

**TOWN COUNCIL MEETING
MINUTES
September 8, 2008**

The Town Council met in special session on Monday, September 8, 2008 at 7:00 pm at 500 S. State Hwy 5, Fairview, Texas. Those present were Mayor Sim Israeloff, Council Members Jim Cunningham, Ron Kasian, Michael Pezzulli and Anton Mattli, Town Manager John Godwin; and Town Secretary, Michelle Lewis Sirianni.

Mayor Israeloff called the meeting to order at 7:02 p.m. and declared a quorum was present and requested everyone to stand for the Pledge of Allegiance.

CONSENT AGENDA: All items listed under the Consent Agenda are considered to be routine by the Council and will be acted on by one motion. The following items were on the consent agenda: A) Approve minutes of the August 5 regular council meeting and the August 20 special meeting. B) Approve ordinance authorizing the attorney to make a final offer and pursue condemnation proceedings as necessary for approximately two acres located on FM 1378 north of Lucas Lane. C) Table a public hearing regarding a proposed Government Zoning District (G) to the next regularly scheduled council meeting. D) Approve an Amended plat of Lot 31, 32W Block A out of Oakwood Estates Phase I; and lots 4 & 5 Block A out of Oakwood Estates Phase II. E) Approve an ordinance regulating on-street parking by commercial vehicles and trailers. F) Approve ordinance resolving Atmos Energy rate increase request.

Mayor Israeloff asked if anyone would like to pull any items off the consent agenda out of the remaining items. Councilman Cunningham requested to pull item E and Mayor Israeloff stated that they will pull item B for discussion.

Councilman Kasian made a motion to approve items A, C, D and F. Seconded by Councilman Cunningham, with all in favor.

Councilman Cunningham asked in regards to item E, where the restrictions would apply to the tractor trailers. Mr. Godwin responded that the current restrictions were only in various zoning districts, mostly the RE-2 and RE-3 Zoning District, and applied to horse trailers, boat trailers and RVs. Mr. Godwin stated that the existing ordinance prohibits repetitive or permanent on-street parking, but is only enforceable by the code enforcement and not the police department. Mr. Godwin stated the proposed ordinance would be more specific and authorize the police to ticket violators.

Councilman Cunningham made a motion to approve item E. Seconded by Councilman Mattli, with all in favor.

Mayor Israeloff asked Mr. Godwin to explain item B for the residents. Mr. Godwin stated that the town needs additional water storage for the eastern side of town that is projected for the year 2012-2013. Mr. Godwin stated that the water storage tanks and water tower(s) need to be near the water main on FM 1378. Mr. Godwin stated that he understands the residents' concerns and that no one likes to have a water tower near their neighborhood, but in order to have adequate water supply and water pressure they must be placed near neighborhoods. Mr. Godwin stated that the purpose for the condemnation is to buy the land now while it's available and affordable. Mr. Godwin commented that this action is solely about the land and acquiring the property through negotiations. Mr. Godwin stated that if the town talks to the property owner and an agreement cannot be met, then it is presented to a judge and a commission is assigned to help make the decision on value. Mr. Godwin noted that the town can still decide not to purchase the land, but the owner of this property expressed a willingness to sell.

Councilman Pezzulli asked why water towers cannot be placed in the same location. Mr. Godwin responded that they would work against each other and that it is never a good idea to place them in the same location, but rather place them where they can service the residents better.

Mayor Israeloff opened discussion to the public. Greg Blaylock, 1171 Stone Creek Drive, stated that the east side of town seems less dense than other parts of town and asked why another water tank could not be placed at town hall versus this location, as well as if the town would be supplying water to the new commercial district and if any other areas had been considered. Mr. Godwin responded that Hart Road at one time was a possible location for an elevated water tank, but the town did not come to terms with the land owner. Mr. Godwin commented that the town will be selling the water to the commercial district, but they will be serviced out of the tower located at town hall. Mr. Chancellor added that a study plan was done compensating for the full build out of the town to determine how much water would be used. Mr. Chancellor stated that the town currently pumps the water west to east to send the water across town, but will not be able to continue to do that once the commercial project is complete. Mr. Chancellor noted that the City of McKinney will also be upsizing their water line in the next seven to ten years, which will help the water flow.

Bob Myers, 1221 Arroyo Blanco, asked why the town can't pump water across town. Mr. Godwin responded that is not an efficient system and if the town would not have received the rainfall in August, then the town would have potentially ran out water. Mayor Israeloff added that the town has had problems for years with the east side of town and due to the growth within the past ten years, the town can no longer adequately supply the water and needs to upgrade the system. Councilman Pezzulli stated that he has been worried about the water supply for years and ensuring that there is enough to supply everyone along with sufficient water pressure. Councilman Pezzulli stated that the town cannot continue to pump the water and the water storage is the best way to supply the water.

Russ Monroe, 630 Maple Creek, asked what other locations were considered, how close does the water tank need to be to FM 1378 and if the town has had the opportunity to talk to other land owners. Mr. Godwin responded that six sites have been considered and the town has talked to two of the property owners. Mr. Godwin commented that there are different reasons for what the town has considered from location to size of the land and cost. Mr. Godwin added that the water tank can be a maximum distance of a quarter mile from FM 1378. Mr. Monroe commented that he'd also like the assurance that the water storage tanks would be aesthetically pleasing to the eye. Mr. Godwin responded that there are many ways to add vegetation and that excavation will be required.

Jeanine Duncan, 760 Country Club Road, commented that she is proud of the new school and asked if the town would be providing water to the new school and the Village at Fairview. Mr. Godwin responded that the eastern part of town will take care of the Village at Fairview, but the school's water is provided by the City of Allen.

Cindy Meyers, 1221 Arroyo Blanco, asked even with the saturation and build out of the town, won't the town still need to pump the water to different locations. Mr. Chancellor stated that the town still will need to pump the water, but the water storage tanks and towers that will be added will adequately accommodate the town. Mrs. Meyers asked if the town has considered additional water sources. Mr. Chancellor responded that no other sources will be considered and that based on the study on the projected build out that no other water storage tanks will be necessary once these are added.

Tom Huemiller, 641 Maple Creek, asked due to the price of the homes if the property value was investigated and how it would affect them. Mayor Israeloff responded that the property value is one of many concerns they have addressed with the residents and will continue to be a concern.

Monty Rector, 1071 Elm Creek Drive, commented that the town has validated from an engineering standpoint why the water storage tank is necessary and appreciates the information, but would like to know why the town had six other sites and chose a major residential area when there are so many other areas to consider that would not make the tank such an eye sore. Mr. Rector also asked why the town needs to make a decision now if they cannot control what will happen in the next ten years, as well as, why the town is only considering two acres of land when eight are available. Mayor Israeloff responded that the item they are voting on allows the town manager to proceed with negotiations. Mayor Israeloff stated that this is a routine procedure and not something they generally open up for public comments, but had decided to allow residents to speak since they received numerous comments regarding this item. Mayor Israeloff stated that unfortunately the eastern part of town is residential and the water tank has to be placed somewhere. Councilman Pezzulli stated that it has been a difficult decision and the town is trying to make the least impact on the residents. Mr. Godwin added that the council identified this as a preferred site since January and the town does not need eight acres, which is why it is listed as only needing two acres.

Wilson Walthall, 1220 Arroyo Blanco, asked if the town has considered sinking the tank into the ground. Mr. Godwin responded that it is doable, but costly.

Mike Shay, 1131 Stone Creek, asked if it was possible to budget out now for the aesthetics. Councilman Pezzulli stated that they can make budgets and do what they can, but only when the project is beginning that it becomes capitalized. Councilman Pezzulli agrees that aesthetics are needed and they can ask staff to put into the Capital Improvements plan. Councilman Cunningham commented that the staff as well as the Planning and Zoning Commission work hard to get the developers to cooperate especially when it comes to landscaping and aesthetically making a site pleasing to the residents.

Tom Arceneau, 491 Hackberry, asked if the town could post information on the website regarding projects and the five year Capital Improvement Plan. Mr. Godwin responded that the town could post the information on the town's web site.

Councilman Pezzulli made a motion to approve item B. Seconded by Councilman Mattli, with all in favor.

KOOP PROPERTY: Conduct a public hearing and take action regarding property that is annexed but unzoned, known as the Koop property, consisting of 21.25± acres, generally located east of and adjacent to Country Club Road (FM 1378), west of and adjacent to the Montecito Estates Phase I subdivision, south of Red Oak Trail, and north of Arroyo Blanco Street, to the Two-Acre Ranch Estate Zone (RE-2).

Mr. Efrussy introduced this item stating that Mr. Koop has been out of town and has requested to postpone his zoning until the next regularly scheduled meeting.

No action was taken by council.

EAGLES LANDING SUBDIVISION: Consider and take action regarding a Preliminary Plat for the proposed Eagles Landing Subdivision, consisting of 44.125± acres, generally located south of the Montecito Estates Subdivision, north of Farmstead Road, east of and adjacent to Country Club Road (FM 1378), and west of Kentucky Lane.

Mr. Donnell introduced this item stating that out of the 44.125± acres, there would be only 20 lots with properties that will range in size from 1.0-1.99, 16 acres will have open space and 9 acres for flood plain reclamation. Mr. Donnell stated that they are proposing a valley storage which will connect to the creek and allow relief to Sloan Creek. Mr. Donnell stated that currently the majority of the rising waters flow out of the banks on the north side of Sloan Creek, not on the south side. Mr. Donnell commented that due to the recent rains, staff was able to go and survey the lots to see where and how the water was affecting landowners. Mr. Donnell stated that the town staff has reviewed all of the platting/subdivision data, flood reclamation data and found that the proposed subdivision

meets all of the town's subdivision regulations, tree preservation, park dedication, floodplain reclamation requirements and fire department requirements and regulations.

Councilman Pezzulli asked if there were wetlands out of the 16 acres. Mr. Donnell responded that there were no wetlands and it is a low lying area in the floodplain and the valley storage would release like a retention pond.

Mr. Chancellor stated that since the last rains, he has been able to see the effects in this subject area. Mr. Chancellor stated that the town is entertaining the idea of the valley storage concept because of the flooding on Sloan Creek. Mr. Chancellor stated that this would pull water away from Montecito and could reduce the floodplain by providing an outlet on the south side of the creek, thus potentially providing relief to the property owners. Mr. Chancellor stated that he would also like to review each cross section across the development and make any improvements where he can for the town and the residents in that area.

Nathan Thompson, engineer for Carter Burgess, made a small presentation regarding the proposed subdivision. Mr. Thompson commented on how the valley storage works by saying that every ounce of dirt you take out, you put back an equal amount or more, which will reduce the flood way. Mr. Donnell added that the property is currently unzoned and has met subdivision regulations, therefore, can be approved administratively. Mr. Donnell noted that the applicant did voluntarily annex the property into the town and has been willing to work with staff on the project.

Councilman Kasian asked if there was any caveat that goes with the approval and what is the composition on the swales. Mr. Chancellor responded that any changes dramatically made will either require an amended preliminary plat if not the final plat. Mr. Thompson responded that the swale slopes will be at a five or six to one ratio and will be easy to maintain by the property owner.

Councilman Mattli expressed his concern on the drainage flows and would like them to address the south side of the development in hopes to provide some relief. Mr. Thompson responded that he is certainly working with Mr. Chancellor to address all properties.

Councilman Cunningham asked if the town has considered a third party overview to ensure the town has no liabilities. Mr. Chancellor responded that he can check with a third party at council's request, but at this time, he has been able to use the most up to date FEMA maps. Mr. Chancellor stated that the town is not liable and would be left up to the homeowner and/or developer.

Councilman Kasian made a motion to approve the Preliminary Plat for the proposed Eagles Landing Subdivision. Seconded by Councilman Cunningham, with all in favor.

FEAGIN ADDITION: Consider and take action regarding a Final Plat for the Feagin Addition, consisting of 6.985± acres, generally located west of and adjacent to Country Club Road (FM 1378), north of Cottonwood Place, south of the Stone Creek Subdivision, and east of Maple Creek Drive.

Mr. Donnell introduced this item and stated that this plat meets the subdivision requirements. Mr. Donnell stated that a majority of this property lies in the flood plain; however, building permits began with Collin County and were approved prior to the annexation by the town. Mr. Donnell stated that town staff as well as the Planning and Zoning Commission recommend approval.

Councilman Pezzulli made a motion to approve the Final Plat for the Feagin Addition. Seconded by Councilman Mattli, with all in favor.

2008-09 AD VALORM TAX RATE: Conduct a public hearing on the 2008-09 ad valorem tax rate.

Mr. Godwin introduced this item stating that two public hearings are required and the next public meeting for the adoption of the tax rate is on September 16, 2008. Mr. Godwin stated that the proposed tax rate is .36500 per \$100 valuation.

Mayor Israeloff opened discussion to the public. No comments were made.

Mayor Israeloff opened discussion to the council members. No additional comments were made.

2008-09 BUDGET: Conduct a public hearing on the 2008-09 budget.

Mr. Godwin introduced this item stating that there are a few things to highlight:

- Four new Police Officers to be hired and four part time firefighters.
- Minimum equipment expenditures.
- Net reduction in non-public safety employees.
- No new sales tax proposed for the mixed use center.

Mayor Israeloff opened discussion to the public. Brad Northcutt, 910 Beechwood Lane, asked if the increased costs in courts were due to collecting fees, why there was a reduction in permits, and what the expenditures in accounting included. Mr. Godwin responded that this did include the new warrant officer, which will primarily be out trying to collect unpaid fines. Mr. Godwin stated that in regards to the permits, new homes are down in comparison from previous years, but permit revenues for pools, patios, etc. are still being generated, but these do not collect as much revenue. Mr. Godwin stated the

difference in accounting expenditures from years past is due the shifting of some employees to different departments.

Mike Shay, 1131 Stone Creek, asked if the additional police was due to the Village at Fairview project. Mr. Godwin responded that the growth of the town with the new commercial district, would allow the town to bring in more police officers and eventually one to two more public works employees. Mr. Godwin stated that the streets within the commercial district are still almost all private, but the town will need additional staff to maintain the remaining areas as the project is completed.

Jeanine Duncan, 760 Country Club Road, asked about the property taxes within the town and if the residents would see an increase or decrease. Mr. Godwin stated that the projected budget has no increase or decrease and that seniors are still able to apply for the senior homestead exemption.

BULK WASTE: Consider an ordinance regulating the placement of bulk wastes.

Mayor Israeloff stated that a full week seems sufficient. Councilman Kasian proposed that town allow for two weekends for brush and bulk until the Friday before their collection. Mayor Israeloff responded that he is not in favor with keeping it out for several weeks. Mayor Israeloff commented that anything is still an improvement and exceptions can be made for incidents out of their control. Councilman Mattli commented that he agrees with the Mayor and exceptions should be made if severe storms occur.

Councilman Pezzulli made a motion to approve the ordinance regulating the placement of bulk waste. Seconded by Councilman Mattli, with all in favor.

DROUGHT CONTINGENCY PLAN: Consider an ordinance revising the town's drought contingency plan.

Mr. Godwin introduced this item stating that there are only two subsequent changes. One, to allow people to power wash their house during a drought and two, to change the watering period to every seven days versus five. Mr. Godwin commented that most other cities are on a seven day cycle and on certain timers, it makes it difficult to set on a five day cycle.

Councilman Kasian asked how the public is notified. Mr. Godwin responded that the public would be notified through a press release, signs, newsletter and/or website. Councilman Kasian asked for further clarification on golf courses and their restrictions. Mr. Godwin responded that golf courses usually use recycled irrigation systems and watering can occur for greens and tee boxes.

Councilman Pezzulli made a motion to approve the revised drought contingency plan. Seconded by Councilman Mattli, with all in favor.

APPOINTMENT OF BOARDS/COMMISSION MEMBERS: Consider a procedure for the annual appointment of citizens to various town boards and commissions.

Councilman Kasian stated that he requested to amend the proposed procedure and has spoken to Mayor Pro Tem Price, who wrote the procedure, via email and phone prior to the meeting. Councilman Kasian stated that Mayor Pro Tem Price was in favor of the changes, which consisted of a few wording changes and reducing the process by one month. Councilman Kasian stated that if council was in agreement with the changes, that Mayor Pro Tem Price encouraged them to take action on this item.

Councilman Pezzulli made a motion to approve the procedure for the annual appointment of citizens to various town boards and commissions. Seconded by Councilman Mattli, with all in favor.

ALTERNATE DATE TOWN COUNCIL: Consider an alternate date for the regularly scheduled October Town Council Meeting.

Mr. Godwin introduced this item stating that the next regularly scheduled town council meeting is October 7, 2008, which is also the same date as National Night Out. Mr. Godwin stated that since some council members had expressed their interest in participating in this event that they wish to move the meeting date back to October 13, 2008 or October 14, 2008.

The consensus of council is to move the next regularly scheduled town council meeting to October 14, 2008.

ENGINEERING ANNUAL REPORT: Receive annual report on engineering department.

This item passed over until next regularly scheduled meeting.

DEVELOPMENT PROJECTS & ORDINANCES: Receive town manager's monthly report on development and ordinances.

Mr. Godwin highlighted the following:

- Boy Scouts of America Office – New office building being proposed to the Planning and Zoning Commission. Mr. Godwin commented that they are on a

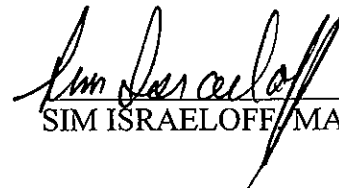
unique lot and are running into a few issues with setback requirements and access to the property, but believes they will be able to work out those issues and will be a nice addition to that area.

CITIZENS INPUT: Mayor Israeloff stated that anyone wishing to speak at this time to state their name and address for the record and to remember that no formal discussion or action may be taken on these items at this meeting.

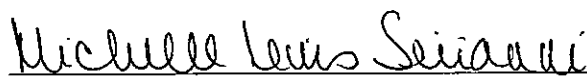
Jeanine Duncan, 760 Country Club Road, asked what the result was for consent agenda item 3B. Mayor Israeloff responded that council approved authorization for the town manager to proceed as necessary for the two acres located on FM 1378 north of Lucas Lane.

Beth Walthall, 1220 Arroyo Blanco asked what kind of action can be taken if the guidelines for the bulk waste are ignored. Mr. Godwin responded that a warning will initially be issued by code enforcement and then if it is still ignored, they will be issued a citation and/or fine.

There being no other items for discussion, Mayor Israeloff adjourned the meeting at 9:38 p.m.


SIM ISRAELOFF/MAYOR

ATTEST:


Michelle Lewis Sirianni, Town Secretary

