TOWN COUNCIL
MEETING MINUTES
SEPTEMBER 4, 2018

The Town Council met in regular session on Tuesday, September 4, 2018 at 6:00 p.m. at 372 Town Place, Fairview, Texas. Those present were Mayor Darion Culbertson; Mayor Pro Tem Paul Hendricks; Councilmembers Bill Nicol, Cynthia Brugge, Anthony Mattei and Roland Feldman. Staff present included Town Manager, Julie Couch; Planning Manager, Israel Roberts; Economic Development Manager, Ray Dunlap; Fire Chief, Jeff Bell; Police Chief, Granver Tolliver; Public Works Manager, Aron Holmgren; Town Engineer, James Chancellor; CFO, Steven Ventura; Assistant to the Town Manager, Adam Wilbourn; Executive Assistant, Tenitrus Bethel; Town Intern, Cynthia Alegria; and Town Attorney, Clark McCoy. Councilmember Lessner was absent.

Mayor Culbertson called the meeting to order at 6:00 p.m. and declared a quorum was present.

At 6:01 p.m., the Council then adjourned into executive session regarding a consult with legal counsel, property acquisition, personnel and economic development negotiations.

At 7:33 p.m., Mayor Culbertson reconvened back into regular session and invited everyone to stand for the Pledge of Allegiance.

CONSENT AGENDA: All items listed under the Consent Agenda are considered routine and are acted on by one motion, with no separate discussion of these items. If discussion is desired, an item may be removed from the consent agenda and be considered separately. A) Approve the minutes of the August 7, 2018 special Council meeting. B) Approve the minutes of the August 13, 2018 special Council meeting. C) Approve the minutes of the August 20, 2018 special Council meeting. D) Approve the minutes of the August 23, 2018 special Council meeting. E) Authorize the Town Manager, subject to legal form, to enter into an Interlocal Agreement with Collin County regarding dispatch services. F) Approve an ordinance approving negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company's 2018 rate review mechanism filings, and implementing the rate change. G) Approve amended resolution of public necessity for acquisition of private property for a trail easement on Soest Ltd property authorizing the Town Manager to acquire property by any lawful means including eminent domain. H) Approve a Preliminary Plat for a two (2) lot, single-family subdivision. The 10.7-acre site is located on the north side of Meandering Way, east of Highway 5 and is zoned for the (RE-2) Two-Acre Ranch Estate District. Owners/Applicant: Scott and Lauren Ludlow. (PP2018-03)

Mayor Pro Tem Hendricks made a motion to approve the consent agenda. Councilmember Brugge seconded the motion and the motion was unanimously approved.

PUBLIC HEARING – PROPOSED FISCAL YEAR 2018-19 BUDGET: Agenda item 5(a), conduct public hearing regarding the proposed fiscal year 2018-2019 budget.

Mr. Ventura gave a presentation on the proposed fiscal year 2018-19 budget. He stated the Council and staff held a budget work session on July 30, 2018 as well as several special meetings to review and discuss the proposed budget. He stated the notice for today's public hearing on the proposed budget was published in the Allen American on August 23 as well as being posted to the Town website.

Mr. Ventura stated this budget will raise more revenue from property taxes than last year's budget by an amount of $369,409, which is a 5.79 percent increase from last year's budget and the property tax revenue to be raised from new property added to the tax roll this year is $299,748.

Mr. Ventura reviewed and discussed the proposed and revised 2017-18 fiscal year budget, the proposed fiscal year 2018-19 budget, funds, revenues and expenditures. He stated at the September 17, 2018 meeting the Council will be voting to adopt the budget and tax rate.

Councilmember Brugge asked if Mr. Ventura could explain the difference between the effective and proposed tax rate. Mr. Ventura stated the effective rate would provide the same revenue as in the prior year on properties taxed both years. Ms. Couch stated the difference in general fund revenue between the proposed and effective rate is a difference of $187,500.

The Council and staff had an extended discussion on this item.

Mayor Culbertson opened the public hearing.

Faye Perdew, 935 Sycamore, inquired about Town parks and who funds them. Mayor Culbertson stated there are several neighborhood parks around the Town. She asked who funds the upkeep of the parks. Ms. Couch stated the Town funds the maintenance of the parks.

Barbara Isaacs, 811 Beechwood, expressed her thoughts regarding the tax rate.

Porter Hull, 1001 Briardale, expressed his thoughts regarding the presentation of the tax rate.

John Harkins, 411 Oak Ridge, inquired about the Town debt service.

Rich Connelly, 980 Foxdale, inquired about the Town debt service.

Mayor Culbertson closed the public hearing.

PROPOSED PARK SURVEY: Mr. John Hubbard discussed agenda item 6(a), discuss the proposed park survey.

Mr. Hubbard gave a presentation on the upcoming park survey. He stated the goal of the Board survey is to receive input from the residents regarding future improvements to the parks. He indicated the goal of the Board is to receive a 95 percent confidence level would be 361 surveys returned from the 3,800 households in the Town.

Ms. Couch stated the Council requested for the Park Board to update the master parks and trail plan and as a result the board developed a survey to ensure resident feedback was captured and considered when developing the revised plan.

Mr. Hubbard stated the survey is a 10 question survey with the objective to determine the current use, future use and users of the facilities. He indicated the surveys will be sent out via electronic format to residents as well as via water bill inserts, flyers and the Town newsletter. He stated with Council approval the survey will be available online September 15 through October 19, after which a data analysis will be completed and the findings will be presented to the Council.

There was general discussion on this item.

WATER PUMP STATION/GROUND STORAGE: Mr. Chancellor introduced agenda item 6(b), discuss the construction of a water pump station/ground storage facility.

Mr. Chancellor stated in 2015 Kimley-Horn created a master water plan update and the report details the ultimate water need for the Town but does not instruct when facilities should be built. He stated staff has observed the water demand in recent years and is recommending Council approval to advertise bids for a new water pump station and ground storage facility. He stated at the August 7 meeting Council requested Kimley-Horn to attend an upcoming meeting to discuss the master water plan and answer additional questions. He indicated staff provided Kinley-Horn historical data related to Town water usage for summary, analysis and facility recommendations.

Mayor Culbertson asked John Atkins to provide his recommendations of current and future needs as it relates to the construction or delayed construction of the new facility.

John Atkins with Kimley-Horn gave a presentation reviewing the 2015 master water plan and a historical flow data analysis. He stated a system capacity is designed based on the ability to meet maximum day demand and the current facility has a pumping capacity of 7.4 million gallons which is adequate to meet the current maximum day demand of 6 million gallons. He indicated with the Town's historical growth rate, of 3.9 percent, over the past 8 years the demand will exceed the supply around 2020 – 2021. He stated the water system is pressurized with a normal pressurization between 40psi – 80psi and when the demand exceeds supply the system pressure drops causing potential health risks. He stated if the pressure drops below 20psi a boil notice to all affected residents must be sent out and this poses a threat for firefighting protection.

Mr. Atkins stated the construction of a new facility is approximately a 2 year process and if Council approved it today the system could be installed roughly around the timeframe of 2020-2021 when the system demand and capacity would be exceeded, based on the data analysis presented. He stated the system capacity would immediately increase from 7.4 million to 9 million gallons. He indicated upgrading the meter at pump station 1 by 2022 will give full capacity usage of the pump station, allowing for an increase in the system and pumping capacity to 13 million gallons per day in conjunction with the FM 1378 pump station installation.

There was council discussion regarding the capacity that would be added to the system with the upgraded meter and the new pump station/ground storage. Mr. Atkins stated the 9 million is strictly based upon the installation of the new station at FM 1378. There was also discussion on the notice the town had received from the state regarding needed improvements. Mr. Chancellor stated in 2015 the Town received a notification from the TCEQ stating the Town was at 85% utilization and inquired if there were plans to expand the capacity and he notified the TECQ a new pump station and ground storage facility were currently under design.

There was discussion about whether or not the town should include the upgraded meter in the bid and if there would be future cost savings if the meter was added now rather than in the future.

The Council, Mr. Atkins and Mr. Chancellor had an extended discussion regarding TCEQ requirements and Town needs.

The Council, Mr. Atkins and residents had an extended discussion regarding the impact fees charged by the town, how they are used and the amounts charged.

The Council and residents had general discussion related to bid advertising for the new facility and the upgraded meter. Mr. Chancellor indicated that the town could include the upgraded meter as an add alternate in the bids to give the Council the option to include that in the project.

Mayor Culbertson asked Ms. Couch for an approximate timeframe of when bids would be prepared for Council. Ms. Couch stated it would be approximately 60 – 90 days.

Councilmember Mattei made a motion to authorize staff to advertise bids for a new ground storage/water pump station to be located at FM 1378, including an upgraded meter as an add alternate. Councilmember Feldman seconded the motion and the motion was unanimously approved.

DISCUSS PROPOSED FISCAL YEAR 2018-19 BUDGET: Mayor Culbertson introduced agenda item 6(c), proposed fiscal year 2018-2019 budget.

Ms. Couch reviewed the progress of the budget discussion since the July 30 budget work session and reviewed the list of budget components considered by Council for adjustment or reduction in the amount of $143,000, with the discussion to reduce the budget or to maintain the current tax rate and allocate the funds for future capital expenses.

Councilmember Feldman inquired if a cost estimate has been received for the news magazine being fully digital. Ms. Couch stated there are multiple options to consider and staff would requires more time to provide options prior to getting estimates.

Ms. Couch stated the proposed budget included a 13 percent utility rate increase based on the original increase from North Texas. With the reduction in that proposed rate to 5% rate, multiple scenarios were discussed regarding rate increases ranging from the budgeted 13 percent to a phase in approach of 7.9 percent. She stated staff is recommending the phase in approach. She recommended inviting Dan Jackson back to discuss the rate structure in terms of the impact and implementation. She indicated the budget approval is not contingent upon the approval of the water rates.

There was general discussion on this item.

The general consensus of the Council was to move forward with the 7.9 percent phase in option.

Ms. Couch presented and discussed a comparative analysis of water rates utilizing the current fiscal year rates.

Ms. Couch discussed upcoming capital projects as they relate to the approval of the budget. She stated the pump station would be the sole capital item that would have potential effects on the fiscal year 2018-19 budget. She indicated the approval of the new engine and station would not be effective until fiscal year 2019-20.

Ms. Couch stated the next meeting on September 17 is to set the tax rate and approve the proposed fiscal year budget.

Mayor Culbertson recommended planning a work session to review and update the 2015 CIP plan. Ms. Couch stated she would send out an email to Council requesting prospective dates in October. There was further general discussion on the budget.

AMENDMENT TO 380 AGREEMENT: Ms. Couch introduced agenda item (d), discuss approving the Fourth Amendment to the EDC agreement with Village FV.

Ms. Couch stated the amendment to the 380 agreement would create adjustments to transfer the tax receipt waivers under the agreement from the pad site next to Whole Foods currently proposed for a Sleep Number store to the parcel south of Town Hall and adjacent to the JC Penney tract for a proposed Racetrac development.

Mayor Culbertson reviewed that the Council in 2014 revised the CPDD to remove gas stations as a permitted use in the CPDD. He stated there were grandfathered rights for a gas station under the previous version of the CPDD for the tract of land for the proposed Racetrac. He indicated as such the Council negotiated an amendment to the 380 agreement to remove this tract of land from the agreement which will allow the Town to receive property tax, 100 percent sales tax and the EDC-CDC to receive the full benefit as well. He stated the proposed modification related to the pad site next to Whole Foods would provide for the Town to receive 40 percent of the sales taxes under the agreement with the EDC-CDC sales tax and 60 percent Town share allocated to payments under the 380 agreement.

The Council and residents had general discussion on this item.

Mayor Pro Tem Hendricks made a motion to approve the fourth amendment to the Economic Development agreement between the Town of Fairview EDC, CDC and Lincoln Properties subject to the removal of the proviso "*reasonably acceptable to developer*" on page 2, paragraph 3 of the agreement. Councilmember Nicol seconded the motion and the motion was unanimously approved.

NATIONAL NIGHT OUT: Ms. Couch introduced agenda item 6(e), possible move of the October regular council meeting. She provided an overview of national night out and the activities surrounding the event. She indicated the event takes place the first Tuesday of October which coincides with the regular Council meeting. She stated if the Council has interest in attending the event the meeting could be moved to Monday, October 1 or Wednesday, October 3.

The Council had general discussion on this item.

Mayor Pro Tem Hendricks made a motion to move the October regular Council meeting to Wednesday, October 3. Councilmember Feldman seconded the motion and the motion was unanimously approved.

CITIZENS INPUT:
Rich Connelly, 980 Foxdale, expressed his thoughts regarding the budget process.

REPORTS FROM STAFF:
Mr. Chancellor gave an update on the Stacy Road project. Council discussed this item.

Mr. Ventura gave a presentation on the Monthly Financials ending July 31, 2018.

Ms. Couch introduced the new fall intern Cynthia Alergria.

Mayor Culbertson adjourned the meeting at 11:55 p.m.

Darion Culbertson, Mayor

Adam Wilbourn, Alternate Town Secretary

TOWN OF FAIRVIEW