



# City of Rowlett

## Meeting Minutes

### City Council

4000 Main Street  
P.O. Box 99  
Rowlett, TX 75030-0099  
www.rowlett.com

*City of Rowlett City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at 972-412-6109 or write PO Box 99, Rowlett, Texas, 75030-0099, at least 48 hours in advance of the meeting.*

Tuesday, April 21, 2009

5:30 P.M.

Municipal Building – 4000 Main Street

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

#### 1. CALL TO ORDER

Mayor Harper called the meeting to order at 5:32 p.m.

#### CONVENE INTO EXECUTIVE SESSION

Convened into Executive Session at 5:32 p.m.

#### 2. EXECUTIVE SESSION

- 2A. The City Council shall convene into executive session pursuant to the TEXAS GOVERNMENT CODE, Section §551.071 to seek legal advice and consider action on enforcement activity in take area regarding Matthew Grant. (10 minutes)
- 2B. The City Council shall convene into executive session pursuant to the TEXAS GOVERNMENT CODE, Section §551.074(a)(1), Personnel, to deliberate the appointment, employment, evaluation, assignment, duties, of the City Manager. (45 minutes)
- 2C. The City Council shall convene into executive session pursuant to the TEXAS GOVERNMENT CODE, §551.071 and §551.087 to seek legal advice and to deliberate on economic development incentives and financial prospects for property located at or around Pecan Grove Park. (10 minutes)
- 2D. The City Council shall convene into executive session pursuant to the TEXAS GOVERNMENT CODE, Section §551.071 to seek legal advice from City Attorney regarding the Interlocal Agreement with North Texas Tollway Authority (NTTA) for the Eastern Extension of the President George Bush Turnpike and utility betterments and authorization of funding. (10 minutes)

## RECONVENE INTO OPEN SESSION

### 3. WORK SESSION ITEMS (6:45 P.M.)

Convened into the Work Session at 6:55 p.m.

#### 3A. Discuss the All-America City Awards competition. (15 minutes)

Council questioned staff regarding the number of people recommended to attend the competition; and the source of funding.

Staff explained the process for the 10-minute live performance which would tell the City's story to the judging committee. Also stated the essence of Rowlett 's application or story would be captured by a script writer. The competition would be funded by using the Non-Departmental and General Funds.

Staff presented a PowerPoint Presentation entitled "June 17-19, 2009 – Tampa, FL – All-America City Award" (16 slides).

#### All-America City Award

- America's oldest and most prestigious community recognition award
- Began 1949
- Recognizes civic excellence in communities of all size
- Citizens, government, businesses, and voluntary organizations work together to address critical local issues
- Compared to:
  - Winning and Oscar
  - "Good Housekeeping Seal of Approval"

#### Rowlett's Application

- Challenges:
  - Community Engagement
  - Transportation/Ease of Access
- Projects:
  - PGBT/190 and DART light rail
  - Rowlett Citizen Corps Council
  - Reaching Our Community's Kids (ROCK)

#### All-America City Finalist

- 60<sup>th</sup> annual awards competition
- March 31 – Rowlett named as a 2009 finalist
- 1 of 32 in nation
- Only city in Texas

#### All-America City Competition

- Compete at the annual award competition
- Tampa, Florida
- June 17 – 19
- 10 winners named

#### Award Competition

- 3 Day competition
- Civic Fair (not judged)
- Jury Panel:
  - Application
  - Presentation
  - Question/Answer

#### Presentation

- 10 minutes
- Rowlett's Story
- Rowlett's Challenges and Projects from Application
- "Human Video"
- No technology
- Production Director/Consultant

#### Questions/Answers

- 10 minutes
- Directly following presentation
- Application/Presentation
- Challenges and Projects
- Practice

#### Marketing

- Maximize use of Logo
- Short-term/Long-term
- Letterhead
- Channel 16
- Banners, etc
- Community Support

#### Budget

- Primary cost is travel expenses
  - Number of Delegates
- Delegation
  - Council, Committee members, limited City staff, and Community members

#### Delegation of 25

- Airfare \$7,561
- Hotel \$15,437
- Per-Diem \$3,330
- Delegate Registration \$1,000
- Ground Travel \$1,000
- Airport Parking \$600
- Production Consultant \$8,000
- Misc. Presentation Costs \$1,000
- Misc. Supplies \$2,500
- Community Photos \$100

- Civic Fair \$1,000
- Shipping \$1,500
- **Total \$43,027**

Delegation of 15

- Airfare \$4,536
- Hotel \$9,423
- Per-Diem \$2,030
- Delegate Registration \$500
- Ground Travel \$600
- Airport Parking \$360
- Production Consultant \$8,000
- Misc. Presentation Costs \$1,000
- Misc. Supplies \$2,500
- Community Photos \$100
- Civic Fair \$1,000
- Shipping \$1,500
- **Total \$31,549**

Delegation of 10

- Airfare \$3,024
- Hotel \$6,415
- Per-Diem \$1,380
- Delegate Registration \$250
- Ground Travel \$400
- Airport Parking \$240
- Production Consultant \$8,000
- Misc. Presentation Costs \$1,000
- Misc. Supplies \$2,500
- Community Photos \$100
- Civic Fair \$1,000
- Shipping \$1,500
- **Total \$25,810**

Sponsorship

- Seeking community partners to sponsor event
- Letter from City Manager to approximately 75 vendors
- Committee assistance in seeking sponsors
- Items Only if sponsored:
  - Send-off Event - \$1,000
  - Shirts for delegation - \$600
  - Promotional items to re-sale at community events - \$800

Budget Summary

	Delegation of 25	Delegation of 15	Delegation of 10
Total	\$43,027	\$31,549	\$25,810

Sponsored Items	\$2,400	\$2,400	\$2,400
Consultant Bonus	\$5,000	\$5,000	\$5,000
Sponsorships	\$12,400	\$12,400	\$12,400
Estimated Actual Cost (if win)	\$38,027	\$26,549	\$20,810

Direction to Staff

- Delegation number
- Budget for competition

Council questioned staff on the value of winning this award; asked if a smaller delegation would be sufficient.

Lynda Humble, City Manager stated the award was a source of pride for the citizenry; stated the award shows that your City is a role model for others to follow. Stated the key to winning the award is how you tell the story of your City with how every many delegates you can send.

Council stated Rowlett is a city that is about to explode onto the scene regionally; stated this award has more substance than what the City has spent on advertising, the value of this award cannot be measured.

Council stated staff should use the minimum number of delegates necessary for this project.

**3B.** Discuss the DART Art and Design Program for the Rowlett light rail station. (15 minutes)

Staff indicated the only non-negotiable item in the design for the DART stations are the canopies.

Council asked for clarification regarding the committee to be formed and the Rowlett artist that was recommended by DART.

Staff stated the artist would act as a facilitator between DART and the committee.

Council will send names of individuals to staff to be considered for appointment to the committee.

Staff stated an invitation would be sent to the Arts & Humanities Commission and the Parks and Recreation Advisory Board members asking if they would be interested in participating on the committee.

A list will be compiled and submitted to the Council on May 5, 2009.

Staff asked for direction regarding the recommended artist.

Council stated they approved the artist.

- 3C.** Discuss the City Council's organizational structure regarding neighborhood engagement.  
(15 minutes)

Mayor stated the proposed change would provide better communication with the constituents by dividing the City into three (3) or four (4) parts and by having an ad hoc committee comprised of City Councilmembers to respond to the needs of the constituents.

A majority of the Council agreed with the proposed organizational structure change; Councilmember Rushing disagreed with the proposal as she represents all citizens.

Mayor stated he would come back with a recommended set of boundaries dividing the City into three (3) sections and duties for the participating Councilmembers.

**4. DISCUSS CONSENT AGENDA ITEMS**

Item 10E was pulled from the Consent Agenda to be discussed individually.

**CONVENE INTO THE COUNCIL CHAMBERS (7:30 P.M.)**

Convened into regular session at 7:55 p.m.

**5. INVOCATION**

The invocation was led by Mayor Pro Tem Gottel.

**6. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mayor Harper.

**7. TEXAS PLEDGE OF ALLEGIANCE**

The Texas Pledge of Allegiance was led by Mayor Harper.

**8. PRESENTATIONS AND PROCLAMATIONS**

- 8A.** Proclamation recognizing April 20 - 24, as Administrative Professionals Week.

Mayor Harper and City Manager Lynda Humble presented a proclamation to the Administrative Assistants that were present.

- 8B.** Update from the Mayor: Financial Position, Major Projects, Operational Issues, Upcoming Dates of Interest.

Mayor Harper stated the proposed budget will be presented to the Council on August 4<sup>th</sup>; the Council will vote to adopt the budget on September 15<sup>th</sup>; and the Bond Committee should present recommendations to the Council in late May.

Spoke concerning several projects including the President George Bush Turnpike (PGBT) Eastern Extension; the proposed changes to the north end of Merritt Road; the interconnector road at Merritt Road and Liberty Grove; the Groundbreaking Ceremony for the DART Blue Line Extension; and the Princeton Road construction to begin in May.

Spoke concerning the Special Election on May 9<sup>th</sup>; stated early voting will begin on April 27<sup>th</sup> and will end on May 5<sup>th</sup>; the Rockwall County Planning Consortium on April 22<sup>nd</sup>; the City of Sachse Groundbreaking Ceremony for a new municipal complex on April 25<sup>th</sup>; the Dallas Regional Mobility Coalition meeting on May 1<sup>st</sup>; Garland Independent School District (GISD) Bar-B-Q Smackdown on May 6<sup>th</sup> at the Special Events Center (Mayor Pro Tem Gottel, Councilmembers Jackson and Kilgore to participate in the Mayor's behalf along with City Manager Humble and Fire Chief Harris.); the Rockwall County Mayor's Prayer Breakfast on May 7<sup>th</sup> at 7:00 a.m.; and the Rachel's Rally on May 7<sup>th</sup> at 7:00 p.m. at LakePointe Church in Rockwall.

## 9. CITIZENS' INPUT

*At this time, three-minute comments will be taken from the audience on any topic. To address the Council, please submit a fully-completed request card to the City Secretary prior to the beginning of the Citizens' Input portion of the Council meeting. No action can be taken by the Council during Citizens' Input.*

1. Chris Pick, 3809 Castle Drive, Rowlett, spoke concerning the All-America City Award.
2. Megan Bell, 8205 Lake Haven, Rowlett, spoke concerning Item 10L regarding a product takeback recycling program.
3. Jeff Sheldon, 7242 Liberty Grove, Rowlett, spoke concerning the Rowlett Rockers Talent Show and volunteering at the City.

## 10. CONSENT AGENDA

*The following may be acted upon in one motion. A City Council member or a Citizen may request items be removed from the Consent Agenda for individual consideration.*

Item 10E was removed from the consent agenda to be considered individually.

- 10A. Consider approving minutes from the March 31, 2009 Joint Council Work Session, April 4-5, 2009 Work Session Retreat, and April 7, 2009 Regular Council Meeting.

**This Matter was approved on the Consent Agenda.**

- 10B. Consider a resolution adopting a policy statement on how to manage customer expectations with separate political subdivisions about going "above & beyond" what the responsible agencies are willing to do.

**This Matter was approved as RES-047-09 on the Consent Agenda.**

- 10C. Consider a resolution adopting a policy on the Rights of Way Acquisition Process for the City of Rowlett.

**This Matter was approved as RES-048-09 on the Consent Agenda.**

- 10D. Consider a resolution approving Supplemental 2 to Task Order Number 1-FUG to the approved professional services agreement with Fugro Consultants, LP to provide construction materials quality control testing and inspections for the Kenwood Heights subdivision improvement project in the amount of thirty thousand dollars and no cents (\$30,000).

**This Matter was approved as RES-049-09 on the Consent Agenda.**

#### Passed The Consent Agenda

**A motion was made by Mayor Pro Tem Gottel, seconded Councilmember Phillips, including all the preceding items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:**

**Ayes: 7 – Mayor Harper, Mayor Pro Tem Gottel, Deputy Mayor Pro Tem Maggiotto, Councilmember Phillips, Councilmember Rushing, Councilmember Jackson, and Councilmember Kilgore**

- 10E. Consider a resolution authorizing Supplemental 1 to Task Order Number 9-GA to the approved professional services agreement with Grantham and Associates, Inc. for the engineering design of Chaha Road from south of Kirby Road to Creekbluff in the amount of sixty-six thousand five hundred fifteen dollars and no cents (\$66,515).

This item was pulled from the Consent Agenda for individual consideration.

Mayor Harper read the item into the record.

Mayor Harper stated "My recollection was that the reason we wanted to do some work on Chaha Road was there was a curve there that was causing a great deal of distress. Is that accurate?"

Shawn Poe, City Engineer, replied "That's part of the reason, yes, sir. Currently Chaha is a two (2) lane asphalt road and the reconstruction would reconstruct the road to a three (3) lane concrete curve and gutter street."

Mayor Harper stated "Was that for the entire length of the road or just for that curve? Because again, I recall that curve was the real center of attention."

Mr. Poe replied "It would be from the eastern...just east of Rowlett Road to Kirby, would be the three (3) lane concrete curve and gutter street. Which would also take into account smoothing out that curve that's currently located at Tracy Trail."

Mayor Harper stated "So we're doing more than just the curve?"

Mr. Poe answered in the affirmative.

Mayor Harper stated "Could we have done just the curve or do we have to do the expanded work?"

Mr. Poe replied "Those options were discussed previously and it was decided that we'd do the limits from east of Rowlett to Kirby as part of the initial design."

Mayor Harper stated "So what are you asking for approval this evening? What are you seeking approval for?"

Mr. Poe replied "The original task order was for the limits east of Rowlett Road to Kirby Road. As part of the design process, we held a public meeting with the residents of the area; notices were sent out and advertised, some of the public feedback that we received from those residents was to go ahead and include or request Council to include the section of Chaha from Kirby down to what used to go to the lake, which now ends at Creekbluff. So that's what this proposal is; is to go ahead and do that but making that our standard two (2) lane residential street."

Mayor Harper stated "And what's the basis of their request because what I'm wondering is we have limited funds and we keep continuing to say what's the highest and best use of those limited funds and I'm not convinced that this is the best use of those limited funds."

Mr. Poe replied "I think the concern they had was that it's currently a two (2) lane road. We overlaid it a couple of years ago as part of our asphalt rehabilitation. There's a storm drain that's going to be installed for the three (3) lane section that has to be drained...we have to drain the street to the lake. And their concern is that it's going to be in a bar ditch that's currently there on the eastside of Chaha; their concern is well you're going to be tearing some of that roadway up anyway so let's go ahead and do it right, in their minds."

Mayor Harper stated "Is this our highest priority need?"

Mr. Poe answered "We've got a lot of needs, Mayor. I would probably say there are other needs that we can be using the money for."

Mayor Harper stated "So we're spending money on a medium priority need because the citizens want it?"

Mr. Poe replied "It was just an opportunity to put this before Council to see if that was the direction they want to head."

Mayor Harper stated "As much as I am sensitive, I can't support something that's not the highest priority need. Okay, any other questions or comments?"

Councilmember Rushing replied "Yes, Mayor. You did say there would be drainage down the side of this road in a bar ditch that is going to come off the entire rest of Chaha and any of the rest of that neighborhood. Is that going to cause any erosion problem to the base of the two (2) lane asphalt that we currently have?"

Mr. Poe answered "No, we would accommodate that in the construction plans with that phase that's north of Kirby. We would...it's going to go in the bar ditch and it's going to be

underground. If there were any pavement damage to the existing asphalt, we would saw-cut, remove, and replace.”

Councilmember Rushing asked “Is there any economy of scale to do this section of road at the same time we’re doing the rest?”

Mr. Poe responded “There would be a little bit, yes. I do want to make clear, the funding for the engineering is in the spending plan currently. The funding for the construction is not. It is not a funded project. It is slated for 2012 – 2013 and it’s also one of the projects that would be considered for the Bond Committee to look at for recommending.”

Councilmember Rushing stated “And this is the section of the road that was discussed earlier that there is fourteen thousand (14,000) cars a day that go through because they...fourteen hundred (1,400) a day.”

Mayor Harper stated “Fourteen hundred (1,400).

Mr. Poe stated “Fourteen hundred (1,400).

Councilmember Rushing continued “That come out of these neighborhoods on Baywatch, Baystone and Creekbluff?”

Mr. Poe replied “Yes, that is the traffic count we received in 2008; fourteen hundred (1,400) cars per day.”

Councilmember Rushing stated “Okay, thank you.”

Mayor Harper stated “Anybody else? Mr. Maggiotto.”

Deputy Mayor Pro Tem Maggiotto stated “Yes, Mayor. I know that Mr. Grantham can answer these questions, so if you need to, turn to him and ask it; please feel free. But what portion of the \$66,515 is attributed to that section of what you referred to as Supplemental 1 Design Limits?”

Mr. Poe replied “What portion of the \$66,000 is...”

Deputy Mayor Pro Tem Maggiotto stated “Is the extension that you’re adding to this effort.”

Mr. Poe replied “That would be the part in yellow; it’s on the map.”

Deputy Mayor Pro Tem Maggiotto stated “Yes, sir.”

Mr. Poe stated “It would be from Kirby Road down to Creekbluff.”

Deputy Mayor Pro Tem Maggiotto stated “What portion of the \$66,515 is associated with that in yellow?”

Mr. Poe replied “That would cover the design of all of that.”

Deputy Mayor Pro Tem Maggiotto replied “Correct.”

Mr. Poe stated “I guess I don’t understand your question.”

Deputy Mayor Pro Tem Maggiotto stated "No, because if it...to the Mayor's question, if you were to do the engineering which is in red, which is what we have in conversation with the Council and what we agreed to, that has a price. My question is what would be that price; it should not be \$66,515. What I understand you're doing for the design for this item 10E encompasses both the red and the yellow, correct?"

Mr. Poe replied "Yes, if you add the two, the original scope that we had plus this \$66,000. The original scope was \$251,000."

Deputy Mayor Pro Tem Maggiotto stated "For the design?"

Mr. Poe replied "For the design, yes, sir."

Deputy Mayor Pro Tem Maggiotto stated "You're under budget?"

Mr. Poe replied in the affirmative.

Deputy Mayor Pro Tem Maggiotto asked "Why? That's a huge gap; I mean, what did we do different?"

Mr. Poe replied "I'm not sure I understand your question, Mr. Maggiotto."

Deputy Mayor Pro Tem Maggiotto stated "If I were to ask you to design only that in red, how much would it cost us?"

Mr. Poe replied "Well, if we have a contract for \$251,000 to design that.

Deputy Mayor Pro Tem Maggiotto stated "Okay, what's the \$66,515 for?"

Mr. Poe replied "That's the portion of doing the rest of the engineering from Kirby Road down to Creekbluff. Now there's some economy of scale because they do have a little bit of survey information but they have to go back out and get additional surveying."

Deputy Mayor Pro Tem Maggiotto stated "So this is above what we agreed to a year and a half ago."

Mr. Poe answered in the affirmative.

Mayor Harper stated "That's the point I was making earlier. Now keep in mind too, Mr. Maggiotto, this does not include the construction costs associated with it."

Deputy Mayor Pro Tem Maggiotto stated "I understand that part, this is the design phase. To the Mayor's questions, a follow-up, what would you do with \$66,000?"

Mr. Poe replied "Well we've got several needs as I stated before. We have a CIP Plan that we try to follow with other projects that we have that are higher ranked that we could utilize. So there are a number of projects."

Deputy Mayor Pro Tem Maggiotto stated "You answered Ms. Rushing's question about leveraging, if you will, the economy of scale which is to say that Grantham Associates has completed the design or in process or still working on the design and this is an add-on."

Mr. Poe answered "That's correct. It's about sixty percent (60%)...the section in red is about sixty percent (60%) complete. This would be an add-on to add that section in yellow which is down to Creekbluff."

Deputy Mayor Pro Tem Maggiotto asked "And on our Master Thoroughfare Plan, what is captured in yellow is that always going to be a two (2) lane asphalt roadway?"

Mr. Poe replied "Unless the City Council chooses to upgrade it to a standard residential street which would also be two (2) lanes. That portion is not on our thoroughfare plan."

Deputy Mayor Pro Tem Maggiotto stated "Based on the neighborhood meeting, this is how staff responded which was to..."

Mr. Poe stated "Bring a proposal for Council consideration, yes."

Deputy Mayor Pro Tem Maggiotto stated "Thank you, Mayor."

Mayor Harper stated "See, my only issue with it Shawn is I don't know where it stands in regard to the other needs and I want to be ensured that it is our highest need that we're addressing with our limited funds. You're not convincing me of that. That's my problem with it, Mr. Maggiotto."

Deputy Mayor Pro Tem Maggiotto stated "I'd like to make a motion, Mayor to table this until that question can be answered, which is and you've said this in a strategic retreat and I'm sure the City Manager knows this all too well. On every topic that we talked about where we were looking at costs, given the City Manager's interest in doing a two (2) year budget, we were consistent with we need to look at the highest and best use. And as such, presented tonight, I don't have any problem with what you're doing, this makes sense but to answer the question that the Council has put forth to the City Manager which is to be able to measure our highest and best use in this environment, I'm like the Mayor, I've got a question mark."

Mr. Poe replied "Understood."

**A motion was made by Deputy Mayor Pro Tem Maggiotto, seconded by Councilmember Phillips, to table this item. The motion carried by the following vote:**

**Ayes: 7 – Mayor Harper, Mayor Pro Tem Gottel, Deputy Mayor Pro Tem Maggiotto, Councilmember Phillips, Councilmember Rushing, Councilmember Jackson, and Councilmember Kilgore**

- 10F. Consider a resolution approving Task Order Number 5-CTL in the amount of thirty thousand four hundred thirty dollars and no cents (\$30,430) to the approved professional services agreement with CTL Thompson Texas, LLC to provide construction materials and geotechnical testing and inspections for the Rowlett Road, Phase 3 Rehabilitation project.

**This Matter was approved as RES-050-09 on the Consent Agenda.**

- 10G. Consider a resolution authorizing the final acceptance for the Point Royal Subdivision Improvements and approving the final payment and release of retainage in the amount of two

hundred twenty-six thousand nine hundred thirteen dollars and twenty cents (\$226,913.20) to Tiseo Paving Company.

**This Matter was approved as RES-051-09 on the Consent Agenda.**

- 10H. Consider a resolution awarding the bid for the purchase of law enforcement uniforms for the Police Department in the unit amounts bid and an estimated annual amount of thirty thousand dollars (\$30,000) from GST Public Safety Supply, LLC through the inter-local purchasing agreement with Tarrant County as per bid prices attached hereto and incorporated herein by reference as Exhibit "A".

**This Matter was approved as RES-052-09 on the Consent Agenda.**

- 10I. Consider a resolution approving the Texas Department of Transportation Traffic Safety Program grant agreement for the FY09 "Click It or Ticket Mobilization" Enforcement Program Grant.

**This Matter was approved as RES-053-09 on the Consent Agenda.**

- 10J. Consider a resolution approving the first one-year renewal option to TruGreen Chemlawn for lawn maintenance chemicals for the Parks Department in the unit prices bid with an estimated amount of forty-one thousand five hundred eighteen dollars (\$41,518) as attached hereto and incorporated herein by reference as Exhibit "A".

**This Matter was approved as RES-054-09 on the Consent Agenda.**

- 10K. Consider a resolution awarding the bid to purchase emergency medical supplies and medication to Bound Tree Medical and Henry Schein Matrix in the unit prices bid and an estimated annual amount of sixty-seven thousand dollars (\$67,000) through the inter-local purchasing agreement with the City of Cedar Hill as per bid tabulations attached hereto and incorporated herein by reference as Exhibit "A" and Exhibit "B".

**This Matter was approved as RES-055-09 on the Consent Agenda.**

- 10L. Consider a resolution authorizing the support of the passage of a state law requiring producers of televisions and other electronics to participate in producer takeback recycling programs.

**This Matter was approved as RES-056-09 on the Consent Agenda.**

**11. ITEMS FOR INDIVIDUAL CONSIDERATION**

*If a Public Hearing is listed, the City Council will conduct such public hearing to receive comments concerning the specific items listed in the agenda. Any interested persons may appear and offer comments, either orally or in writing; however, questioning of those making presentations will be reserved exclusively to the presiding officer as may be necessary to ensure a complete record. While any person with pertinent comments will be granted an opportunity to present them during the course of the hearing, the presiding officer reserves the right to restrict testimony in terms of time and repetitive content.*

*Organizations, associations, or groups are encouraged to present their commonly held views and identical or similar comments through a representative member when possible. Presentations must remain pertinent to the issues being discussed. A person may not assign a portion of his or her time to another speaker.*

**11A.** Consider an ordinance amending the Fiscal Year 2008-2009 Budget.

Mayor Harper read the item into the record.

Lynda Humble, City Manager stated "The budget projections that we are making at this time are in some cases based on less than six (6) months worth of data so the reference you made earlier, sir, about projecting into a crystal ball is indeed correct. The projections are made based on us seeing the continuing trends that we are experiencing at this time. We continue to monitor economic indicators such as the increasing unemployment rate in Texas, to suggest that our projections are probably very prudent at this time. I made the decision to make a one-time budget adjustment at this point based on these projections while the organization still has plenty of options. Every month that we prolong making adjustments, we lose the opportunity to consider other options. In some cases we are left with having to make very difficult decisions because our options are very limited. Because we still have plenty of options, I want to commend the Executive Team for doing what I think was a great job of offering cuts that did not affect current staff. All of the positions that are offered this year are frozen for this year or currently vacant with the exception of one (1) and that is a position that does have an incumbent in it but was only promised a one (1) year commitment of employment. That position ends at the end of June and will not be renewed.

One of the commitments that I made to the Executive Team was that the choices that they offered up this year would not count against them next year. Our goal was to make this mid-year adjustment without having to do any type of personnel reductions. And thanks to their efforts, we were able to do that at this time. And I am tremendously appreciative of their efforts. Therefore, this amendment that Brian is going to be talking about is built to be a worst case scenario. We have built in that; however, flexibility if you will. Our hope always is to remain cautiously optimistic and that the revenue numbers will actually come in better than projected. If that is the case, we will go back and evaluate the items that we froze or eliminated and allow departments to hire those positions that are deemed important and do so by the end of the year, as well as, some of the projects that have been planned. I offer this as a point of reference because in the coming months some of the information that Brian will be sharing with you will suggest it's really way better than it is; however, many of the large expenditures that we actually incur happen in the summertime. That's very close to year end and again, we have limited options at that point in time and sometimes have to make difficult decisions that if given other options would be something else. So putting it into context, we are making this one-time budget amendment with built-in flexibility. As Brian sees these trends, it's quite possible in June or July we will come back and revisit this, hopefully with some very good news that it was not as we projected but in the spirit of being prudent with taxpayers' money and again protecting choices for the organization, it was my decision at this time to do that. At this point in time I'd like to turn it over to Brian to work through the very specifics of this amendment."

Brian Funderburk, Director of Financial Services stated "Thank you, Lynda. Mayor and Council, we are looking at a \$2.3M adjustment tonight. That is what's before you. This represents an overall reduction in revenues of just below three percent (3%). I assure you that as difficult as that may be, there are many other communities that are looking at much worse. Our biggest number and our biggest concern remain sales taxes. Sale taxes are expected to decline this year by about \$594,000. Every month, we continue to see that number approximately the same amount. That's the bad news, I guess. The good news is property taxes are holding up. We did get our March report from Dallas County and after a scare that we had in January and February, I'm pleased to report that we're only running about point four percent (0.4%) behind our target collection rate. I think that's pretty good and that's very strong. We're still anticipating being down about one percent (1%) for a lot of the reasons the City Manager has outlined. We feel like our overall reduction of \$2.3M is prudent. We certainly would much rather come back to you with good news and say we've been able to add some things back to than come back and say we need to do additional cuts in this year.

Overall, the revenues that we're most concerned about that still have some ability to maneuver are electric franchise fees. Our first quarter payment was down twenty percent (20%); however, we have heard from Oncor that our second quarter payment will be up two percent (2%). That was something we did not anticipate a few weeks ago until Oncor told us that but they also told us we will be down the remainder of the year. Court fines are another area that we are concerned about. We have some control over that and have exercised some changes that I think will help us achieve some of the revenue targets that we have there. Building permits, and selected fees and charges will also be a challenge this year. So overall, we're looking at \$2.3M. Approximately \$2M of that is from external sources and another \$261,000 is from internal sources.

To meet that, we have identified \$2.4M in cuts. We were fortunate this year to start off with electric savings of almost \$600,000. You'll remember that this came from a five-year agreement last fall that we entered into with CAPP. It only represents nine (9) months of savings, so we will also have another three (3) months of that savings in the following year and after that for the next five (5) years pay these relatively low rates. Natural gas, fuel, vacancy savings was almost \$500,000 just for the first six (6) months. Taking into context with all those wrapped in together, that was a pretty substantial reach towards what our revenue shortfall is without having to really make cuts because if we're not going to spend the money, then it's not truly a cut. So, the remainder of it fell upon our departments to make and through the reduction of holding some positions open, cutting some positions that were vacant, through reducing supplies and purchasing services, advertising, training and travel, we were able to make up the majority of the rest of it.

All in all, if this amendment is approved tonight, we are looking at increasing the fund balance actually of about \$108,000. Fifty-five thousand (\$55,000) of that will be in the General Fund and \$52,000 will be spread out among the other funds. Also included in this budget amendment tonight, is \$257,000 for the Coyle House which was intended to be a placeholder pending a more accurate detailed plan. However, initial feedback indicates the price is beyond what we expected and therefore, we would request that you remove that item from the budget

amendment tonight until we bring you back a final recommendation. Mayor, that concludes my comments and I'd be glad to answer any questions you may have."

Mayor Harper stated "Let me start with a couple of questions, Council and then we'll go around. First one is actually indirectly related but I want to be sure that both you and our City Manager are familiar. There is a bill in our State Legislature as we speak, that might modify the sales tax arrangement we have with D.R. Horton. Are you familiar with that bill that's being worked through?"

Both Ms. Humble and Mr. Funderburk replied in the negative.

Mayor Harper stated "I wish I had the bill number but it effectively has to do with retail stores that are selling out of a warehouse and all the sales tax is going to the city in which that warehouse is located. And the State Legislature is going to correct that so that sales taxes will go to individual cities and not to the city where the warehouse is located. It's not a stretch for me to take a look at what we're doing with D.R. Horton that does all of their purchasing through the City of Rowlett or located in the City of Rowlett. I don't want to have ourselves get confused on that. That will affect subsequent years so you might want to have someone do a check on that bill. I don't even know if it will go through. It looks like it has good standing in the Senate and just follow through on that if you would.

Secondly with regard to the Coyle House, the only thing I ask is that we be sure when that is handed over to us next month that we have adequate security in the building and I realize that we need to hold off on some decision-making but we should not hold off on security."

Ms. Humble replied "Yes, sir."

Mayor Harper stated "Mr. Gottel."

Mayor Pro Tem Gottel stated "The only comment I had or question answered was about the Coyle House. Thank you."

Mayor Harper stated "Mr. Maggiotto."

Deputy Mayor Pro Tem Maggiotto stated "Thank you, Mayor. In our strategic retreat, the City Manager and I thank you, Mr. Funderburk, we were all brainstorming. One of the ideas was to...concerned our lighting; to turn off one-half of our lights half the time. I don't see that that's incorporated in here."

Mr. Funderburk replied "It is not."

Deputy Mayor Pro Tem Maggiotto stated "My question to the City Manager is why not?"

Ms. Humble replied "Those specific suggestions were for assistance in helping us build next year's budget. Pat Baugh, our Public Works Director, is working with Barry Young to figure out

how that type of structure could occur. Once we have those details we will bring it back for a conversation at that time. Since that's happened I don't know if y'all have seen the City of Arlington is proposing that and it's important for staff to give credit to Pat. We were doing that first, but we are researching that and looking at that, and when we have an answer we'll come back, but it is not included at this time."

Deputy Mayor Pro Tem Maggiotto stated "And so the question I have is an indication that I would like to move as quickly as possible to implement that in this fiscal year and not wait. We've got six (6) months. That's close to \$125,000. Mr. Baugh, you got a deadline? I'll send a note to Mr. Young and let him know that we're very interested in that. Thank you, Mayor."

Mayor Harper stated "Thank you very much, Mr. Maggiotto. Mr. Kilgore, do you have any comments, sir?"

Councilmember Kilgore replied in the negative.

Mayor Harper stated "Mr. Jackson?"

Councilmember Jackson replied in the negative.

Mayor Harper stated "Mr. Phillips?"

Councilmember Phillips replied in the negative.

Mayor Harper stated "Ms. Rushing?"

Councilmember Rushing replied in the negative.

Mayor Harper stated "Thank you, Brian, very much. Ladies and gentlemen, we do have an ordinance before us so we'll have to have a motion and a vote; and we'll do that vote again by a show of hands. Is there a motion?"

Mayor Pro Tem Gottel stated "Mayor, I'd like to make a motion that we approve the amendment minus the Coyle House for further discussion."

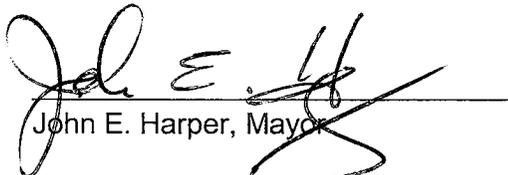
**A motion was made by Mayor Pro Tem Gottel, seconded Councilmember Jackson, that this matter be adopted as ORD-011-09. The motion carried by the following vote:**

**Ayes: 7 – Mayor Harper, Mayor Pro Tem Gottel, Deputy Mayor Pro Tem Maggiotto, Councilmember Phillips, Councilmember Rushing, Councilmember Jackson, and Councilmember Kilgore**

**TAKE ANY NECESSARY OR APPROPRIATE ACTION ON CLOSED/EXECUTIVE SESSION MATTERS**

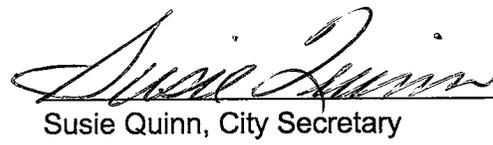
No action was taken following the Executive Session.

12. ADJOURNMENT



John E. Harper, Mayor

Date Approved: May 5, 2009



Susie Quinn, City Secretary