and City Attorney, or their designees, in furtherance of the foregoing transaction; and determining that specific information in the said documents involved in this transaction pertain to a "competitive electric matter" as set forth under the provisions of §§551.086 and 552.133 of the Texas Government Code, as amended; adopting significant recitations, findings and conclusions, as are set forth in the preamble of this ordinance; that the purchase of power generating equipment and services made by the City under the terms of this Equipment Supply and Services Contract are in the public welfare; authorizing the expenditure of funds therefore; providing an effective date.

Phil Williams, General Manager-DME, presented the details of the proposal including the number of public meetings regarding the process. He discussed the evaluation criteria, evaluation of

respondents, proposed contract, and recommendation. The contract milestones were noted. Staff recommended approval of the proposal.

Council discussed various provisions of the proposal including an estimation when the new wind/solar contracts would be on-line; the scoring of the proposals; the emissions from the engines and associated guarantees of performance; and the performance indicators. Council also discussed with staff how many respondents had come to Denton; the impact Denton would make on the de-regulated market; and the figures associated with the reduction of air emissions.

The following individuals submitted Speaker Cards:

Ken Gold – opposed
Matthew Messer – opposed
Michael Hennen – opposed
Jodi Ismert – opposed
Zak Youngblood – opposed
Deb Armintor – opposed
Willie Hudspeth – opposed
Jennifer Lane - opposed
Ben Huttash – opposed
Carol Soph – opposed
Ed Soph –opposed
Cindy Spoon – opposed
Shane Wallin – support
Tony Roybal – support

Comment cards were submitted by:

Larry Beck – opposed
Topher Jones – opposed
Candice Bernd - opposed

City Attorney Burgess noted the modifications to the contracts – one was the date of the contract would be changed to September 20th and the date of the first payment would be changed to October 3rd. The approval should include those changes as noted.

Council Member Gregory motioned, Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Hawkins "aye", and Council Member Gregory "aye". Council Member Briggs "nay", Council Member Bagheri "nay", and Mayor Watts "nay". Motion carried with a 4-3 vote.

Ordinance No. 2016-304

G. ID 16-1231 Consider adoption of an ordinance of the City Council of the City of Denton, a Texas home-rule municipal corporation, providing for, authorizing, and approving the execution by the City Manager, or his designee, of an engineering, procurement and construction agreement for the construction of an electric power generation facility between the City of Denton and Burns and McDonnell Engineering Company, Inc. a Missouri corporation,; approving the execution of such

other and further related documents deemed necessary to effectuate this transaction by the City Manager or his designee, which are incident or related thereto; confirming and ratifying that the City of Denton, its City Manager, and its City Attorney shall be authorized and empowered to perform such acts and obligations as are reasonably required to consummate this transaction; ratifying all prior actions taken by the City Council, City Manager, and City Attorney, or their designees, in furtherance of the foregoing transaction; and determining that the said documents involved in this transaction pertain to a "competitive electric matter" as set forth under the provisions of §§551.086 and 552.133 of the Texas Government Code, as amended; adopting significant recitations, findings and conclusions, as are set forth in the preamble of this ordinance; that the construction of the electric power generation plant by the City under the terms of this engineering, procurement and construction agreement are in the public welfare; authorizing the expenditure of funds therefore; providing an effective date.

Phil Williams, General Manager - DME, reviewed the design-build procurement method; the RFP evaluation; respondents; qualifications; and list of RICE projects. Staff recommended approval.

The following individuals submitted Speaker Cards:

Ken Gold – opposed
Jodi Ismert – opposed
Zac Youngblood – opposed
Deb Armintor - opposed

Comment cards were submitted by:

Candice Bernd - opposed
Topher Jones – opposed

Mayor Watts questioned the emissions and air permit and the result/plan if the engines exceeded the emissions standard for the permit.

Williams stated that the company would have penalties imposed. A remedy would be to tune the engine to meet the requirements or replace the engine.

City Attorney Burgess noted that the date on the contract would be September 21st if approved as the meeting time had passed midnight.

Council Member Hawkins motioned, Mayor Pro Tem Roden seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Hawkins "aye", and Council Member Gregory "aye". Council Member Briggs "nay", Council Member Bagheri "nay", and Mayor Watts "nay". Motion carried with a 4-3 vote.

- H. ID 16-1232 Consider adoption of an ordinance of the City of Denton, Texas amending the Fiscal Year 2015-2016 Budget and Annual Program of Services of the City of Denton to allow for adjustments to the Electric Fund of twenty three million (\$23,000,000) for the purpose of making initial payments for construction of a quick

start electric generation facility; declaring a municipal purpose; providing a severability clause, an open meetings clause and effective date.

City Manager Martin stated that as the contract date was extended to October 3rd which was in the next fiscal year, there was no need for this amendment and no need for a vote on this item.

Speaker Cards were submitted by:

Deb Armintor – opposed

Willie Hudspeth - opposed

7. PUBLIC HEARINGS

Ordinance No. 2016-305

- A. ID 16-950 Hold a Public Hearing and consider adoption of an ordinance granting approval, in accordance with Chapter 26 of the Texas Parks and Wildlife Code, of the non-park use of a part of North Lakes Park for the purpose of installing and maintaining a subsurface drainage pipe and outfall for the North Lakes Shopping Center Development Project; providing for a notice by the City of Denton, Texas of non-park use for installation and maintenance of a subsurface drainage pipe and outfall and reservation of drainage easement in the event of sale of park; and providing an effective date.

The Mayor opened the public hearing.

Jim Mays, Superintendent of Park Planning, stated that a public hearing was needed when park property was not used for park purposes. He presented an aerial overview of the property and noted that the purpose was for installation and maintenance of a subsurface drainage pipe and outfall. It also included the reservation of a drainage easement in the event of the sale of the park.

The following individuals spoke during the public hearing:

Joe LaCroix, representing the developer, was available for questions

Ben Huttash suggested a wood chipping project at North Lakes Park

The Mayor closed the public hearing.

Council Member Bagheri motioned, Mayor Pro Tem Roden seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2016-306

- B. Z16-0009a Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, regarding a rezoning request from Planned Development 138 (PD-138) District to Regional Center Commercial Neighborhood (RCC-N) District on approximately 3 acres, located on the east of I-35 W, approximately 710 feet north of Crawford Road; and providing for a penalty in the maximum amount of \$2,000.00

for violations thereof; providing a severability clause and an effective date. The Planning and Zoning Commission recommends approval (5-0). (Z16-0003).

Julie Wyatt, Senior Planner, presented the details of the proposal. The request was for rezoning of three acres to a Regional Center Commercial Neighborhood. She displayed the location of the property and noted that the proposal was for the development of a specialty hospital and medical offices. The current zoning, future land use designation, and consideration for analysis of the proposal was reviewed. The Planning and Zoning Commission as well as staff recommended approval.

The Mayor opened the public hearing.

No one spoke during the public hearing.

The Mayor closed the public hearing.

Council Member Bagheri motioned, Council Member Wazny seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2016-307

- C. Z16-0010a Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, regarding a rezoning request of approximately 80.49 acres of land from a Neighborhood Residential 2 (NR-2) District and a Neighborhood Residential Mixed Use (NRMU) District to a Community Mixed Use General (CM-G) District, and an initial zoning of approximately 1.67 acres of land from Rural Residential (RD-5X) District to a Community Mixed Use General (CM-G) District, generally located on the east side of Teasley Lane, approximately 825 feet south of Montecito Drive. The Planning and Zoning Commission recommends approval (5-0). (Z16-0010)

The Mayor opened public hearing.

Hayley Zagurski, Assistant Planner, reviewed the purpose of the proposed ordinance. She presented the location of the property; current zoning, future land use for the area; and considerations for approval. The Planning and Zoning Commission and staff recommended approval.

No one spoke during the public hearing.

The Mayor closed the public hearing.

Council Member Bagheri motioned, Mayor Pro Tem Roden seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 20016-308

- D. PDA16-0004a Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, regarding approval of a Detail Plan of Planned Development 174 (PD-174) District to depict an amenity center on approximately 3.26 acres. The subject property is generally located on the southeast side of John Paine Road, approximately 110 feet northeast of Athens Drive within a Planned Development 174 (PD-174) zoning district. The Planning and Zoning Commission recommends approval (5-0). (PDA16-0004)

The Mayor opened the public hearing.

Julie Wyatt, Senior Planner, stated that this item was a detailed plan for an amenity center. She presented the location of property and background information on PD -174. The landscape plan was reviewed as well as the detailed plan; considerations for approval; and public notification. The Planning and Zoning Commission as well as Staff recommended approval with conditions.

No one spoke during the public hearing.

The Mayor closed the public hearing.

Council Member Bagheri motioned, Council Member Hawkins seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

8. 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 Wazny requested staff to communicate with TxDot regarding US 380 and changes in traffic plans. She also requested information on the timing of the lights on 380 near Kroger.

Mayor Watts requested information on the possible signal at Cindy Lane.

Council Member Briggs asked for a review of the ordinance for providing for the City Manager to negotiate \$100,000 and \$200,000 contracts for DME.

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 at 12:53 a.m.

CHRIS WATTS
MAYOR
CITY OF DENTON, TEXAS

JENNIFER WALTERS
CITY SECRETARY
CITY OF DENTON, TEXAS