

CITY OF DENTON CITY COUNCIL MINUTES

June 4, 2018

After determining that a quorum was present, the City Council of the City of Denton, Texas convened in a Work Session on Tuesday, June 4, 2018 at 11:00 a.m. in the Council Work Session Room at City Hall.

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

ABSENT: None.

1. Work Session Reports

- A. ID 18-913 Receive a report, hold a discussion, and give staff direction on the Teen City Council, activities during the 2017-2018 season, and future goals.

Laura Behrens, Assistant Director of Parks & Recreation, stated that members of the Denton Teen City Council were present. She stated that the mission of the Teen City Council was to help teens understand local government so they could develop into young leaders that could make a difference in the community. The goal was to empower teens to find their voice and inspire the youth they represented within the community they lived. They served to show teens new perspectives on their role in the community and youth-related issues through research, peer discussions, and community interactions. Participation criteria was that students must be 13 to 18 years old; must be in grades 8-12; must be Denton residents with full parental/guardian support; and must be attending a state-recognized school or homeschooled. The Teen City Council was comprised of up to 25 student members per school year. An executive team was elected by their peers and included a president, vice-president, treasurer, secretary, historian, and marketing representative. Committees included Marketing, Community Service and Teen Events.

The members of the Teen City Council reviewed the community service projects they did during the past year – Spirit of Christmas Food Drive, Backpacks for Homeless Teens at DHS, Reindeer Romp, and Easter Egg Event.

The members of the Teen City Council thanked the Council for their support and offered ways for future City Council involvement – participating in the selection of applicants; possible judges for Battle of the Bands and other events; guest speakers at their meetings; and continuation of the program.

Council asked if there was a gap in city services that would be beneficial to teens. The members of the Teen City Council stated that there were not a lot of activities geared toward teens and not a lot of opportunities for teens to volunteer.

- B. ID 18-724 Receive a report, hold a discussion, and give staff direction regarding the Courthouse Square Design Standards.

Scott McDonald, Director of Development Services, stated that the fire on the Square and the resulting demolition of the Downtown Mini Mall highlighted the lack of downtown standards needed to preserve the unique character of the Square. Development Services researched seven

Texas cities which had design standards for their downtown and/or historic downtown areas. Based on this research a draft of proposed standards for the Square was developed. Development Services met with four key groups to present the draft standards: downtown property owners and businesses, Downtown Task Force, Denton Main Street Association, and Historic Landmark Commission. Overall feedback received included unanimous support for the drafted standards. They looked for flexible standards that would avoid undue financial burden and provided meaningful codified standards with regulatory authority.

Council discussion included new development and redevelopment projects, reuse and preservation of historically significant buildings, pedestrian-oriented building design, integration of art into public and private development, the body that would hear appeals, and starting with guidelines and then adding standards.

- C. ID 18-896 Receive a report, hold a discussion and give staff direction regarding the Customer Service Fiscal Year 2018-19 Operating Budget.

Tony Puente, Director of Finance, stated that staff was proposing to place the Customer Service operation into a separate Internal Service Fund. Accounting for this operation separately would increase its transparency and better demonstrate the revenues and expenses of the operation. Separating this operation from the Water Fund removed expenses and revenues not fully associated with providing water service to customers since the operation provided services to Electric, Wastewater, Solid Waste and General Government. This would reduce the required reserve level of the Water Fund since this would reduce the overall budgeted expenses.

Tiffany Thomson, Customer Service Manager, reviewed the FY 2017-18 accomplishments which included: a new online payment portal had 21,036 registered users (35.2% of accounts); increased electronic billing adoption by 55.8%; after call customer satisfaction survey; reduced AMI disconnect meter reconnection time by 49.2%; pilot pre-paid program; implemented new credit & collection guidelines; executed a homelessness deposit waiver; and enhanced P.L.U.S One program criteria and funding.

Thomson reviewed the FY 2018-19 goals which included: report and proactively respond to assistance results; reduce the reconnection charge; increase adoption of self service options; automated payment arrangement option; and launch self-service connect/transfer.

- D. ID 18-905 Receive a report, hold a discussion and give staff direction regarding the Water Fiscal Year 2018-19 Operating and Capital Budget.

Tony Puente, Director of Finance, stated Water Assumptions included – rates were based on cost of service; maintaining debt coverage ratio of 1.25 or higher; distribution system replacement funding target was 100% revenue funded; treatment plant infrastructure funding target was 25% revenue funded, 75% debt funded; reserves maintained within 120-180 day range; use multi-year financial planning to minimize rate increases; and rate revenue forecast based on 145 GPCD.

Puente stated Cost Containment Strategies included – improved debt service efficiency by balancing CIP projects and cash flow schedules; budgeted salary savings of \$175,000 from vacancies; reduced revenue funded capital in FY 2019 by \$2 million to level out the 5-year

contributions; and removed Customer Service from the Water budget to better reflect actual operating days of reserves for the Fund.

Council discussion included declining water usage, increase in apartment living, and capital improvement projects.

Puente stated that future risks and mitigation included – raw water transmission line costs; Lewisville Dam repair; Ray Roberts 30MGD expansion; other transmission lines replacement funding; age and condition of Lake Lewisville pump station; and declining per capita water usage.

Puente presented two options related to the Water Utility Fund's FY 2018-19 Operating and Capital Budget. Option 1 was a proposal to reduce rates by 2% while eliminating any future rate increases over the next four years. Option 2 was a proposal that maintained rates at their current levels while reducing the Fund's planned debt sales in the future.

Council discussion included looking ahead at future infrastructure, the raw water line from Lake Ray Roberts, zebra mussels, and water for resale.

Kenneth Banks, General Manager of Utilities, reviewed the Water Utility's accomplishments for FY 2017-18 – started 5-year update of the Water/Wastewater Impact Fees; started 25-year Water Distribution Master Plan; completed preliminary design for solids handling system for Lewisville WTP and moved into final design; completed Lake Lewisville Buoy Installation Project; completed a chlorination boosting facility at the southwest elevated tower to maintain water quality at Robson Ranch; and completed water distribution replacement projects in advance of planned bond funded street reconstruction work.

Banks reviewed goals for FY 2018-19 – complete 5-year update of Water/Wastewater impact fees; complete 25-year Water Distribution Master Plan; complete 10-year Utility Management Study (City Charter requirement); begin construction of Lake Lewisville water treatment plant phase II rehabilitation and solids handling projects; complete Ray Roberts water treatment plant and equipment assessment and move into final design for plant rehabilitation; implement Water Infomaster to assist decision-making for water line infrastructure replacements.

Council discussed the two options presented. General consensus of Council was to recommend Option 2 to the PUB.

2. 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 Briggs requested a work session on current uses of the Downtown Reinvestment Grant Fund and potentially expanding uses of the fund.

Council Member Briggs requested information on the current use of the old Keep Denton Beautiful building and whether the facility could be used for a teen center.

Council Member Ryan requested an Informal Staff Report on the costs associated with the administration of Denton's Teen City Council and the possibility of sharing the costs with other cities that were located in the Denton ISD.

Council Member Meltzer asked whether a searchable list of active city contracts and change orders could be placed on the City's website.

Council Member Meltzer asked about developing a master plan and/or implementing design guidelines for the PEC 4 area that would complement the design guidelines for the Square.

Mayor Watts gave a shout-out to the adoption center for the dog fashion show and what a great event it was.

Mayor Watts requested information on what the electric rates would be if we did not have the DEC and how the DEC impacted rates.

With no further business, the meeting was adjourned at 2:33 p.m.

CHRIS WATTS
MAYOR
CITY OF DENTON, TEXAS

JANE RICHARDSON
ASSISTANT CITY SECRETARY
CITY OF DENTON, TEXAS