

CITY OF DENTON CITY COUNCIL MINUTES

March 22, 2016

After determining that a quorum was present, the City Council convened in a Work Session on Tuesday, March 22, 2016 at 3:00 p.m. in the Council Work Session Room at City Hall.

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

ABSENT: Council Member Wazny.

1. Citizen Comments on Consent Agenda Items

Michael Hennen, 724 Thomas, Denton, 76201 urged the Brattle Group to consider a 30 year assessment of the DME plan as opposed to a 20 year assessment. Analyze the 70% renewable plan plus ERCOT.

Ken Gold, 2512 Natchez Trace, Denton, 76210 felt that the Brattle contract should be considered at a regular meeting and not on the Consent Agenda in the afternoon. It should not be considered at this meeting.

2. Requests for clarification of agenda items listed on the agenda for March 22, 2016.

There were no requests for clarification of agenda items.

3. Work Session Reports

- A. ID 16-407 Receive a report, hold a discussion, and give staff direction regarding the City's budgeting, rate setting and cost recovery processes for internal service funds and utility funds of the City.

Chuck Springer, Director of Finance, reviewed the objectives to review internal service funds enterprise funds. He presented information on the Internal Service Funds that included 6 funds budgeted in 2015-16. The purpose of the funds, the cost of service transfers that were involved, the descriptions of the funds and how the cost of service transfers were calculated were presented. Enterprise funds included 5 different funds budgeted for 2015-16. The purpose of the funds and definitions of the funds, goals of rates and self-sufficiency were noted. The budget process started with the internal service funds and then went to the enterprise funds with those budgets then submitted to the Council. The next steps in terms of budget information was reviewed.

Mayor Pro Tem Gregory stated that he had an initiative regarding the IOOF Cemetery he would like staff to explore. He presented information on the history of the cemetery, various points of interest in the cemetery, and damages in the cemetery. He also presented information on Oakwood Cemetery. He felt the City had a responsibility to maintain these cemeteries and would like to direct staff to prepare estimates and methods to put them back in order.

Consensus of the Council was to have staff research cost estimates and break the costs into segments such as headstones, fences, and grounds.

Following the completion of the Work Session the Council convened into a Closed Meeting to consider the items listed below.

1. Closed Meeting:

- A. ID 16-344 Certain Public Power Utilities: Competitive Matters - Under Texas Government Code, Section 551.086; and Consultation with Attorneys - Under Texas Government Code, Section 551.071.

Receive a presentation from Denton Municipal Electric ("DME") staff regarding certain public power competitive, financial and commercial information relating to issues regarding support, implementation and operation of its Energy Risk Management Policy that deals with bidding and pricing information for purchased power, generation and fuel, and Electric Reliability Council of Texas (ERCOT) bids, prices, offers and related services and strategies. Consultation with the City's attorneys regarding legal issues associated with the Energy Risk Management Policy 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 potential litigation. Discuss, deliberate, and provide staff with direction.

- B. ID 16-376 Consultation with Attorneys - Under Texas Government Code Section 551.071.

Consult with the City's Attorneys on the status, strategy, and potential resolution of the claim of Ross McDowell.

- C. ID 16-416 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, discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property located at 301 E. McKinney, Denton, Texas where deliberation 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 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. [Denton County Courthouse Annex property tract(s) - no action item]

- D. ID 16-418 Consultation with Attorneys - Under Texas Government Code, Section 551.071; Deliberations regarding Economic Development Negotiations - Under Texas Government Code, Section 551.087.

Receive a report and hold a discussion regarding legal and economic development issues regarding economic development incentives for a business prospective in regard to the Samuel, Son, & Co. This discussion shall include commercial and financial information the City Council may receive from the business owners which the City 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, including the offer of financial or other incentives. Also hold a discussion with the City's attorneys on the referenced topic where the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.

- E. ID 16-431 Consultation with Attorney - Under Texas Government Code, Section 551.071; 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 WGBP Investments, LTD. This discussion shall include commercial and financial information the City Council has received from WGBP Investments, LTD, a business 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 WGBP Investments, LTD. Also, hold a discussion with the City's attorneys on the referenced topic where the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of the Texas Open Meetings Act, Chapter 551 of the Texas Government Code.

Special Called 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 16-406 Mayor's Day of Concern for Mental Health and those with Intellectual Disabilities

Mayor Watts presented the proclamation for Mayor's Day of Concern for Mental Health and those with Intellectual Disabilities Day.

3. CONSENT AGENDA

Council Member Hawkins motioned, Council Member Roden seconded to adopt the Consent Agenda and accompanying ordinances and resolutions. On roll call vote, Council Member Roden "aye", Council Member Johnson "aye", Mayor Watts "aye", Council Member Hawkins "aye", Council Member Briggs "aye", and Mayor Pro Tem Gregory "aye". Motion carried unanimously.

Ordinance No. 2016-082

- A. ID 16-415 Consider adoption of an ordinance establishing public hearing dates and authorizing the City Secretary to publish notice for April 5, 2016, and April 12, 2016, for annexation of eight (8) properties, identified by the following property identification numbers (DH-2: 60756 and 60759), (DH-3: 41547), (PAA1: 651278), (PAA3: 315334 and 60790) and (PAA4: 202610 and 37729), in the City of Denton, Texas.

Ordinance No. 2016-083

- B. ID 16-417 Consider adoption of an ordinance of the City Council of the City of Denton, Texas authorizing the City Manager or his designee to execute a letter of agreement for consulting services with the Brattle Group, Inc. that is substantially consistent with the scope of work recommended by the City Manager to the City Council during the work session of the City Council on February 16, 2016, in order to perform a study/analysis of the Renewable Denton Plan and other options; providing for the expenditure of funds; providing an effective date.

Ordinance No. 2016-084

- C. ID 16-426 Consider adoption of an ordinance of the City of Denton, Texas authorizing the City Manager to make application to the Texas Department of Housing and Community Affairs Emergency Solutions Grant Program and take all other actions necessary to obtain and implement the program; and providing for an effective date.

4. PUBLIC HEARINGS

Ordinance No. 2016-085

- A. ID 16-403 Hold a public hearing to consider adoption of an ordinance of the City of Denton, Texas approving the land use assumptions and a capital improvements plan under which roadway impact fees may be imposed for designated service areas; setting a date, time, and place for a public hearing to consider adoption of roadway impact fees; authorizing and directing the City Secretary to publish notice of such public hearing; and providing construction and severability clauses.

PS Arora, Manager - Wastewater Department, presented the details of the proposed ordinance. He reviewed the purpose of the public hearing. Jeff Whittaker, Kimley Horn, presented a brief overview of the land use assumptions that included Impact Fee regulatory requirements, the Impact Fee service areas, land use projections, Impact Fee CIP, and Impact Fee CIP summary.

Arora presented information from the Capital Improvement Advisory Committee and associated recommendation.

The Mayor opened the public hearing.

The following individuals spoke during the public hearing:

David Lehde, Dallas Home Builders Association - opposed

The Mayor closed the public hearing.

Council discussion included comments that residential projects at 15% might cause more roads to be built and set the fee while a lower percentage might lower the fee; the fee was dependent on the vehicle mile traveled and was recalculated every five years; the impact fee would be subject to a refund if the road were not built in 10 years; 30% of the fee would be used for the road projects; and homeowner already pay part of the fee when the road was developed

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

Ordinance No. 2016-086

- B. ID 16-413 Continue a public hearing and consider adoption of an ordinance of the City of Denton, Texas designating a certain area within the city limits of Denton as West Gate Business Park (WGBP) Investments, LTD. Reinvestment Zone No. XIII for commercial/industrial tax abatement; establishing the boundaries of such zone; making findings required in accordance with Chapters 312 of the Texas Tax Code; ordaining other matters relating thereto; providing a severability clause; providing for repeal; and providing an effective date.

Mayor Watts stated that this was a continuation of the public hearing which was currently open.

Aimee Bissett, Director of Development Services, presented the proposal. This was an amendment for the West Gate Business Park Investments. She reviewed the project background, current status of the agreement and the need for an amendment. This ordinance would establish the reinvestment zone and a future meeting would amend the existing 380 agreement and adopt the tax abatement agreement.

The Mayor opened the public hearing.

Zac Youngblood spoke in opposition.

The Mayor closed the public hearing.

Council Member Johnson motioned, Council Member Hawkins seconded to adopt the substituted ordinance. On roll call vote, Council Member Roden "aye", Council Member Johnson "aye",

Mayor Watts "aye", Council Member Hawkins "aye", Council Member Briggs "aye", and Mayor Pro Tem Gregory "aye". Motion carried unanimously.

5. ITEMS FOR INDIVIDUAL CONSIDERATION

Ordinance No. 2016-087

- A. A.15-0016b Consider adoption of an ordinance establishing public hearing dates and authorizing the City Secretary to publish notice for April 5, 2016, and April 12, 2016, for annexation of an approximately 23.24 acre property generally located on the west side of Geesling Road, approximately 700 feet south of East University Drive (U.S. 380), within the Moreau Forrest Survey, Abstract No. 417, in Denton County, Texas.

Aimee Bissett, Director of Development Services, presented information concerning the publication of the annexation public hearing schedule. The schedule was for a voluntary annexation of the property due to development of the property for an industrial park.

Willie Hudspeth submitted a Speaker Card.

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

6. CONCLUDING ITEMS

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

Council Member Johnson requested information on the tree plantings at South Lakes Park in conjunction with the lighting. He requested investigating the possibility of adding or brightening the existing lightings.

Council Member Roden suggested creating an ad hoc committee for the Open Data recommendations.

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 7:26 p.m.

CHIRS WATTS
MAYOR
CITY OF DENTON, TEXAS

JENNIFER WALTERS
CITY SECRETARY
CITY OF DENTON, TEXAS