



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, February 19, 2008

5:30 PM

Municipal Building - 4000 Main Street

As authorized by Section 551.071(2) 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 5:30 p.m.

Present: Mayor Harper, Councilmember Alberts, Councilmember Maggiotto, Councilmember Mays and Mayor Pro Tem Rushing

Absent: Deputy Mayor Pro Tem Gottel

CONVENE INTO EXECUTIVE SESSION

The City Council convened into closed session at 5:30 p.m.

2. EXECUTIVE SESSION

- 2A The City Council shall convene into executive session pursuant to § 551.071 and § 551.072 of the TEXAS GOVERNMENT CODE to discuss acquisition of property in and around Main Street in downtown Rowlett and eminent domain.

Mayor Harper stated "Now we'll move to the motion that comes out of the Executive Session and Ms. Rushing."

Mayor Pro Tem Rushing stated "Yes, Mayor. This is on Item 2A from the Executive Session and I would like to make a motion that we approve the settlement agreement and agreed adjudgment with Rockwall American for the acquisition of property in and around Main Street and Rowlett Road and authorize the Mayor to execute the settlement agreement and agreed judgment after approval by the City Attorney "

Mayor Harper stated "Thank you, ma'am. We have a motion on the floor. is there a second to that motion?"

Councilmember Mays replied "Second."

A motion was made by Mayor Pro Tem Rushing, seconded by Councilmember Mays, that this matter be approved for the settlement agreement and agreed adjudgment with Rockwall American for the acquisition of property in and around Main Street and Rowlett Road and authorize the Mayor to execute the settlement agreement and agreed judgment after approval of the City Attorney. The motion carried by the following vote:

Ayes: 5 - Mayor Harper, Councilmember Alberts, Councilmember Maggiotto, Councilmember Mays and Mayor Pro Tem Rushing

Absent: 1 - Deputy Mayor Pro Tem Gottel

- 2B** The City Council shall convene into executive session pursuant to §551.071 and §551.072 of the TEXAS GOVERNMENT CODE to seek legal advice from the City Attorney and to discuss the bid, auction, or sale of city owned property located between Kirby Road and Rowlett Road. (10 minutes)
- 2C** The City Council shall convene into executive session pursuant to §551.071 and §551.072 of the TEXAS GOVERNMENT CODE to seek legal advice from the City Attorney and to discuss acquisition of real property in the area around Big A Road, Lakeview Parkway, and Industrial Drive for the extension of Freedom Drive. (10 minutes)
- 2D** The City Council shall convene into executive session pursuant to §551.071 of the TEXAS GOVERNMENT CODE to seek legal advice from the City Attorney regarding a proposed development agreement for Mallard Reserve.
- 2E** The City Council shall convene into executive session pursuant to §551.071 of the TEXAS GOVERNMENT CODE to seek legal advice from the City Attorney to discuss alternatives and options regarding a telecommunications tower at 4310 Industrial, in the City of Rowlett.
- 2F** The City Council shall convene into executive session pursuant to §551.071 and §551.072 of the TEXAS GOVERNMENT CODE to discuss with the City Attorney potential litigation, real property deliberations and acquisition of property to wit: Elgin B. Robertson Park. (5 minutes)
- 2G** The City Council shall convene into executive session pursuant to §551.071 of the TEXAS GOVERNMENT CODE to seek legal advice from the City Attorney regarding the upcoming special election under Chapter 143, Texas Local Government Code, and the State Civil Service Statutes. (10 minutes)

RECONVENE INTO OPEN SESSION

The City Council reconvened into open session at 6:50 p.m.

3. WORK SESSION ITEMS (6:15 P.M.)**3A** Joint meeting of City Council and the Golf Advisory Committee. (15 minutes)

Larry Glick introduced the members of the Golf Advisory Committee; spoke regarding the changes made to the golf course bunkers, the native areas, new trees, and cleaning the lakes. Spoke regarding potential ideas to be included in the possible bond package: lighting the driving range, enclose the club house, develop a Par-3 proactive course for new golfers, planting of 200 - 300 new trees, and working on the ponds at holes 11 and 14.

Plan to invite Avid Golfer magazine to rerate the golf course in September or October.

Council questioned the Committee regarding the participation the golf course receives.

Mr. Glick stated 2006 was the most successful year with just under 50,000 rounds played, 47,000 for 2007, and projected 48,000 for the current year.

Council asked how the golf course was financially.

Mr. Glick stated the rates have increased; when construction is complete, and the rates may rise again.

3B Update from the Mayor. (5 minutes)

Mayor Harper briefly spoke regarding upcoming events: February 26, 2008, City Council Special Work Session; February 28, 2008, Texas Municipal League Region 13 Meeting and Dinner; March 11, 2008, City Council Special Work Session; April 10 - 11, 2008, DFW Mayor's Conference; April 19, 2008, Rowlett Waterways Clean-Up; May 1, 2008, Mayor's Prayer Breakfast.

Mayor Pro Tem Rushing announced that she was invited to speak at Rockwall Christian Academy regarding 'City Government'; and reminded everyone about the Severe Weather Awareness Poster contest.

3C Update from the City Manager. (15 minutes)

This item was presented during the Consent Agenda.

Craig Owens brought forth a PowerPoint presentation for the City Manager's Update.

Results for Rowlett: Report on Progress and Activities (41 page PowerPoint presentation)

Top Priorities

- Neighborhood Quality*
- Economic Development*
- Culture and Recreation*
- Environment*
- Transportation*
- Public Safety*

Neighborhood Quality

- To provide neighborhood-based services to the residents of Rowlett, in order to protect the value, appeal, and quality of homes and businesses in our community.
- Neighborhood Quality Update
 - Top 5 violations (Tier 1) - for January 2008

<u>January 2008</u>	<u>Closed Issues</u>	<u>Open Issues</u>
High Grass and Weeds	24	13
Junk Vehicles	54	34
Fences in Disrepair	53	84
Outside Storage/Junk and Debris	46	37
Trash, Debris or Junk on Property	100	79

- Proactive Code Enforcement sweeps are being conducted in the following subdivisions:
 - North East Quadrant: Shady Acres, Lakeview Meadows
 - North West Quadrant: Springfield South
 - East Quadrant: Vue Du Lac, College Park South
 - West Quadrant: Lakeland Heights
- VIPS is conducting Proactive Code Enforcement sweeps in the following subdivisions:
 - Lakeside Village
 - Lakeshore Park Estates
- Updated Proactive Code Enforcement (PACE) webpage (www.rowlett.com/pace) with:
 - General PACE timeline map
 - Current PACE timeline map
 - PACE Volunteer Opportunities information page
- Developed PACE material for Volunteers in Police Service:
 - street maps,
 - subdivision maps,
 - data documentation templates
- Animal Services
 - Statistics for January 2008:
 - Impoundments: 130
 - Return to owner: 33
 - Adoptions: 54
 - Warning Citations: 71
 - Animal Bites: 3
 - Vaccination Clinics for the month of February:
 - Saturdays ~ 16 & 23 ~ 2:30pm - 4:30pm

Economic Development

- To provide economic development services to our existing businesses, prospective business and community, in order to attract investment to the City of Rowlett. and to promote a sustainable, vibrant economy.
 - Lake Pointe Medical Arts Ribbon Cutting and Open House will be held Thursday, February 21 starting from 4:30pm - 7:00 pm
 - Tatianos will build a free standing restaurant at Scenic Drive and Lakeview Parkway; expanding to 4,000 sq ft.
 - Interviewed candidates for Economic Development Director; decision will be made soon
 - Zaxby - similar to Chick-Fil-A; will locate at the old car lot next to Lakeview Car Wash on Lakeview Pkwy.

Culture and Recreation

- *To provide cultural, entertainment and recreation services to the residents, businesses, and visitors of the City of Rowlett, in order to encourage a healthy, active community.*
- *Culture and Recreation Update*
 - *Community Centre*
 - *Sweetheart Dance; Starry, Starry Night*
 - *Held on February 8*
 - *Dance was sold out with 250 participants*
 - *Senior Health Clinic Update*
 - *Approximately 60 seniors attended the Senior Health Clinic on Tuesday, February 12*
 - *The seniors said they are glad to have this service back at the Rowlett Community Centre*
 - *Special thanks to Ron Simmons in Fire/Rescue for organizing*
 - *The Winter/Spring Lakeside Leisure brochure is available at the Rowlett Community Centre*
 - *Other Events:*
 - *Re-dedication of Veterans Park ceremony:*
 - *Held February 16 at 2pm*
 - *American flag pole was dedicated to Congressman Johnson*
 - *Plaque presented to the Congressman and placed at base of flag pole*
- *Library*
 - *Has added eleven online book clubs:*
 - *Send excerpts from popular books by e-mail on weekdays*
 - *Visit the library web page to sign up*
 - *The library will receive the Texas Municipal Library Directors Association's Achievement of Excellence in Libraries Awards for the third consecutive year*
 - *March 6, 2008, 7 pm - Shakespeare Man returns to the library in honor of National Women's History Month*

Environment

- *To provide and promote environmental resource management services in order to ensure health and welfare, and to preserve the environment for our community.*
- *Economic Update*
 - *Martha Lane Water Tower:*
 - *Classic Protective Coatings completed refurbishing*
 - *Tower has been refilled and tested*
 - *Placed back on-line February 7*
 - *Clean-up work around the site needs done*
 - *SH66/Eula Drive Water Tower:*
 - *Taken off-line February 3*
 - *Classic Protective Coatings started refurbishing*
 - *Work will take approximately 2 - 3 months*
- *Staff attended 2008 Public Sector Design & Construction Forum:*
 - *Held Thursday, 2/14*
 - *Sponsored by Greater Dallas Chamber of Commerce*
 - *Focus on LEED certifications/green building in North Texas*
 - *Ross Perot, Jr. keynote speaker*
 - *Stated we aren't going to see a hard recession*
 - *Stated economy should pick-up in about 4 years*
 - *Said build green because it's the right thing to do*
- *Gordon Smith Dr. under DART rails:*
 - *Sewer line collapsed under the DART rails*
 - *Line continues to back-up*
 - *Sewer line replacement project bid opening was Friday, February 15*

- Wastewater Crew checks this line daily until replaced
- Jet Crew is servicing lines daily in the Point Royal area for prevention of back-ups

Transportation

- To provide transportation services to our citizens and visitors, to ensure safe, efficient transportation options for the movement of people and goods through the City of Rowlett and surrounding areas.
- DART
 - Design - Build - Maintain
 - On schedule for 2012
- NTTA
 - Contracts are to be let in March
 - Construction to begin in June on the Turnpike
- CIP Update: Word on the Street
 - Kenwood Heights Update:
 - One half of Kenwood Dr. is paved
 - The waterline has been installed along Kenwood Dr. to Cypress Dr. and is in service
 - Kenwood Dr. will remain closed until at least February 2008
 - Project is 15% complete
 - Point Royal Estates Update:
 - The sanitary sewer along Point Royal is complete
 - The storm drain along Point Royal is complete
 - The waterline is complete along Point Royal
 - Contractor is currently working on the sanitary sewer lines along Cedar View and Ashe Bend
 - Project is 25% complete
 - Miller Road Phase 1 Update:
 - Contractor has installed concrete paving along Rowlett Rd. for the western and northern lanes
 - Traffic has been switched to those lanes
 - Contractor has installed driveways to adjacent properties in these locations
 - When the concrete has cured, the contractor will restore the parkway so traffic can be switched to the new pavement and open all lanes on Rowlett Rd.
 - Project is 66 % complete
 - Miller Road Phase 2 Update:
 - From C.A. Roan Road to Dalrock will be four-lanes with divided concrete and underground storm drainage
 - Approved in the Dallas County Major Capital Improvement Program and City share the cost equally with the County
 - Estimated construction start in 2009
 - Rowlett Road Update:
 - All three phases of reconstruction are being coordinated with DART and NTTA to minimize traffic delays and congestion during construction of PGBT EE and DART Blue Line
 - Phase 1:
 - Paving on southbound lanes of Rowlett Rd and eastbound lanes of Main St. west of Rowlett Rd. are almost complete
 - Colored stamped paving at the Rowlett-Main intersection has been installed for the southbound lanes
 - RR crossing north of Main Street will be reconstructed by DGNO before traffic is switched to the western lanes
 - 6 lanes from SH 66 to Century Dr.
 - Project is 37% complete
 - Rowlett Road Update:

- All three phases of reconstruction are being coordinated with DART and NTTA to minimize traffic delays and congestion during construction of PGBT EE and DART Blue Line
- Phase 2:
 - Estimated completion December 2011
 - 6 lanes from Century Dr. to Miller Rd.
- Phase 3:
 - Construction begins May 2008
 - Estimated completion October 2009
 - 4 lanes South of Miller Rd to Lake Ray Hubbard
- Concrete/Asphalt Street Reconstruction:
 - Overlay work is complete for:
 - Merritt Road
 - Miller Road
 - Chaha Road
 - Old Rowlett Road
 - Main Street
 - Below are the approximate beginning/completion dates for the remaining asphalt construction projects

<u>Project</u>	<u>Begin Date</u>	<u>Completion Date</u>
Dexham Road	April 2008	May 2008
Liberty Grove Road	Underway	March 2008
N. Dalrock Road	Underway	February 2008
- Concrete/Asphalt Street Reconstruction:
 - Upon completion of Liberty Grove, the contractor will begin the reconstruction of Dexham Road.
 - Reconstruction of Dalrock Road north of Princeton is near final completion.
 - Projects are 52% complete
- Alley Improvement Projects:
 - Plans are being reviewed by the Engineering Staff to prepare for bidding; app. \$2M
 - Should occur sometime in March 2008
 - Alleys included are:
 - Brownlee
 - Chesham
 - College Park
 - Deerwood
 - Grant
 - Highgate
 - Mariner
 - Mediterranean
 - Pebble Beach
 - Vernon
 - Willowbrook
- Railroad Crossing Improvements:
 - Dallas, Garland, Northeastern Railroad (DGNO) will repair tracks in Rowlett
 - DGNO will give the City 2 weeks notice prior to repairs
 - City will supply a message board to inform public and address alternate routes
 - Locations to be repaired:
 - Miller Road
 - Will be raised to meet existing pavement
 - The asphalt pavement between the tracks will be replaced
 - Dalrock Road, south of Chiesa Road and Dexham Road

Public Safety

- *To provide public safety services to the City of Rowlett citizens and visitors in order to reduce crime, injury, and damage to property and the environment.*
- *Police Response Times Comparison: All Calls*
- *Police Response Times Comparison: Priority 1 Calls*
- *Fire Rescue:*
 - *Initiating plans for CPR instruction for all City Employees*
 - *Promoted Tim Gauthier from Driver/Engineer to Captain and promoted Steve Fattig from firefighter to Driver/Engineer*
 - *Implementing plans for NFPA 1851 (Bunker Gear Maintenance):*
 - *Just became State Law*
 - *Requires a stricter requirement for testing, servicing, and replacing protective clothing*
 - *Preparing back-up radio system for Public Safety Communications in disasters and frontline failure*
- *Fire Rescue: Structure Fires - Property Loss*
- *Fire Rescue: Response Times*
- *Fire Rescue: All Medic Units in Use*
- *Fire Rescue: Structure Fires*
- *Fire Rescue: Fire Containment*

Other Activities

- *1st Town Hall meeting of 2008 - record attendance of 170 citizens*
 - *Video on current construction projects was presented*
 - *Display of current construction progress*
 - *A city information table on display*
 - *Power point presentation on Economic Development*
- *Taped the February edition of "Rowlett On The Move" with Deputy Mayor Pro Tem Todd Gottel as special guest*
- *Donations:*
 - *Wal-Mart awarded \$2000 to the library*
 - *For support of young adult programming*
 - *Collection development*

3D

Presentation of Rowlett Police Department Annual Traffic Contact Report for 2007.
(10 minutes)

Matt Walling, Chief of Police, brought forth information to the Council regarding the annual report.

Council asked staff if conclusions could be drawn from the number of stops that were made to different ethnic groups.

Mr. Walling replied in the negative; the data that the report is compared to is census data, which is over eight (8) years old.

Council asked staff if the non-residential stops have decreased now that neighboring cities have passed beer and wine sales.

Mr. Walling stated he could not draw that conclusion.

Staff described the new digital recording system used in police vehicles.

4. DISCUSS REGULAR SESSION ITEMS

Items 9E an 9G were asked to be pulled from the Consent Agenda to be individually considered.

Work Session adjourned at 7:29 p.m.

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

Convened in the Council Chambers at 7:30 p.m.

Mayor Harper called the meeting to order at 7:32 p.m.

5. INVOCATION

The invocation was led by Allan Swinson, Heritage Church of Christ.

6. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Harper.

7. PRESENTATIONS AND PROCLAMATIONS

- 7A** Proclamation for the Rowlett High School Silver Rhythm Dancers.
- Mayor Harper presented a proclamation to the Rowlett High School Silver Rhythm Dancers.*
- Mayor Harper was presented with a signed picture of the dance team.*
- 7B** Proclamation Severe Weather Awareness Week February 24 - March 1, 2008.
- Mayor Pro Tem Rushing presented a proclamation to Robert Lafaye, Emergency Management Coordinator; and announced the Severe Weather Awareness Poster Contest.*
- 7C** Presentation of the Police Department's 2007 Awards for: Police Chief's Award for Excellence, Prosecutor's Award for Excellence, Rookie of the Year, Supervisor of the Year, Civilian of the Year, and Officer of the Year.
- Mayor Harper and Police Chief Matt Walling presented the Police Department's 2007 Awards to the recipients.*
- 7D** Proclamation recognizing February 17 through February 23, 2008 as Engineers Week.
- Councilmember Maggiotto presented a proclamation to Shawn Poe, City Engineer.*
- Mayor Harper gave a brief update concerning the recent Town Hall meeting; Rowlett On*

The Move; February 12, 2008 Special Meeting; February 14, 2008 Finance Committee Meeting; dedication of Veterans' Park; and the Charter Revision Committee.

At this time, Craig Owens, City Manager presented his update from the Work Session (Item 3C).

8. CITIZENS' INPUT

1. *Greg Watkins, 5802 Fawn Valley, spoke concerning code enforcement.*
2. *Chris Kilgore, 5809 Ambassador, spoke with regard to timing issues with red light cameras.*

9. CONSENT AGENDA

Mayor Harper explained the procedure regarding the Consent Agenda and the rights of each Councilmember and each citizen to have any consent agenda item removed to be considered individually.

Items 9E and 9G were pulled from the Consent Agenda to be considered individually.

City Secretary read the items into the record.

- 9A Consider a resolution authorizing the final acceptance of the project and release of the retainage and final payment to Henkels & McCoy in the amount of five thousand seven hundred ten dollars and fifty-nine cents (\$5,710.59) for the Fiber Optic Cabling Project.

This Matter was adopted as RES-014-08 on the Consent Agenda.

- 9B Consider a resolution authorizing the final acceptance of the improvements and release of the retainage and final payment to Landmark Structures, Inc. in the amount of one hundred forty-seven thousand six hundred twenty-six dollars and fifty-nine cents (\$147,626.59) for the Kirby Road Elevated Water Tank Project.

This Matter was adopted as RES-015-08 on the Consent Agenda.

- 9C Consider a Resolution approving an Inter-Local Agreement with the City of Garland for construction of a Wastewater meter station.

This Matter was adopted as RES-016-08 on the Consent Agenda.

- 9D Consider a resolution authorizing the final acceptance of the improvements and release of the retainage and final payment to J&T Excavating, LLC in the amount of thirty-three thousand five hundred eighty-seven dollars and forty-two cents (\$33,587.42) for the Christine Street Reconstruction Project.

This Matter was adopted as RES-017-08 on the Consent Agenda.

9E

Consider a resolution approving a purchase and sale contract for the acquisition of a 0.030 acre tract of property located at 7401 Liberty Grove Road for the reconstruction of Liberty Grove Road in the amount of fifteen thousand dollars (\$15,000) and authorizing the Mayor to execute such agreement.

Mayor Harper read the item into the record.

Shawn Poe, City Engineer stated "This is for a right-of-way to install a right hand turn lane at the intersection of Liberty Grove and Merritt Road. And the closing documents were revised here before...or right after the Council agenda went out and the revised amount is \$15,907.03. So that's what the amended motion is."

Mayor Harper replied "So everything remains the same but for the figure which is now \$15,907.03?"

Mr. Poe answered "Yes, sir."

Mayor Harper stated "Okay, Council, are there any questions or comments? Hearing none, is there a motion?"

A motion was made by Councilmember Maggiotto, seconded by Councilmember Alberts, that this matter be adopted as amended as RES-020-08. The motion carried by the following vote:

Ayes: 5 - Mayor Harper, Councilmember Alberts, Councilmember Maggiotto, Councilmember Mays and Mayor Pro Tem Rushing

Absent: 1 - Deputy Mayor Pro Tem Gottel

9F

Consider an ordinance approving the petition of Oncor Electric Delivery Company LLC to modify its lighting service tariff pursuant to the Energy Policy Act of 2005.

This Matter was approved as ORD-006-08 on the Consent Agenda.

9G

Consider an ordinance amending the Fiscal Year 2007-2008 Budget.

Mayor Harper read the item into the record.

Mayor Harper stated "We have an Operating Budget which is roughly \$80 million dollars and we're roughly one-fourth (1/4) of the way through the fiscal year and we're making some budget amendments. That's what's being proposed in this particular item. I want to bring to everyone's attention and Mr. Funderburk can comment on it if, if he wishes. But first of all, we do have...its interesting because one of our citizens has commented on red-light cameras but we do have as a result of a shortfall of revenue in red-light cameras in affect on the General Fund balance. Would you just make a couple of comments on that Mr. Funderburk?"

Brian Funderburk, Financial Services Director stated "Yes, sir. When we originally did the projections on the red-light camera, we had, I think the same thing that Mr. Kilgore was mentioning that there was a point where it looked like they were starting to stabilize. We had saw the spike and then it had dropped for a while and then it had stabilized for about a five (5) or six (6) month period. So we projected our revenues based on that and based on what we're continuing to experience, which is that the violations have continued to drop. They may re-stabilize at some point. We're projecting right now a \$350,000 shortfall in our revenue projections for this year."

Mayor Harper replied "Okay, and that shortfall we discussed at our Finance Committee meeting, City Manager, and Brian was there as well as Mr. Maggiotto and Ms. Rushing. My sense from that Finance Committee meeting was that you're expecting to makeup that shortfall and still hit the ten percent (10%) General Fund Reserve at the end of the fiscal year. Am I accurate?"

Mr. Funderburk answered "Yes, sir."

Mayor Harper stated "Good. I know it's a challenge but I know that you also can do it. Also I just want to make a quick comment, Council, on Utility Reserves. There is a Utility Reserve, it's far beyond the minimum required at this time. It is money that we could use in many different ways, not the least of which we could use to adjust utility rates. We're not making that decision now because we need to learn a lot more about our Capital Improvement Projects which we will do on February 26, 2008. So although you see a reported fund balance in Utility Fund, later on in this packet information that you have before you, that is earmarked, if you will, for projects that will be in the water, sewage, and drainage. Anything you'd wish to say on that, Mr. Funderburk?"

Mr. Funderburk replied "We've talked before that our reserves in the Utility Fund are pushing thirty percent (30%); that's twice the policy requirement."

Mayor Harper stated "And the last item I want to bring to the Council's attention and the citizens' attention, we do recognize over a million dollars in revenues for Capital Projects Fund and that \$1 million dollars is coming from interest payments and impact fees. That's not new money, it's money we've had all along; it's just money that we haven't recorded in the Capital Projects Fund. Anything that you'd wish to add to that?"

Mr. Funderburk replied "Just this, Mayor, that when we did the spending plan, we do not include future or projected investment earnings. These are investment earnings that we have earned or expect to earn this year. And so from that perspective, it is available for that additional reallocation of some of the additional expenditures you're going to see next week."

Mayor Harper stated "Good. Those are my comments. Does anyone wish to add comments or ask questions of Mr. Funderburk?"

Mayor Pro Tem Rushing replied "Yes, Mayor."

Mayor Harper stated "Go ahead."

Mayor Pro Tem Rushing stated "Just to clarify for the audience, we're not going to make up the shortfall of the red-light cameras by playing with the yellow lights, correct? We will make it up in other areas of the budget such as vacancy savings or other value savings we find in other areas."

Mr. Funderburk stated "Yes, ma'am, that is correct."

Mayor Harper stated "Thank you, Ms. Rushing. If there are no other comments for further discussion, I'd like to ask for a motion. Mr. Maggiotto, do you have a comment?"

Councilmember Maggiotto replied "Yes, sir. Mr. Funderburk, in our Finance Committee meeting we had discussed leaving the shortfall in place so that it is a, if you will, a visible target by which city staff and I'm looking at page 207; is what you contain in red basically that target that we're going to try to make up?"

Mr. Funderburk replied "Yes, but there is an anomaly here that I think it's good for everybody to be aware of. The number is \$308,000; if we adjust expenditures there is a double positive whammy because as the fund balance increase, the expenditures decrease then you catch up faster. If it comes from revenues or if we just increase fund balance by \$100,000 you don't gain that as much. Basically, what I'm saying is if you would reduce expenditures \$308,000 you'd actually hit your ten percent (10%) fund balance. So the number's not really \$363,000 and yet I have to report it because of the way the calculation is made."

Councilmember Maggiotto stated "Okay, just as long as the understanding is that what we concluded in terms of consensus is that we will not make this go away by moving numbers from one account to another, whether it be the (...the recording is not understandable at this point...) can view the progress toward making that up with the rest of the fiscal year. Is that correct?"

Mr. Funderburk replied "I would agree with that but I would also say though if we have any additional revenue increases in the General Fund, if sales taxes come in higher or whatever then that's going to be part of how we're going to meet it. We're going to meet it with both expenditures and revenues if those are available. And if not, then it will be strictly out of expenditures."

Mayor Harper stated "We acknowledge and this is what we discussed; we acknowledge that there's three-quarters (3/4) to go yet in the fiscal year. And during that three-quarters (3/4) there can be new revenues, there can be other savings and so I think Mr. Maggiotto what we all agreed to was just to acknowledge that there is a shortfall at this moment and time, but with the knowledge also that we'll make it up during normal operations over the next nine (9) months."

Mr. Funderburk stated "Projected shortfall."

Mayor Harper stated "Projected shortfall, that's a very important point, thank you, sir. One thing that I also want to add, Mr. Maggiotto, you reminded me. This Council did embrace twenty-six (26) guiding principles for City Manager and staff to use for financial management of the City. And one of those guiding principles was that we would indeed meet all the required fund balances, so that's an accepted goal. I have no issue with that at all."

A motion was made by Councilmember Maggiotto, seconded by Mayor Pro Tem Rushing, that this matter be adopted as ORD-007-08. The motion carried by the following vote:

Ayes: 5 - Mayor Harper, Councilmember Alberts, Councilmember Maggiotto, Councilmember Mays and Mayor Pro Tem Rushing

Absent: 1 - Deputy Mayor Pro Tem Gottel

9H

Consider a resolution accepting the Police Department's Annual Traffic Contact Report.

This Matter was adopted as RES-018-08 on the Consent Agenda.

- 9I Consider a resolution authorizing the City Manager to enter into an economic development incentive agreement with Tatianos Italian Restaurant expansion to a stand alone building.

This Matter was adopted as RES-019-08 on the Consent Agenda.

Passed The Consent Agenda

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

Ayes: 5 - Mayor Harper, Councilmember Alberts, Councilmember Maggiotto, Councilmember Mays and Mayor Pro Tem Rushing

Absent: 1 - Deputy Mayor Pro Tem Gottel

10. ITEMS FOR INDIVIDUAL CONSIDERATION

- 10A Consider an ordinance amending Ordinance No. 03-02-04C to modify residential and nonresidential, roadway, water, and wastewater impact fees.

Mayor Harper read the item into the record.

Patrick Baugh, Public Works/Utilities Director stated "Due to the late hour, I'd just like to make a few brief comments. On December 18, 2007, Council did ask us to bring forward a potential increases for impact fees for the residential construction and development. We properly noticed that in the newspapers of record and though we did provide that and you have the option to increase those fees up to the maximum amount of fifty percent (50%) of the maximum calculated amount of impact fees and the chart is in there. The notice that was sent to the paper and was advertised is the correct amount of fees. So we'd ask for that to be...those charts in the notice to go with the ordinance."

Mayor Harper replied "Okay."

Mr. Baugh stated "I'd be glad to answer any questions."

Mayor Harper stated "I have a couple of questions for you Mr. Baugh, if you don't mind."

Mr. Baugh replied "Yes, sir."

Mayor Harper stated "Impact fees are for the benefit of our citizens, what are they? What are we allowed to charge for that 'impact'?"

Mr. Baugh replied "Well, impact fees are a calculated amount of money that it would take to build out the Master Plan over the next ten (10) year horizon and a Capital Improvement Plan that's separate from our operating five (5) year rolling Capital Improvement Plan; that

ten (10) year plan that's developed and those costs are estimated from that. From those costs a calculated amount, which is a percentage of the total amount, is allocated back toward new development for extension of services or increased capacity for those different systems. And those amounts are recoverable through new development and as the platting process goes through, the developments are assessed those fees and then as the building permits are applied for and taken, then those fees are paid at that time with the building permit."

Mayor Harper stated "Okay, now as I understand it, the 100% of the cost cannot be passed on."

Mr. Baugh replied "That's true."

Mayor Harper continued "Rather it is capped at 50%. So the general citizenry, all of the citizens, pay 50% of the cost and the specific users pay 50% of the cost as a maximum. We're not at that point now but that is the maximum allowed. Is that correct?"

Mr. Baugh replied "I believe there's...I think you can go over the 50% amount but it takes a lot more calculation. It's usually typically not worth the effort to do that."

Mayor Harper stated "All right. Those are my questions, anybody else? Mr. Alberts, did you have anything?"

Councilmember Alberts stated "Sure, Mayor. As presented, when we're looking at what was advertised, what's proposed is a...we're going from 25% to 50%?"

Mr. Baugh replied "On the residential only."

Councilmember Alberts stated "Okay, but the non-residential is staying the same, basically 10-25-25."

Mayor Harper stated "While he's looking at that Council, let me make a point. We are not able to complete the ordinance this evening; what we are able to do this evening is to direct staff to prepare an ordinance. So the question before us is simply, what rate increase will we as a Council recommend or approve? Direct is what I should say. What rate of increase will we direct for staff to put in the ordinance which we'll consider at our next meeting?"

Councilmember Alberts stated "Thank you, Mayor. My point is that although we published what the new rates were going to be in the paper, I don't know if we necessarily made the public aware that we were doubling the residential impact fee. We just published the 50%, correct? We didn't say we're going from 25% to 50%?"

Mr. Baugh replied "That's right; we published the correct wording for the ordinance."

Councilmember Alberts stated "Okay, thank you, sir. Thank you, Mayor."

Mayor Harper stated "So your point is well taken and that is unless you are an informed reader, you won't know that before us is a recommendation to double the impact fee."

Councilmember Alberts replied "Yes, Mayor."

Mayor Harper stated "Good point, very good point, Mr. Alberts. Okay, any other questions for Mr. Baugh? Yes, ma'am."

Mayor Pro Tem Rushing stated "Yes, Mayor. I just want to make one point of clarification. You made the statement homeowners would pay; this actually is paid by the developer per each house that he is building in a new subdivision, correct?"

Mr. Baugh replied "It's paid by the home builder at the time of building permit issuance."

Mayor Pro Tem Rushing stated "Building permit; this may be rolled into the cost of your home but it is a fee that is assessed to the developers to help pay the City back for the impact that these new structures will have on our systems such as roadway, our water towers, our water lines, and our wastewater lines, correct?"

Mr. Baugh replied "That is correct."

Mayor Pro Tem Rushing stated "Thank you."

Mayor Harper stated "No more comments; let me formally open the public hearing (9:07 p.m.). The public hearing is now open. Is there anyone who speaks for or against the proposed increase in impact fees? The proposed increase is to take all of the fees but for the non-residential, is that correct? And they'll be increased from 25% to 50%. That's the recommendation before us. Is there anyone who wishes to speak for or against that proposition? Not hearing or seeing anyone coming forward, we'll close the public hearing (9:07 p.m.) and at this point we don't have an ordinance to consider but instead we will direct staff to prepare that ordinance and bring it to us at our next regular meeting. We do have another motion to consider. Citizens we did meet in Executive Session today. There were seven (7) items on the agenda; we considered all but one (1) of those items which we carried over and we do have motion. I'll call on the Mayor Pro Tem to deliver that motion."

Councilmember Maggiotto stated "Point of Order. Did we on the previous agenda item give direction to accept?"

Mayor Harper stated "We didn't do it by vote but I thought that we did do it by direction. We'll actually vote on it next time; do you want to have a vote on it? I'm quite comfortable in doing that."

Councilmember Maggiotto replied "I don't know what's required?"

David Berman, City Attorney stated "You need to; if you're comfortable."

Mayor Harper stated "Sure, I'm quite comfortable in doing that. Just a Point of Order on my own part so that you know what I was thinking, is that the ordinance will be presented to us; we directed the staff to prepare it in a certain manner and we can vote it up or down once the ordinance is presented. But I'm very happy to...what does our City Attorney prefer?"

Mr. Berman replied "I'd kind of prefer that there be a motion. Hopefully it would be a motion to direct staff to prepare an ordinance."

Mayor Harper stated "All right, let's do that."

Mr. Berman continued "In accordance with the Notice of the Public Hearing."

Councilmember Maggiotto stated "Mayor."

Mayor Harper stated "Go ahead, Mr. Maggiotto."

Councilmember Maggiotto replied "Thank you, Mayor. I'd like to make a motion to recommend to staff to prepare an ordinance as outlined in our packet page 297 which is titled 'Notice of Public Hearing on Adoption of Impact Fees' which does show or reflect that the residential rate will move from 25% to 50% and that non-residential rates will remain the same which is commercial."

Mayor Harper stated "Very good, sir. Is there a second on that motion?"

Mayor Pro Tem Rushing replied "Yes, sir. I second it."

Mayor Harper stated "Second by Ms. Rushing; call to question please."

A motion was made by Councilmember Maggiotto, seconded by Mayor Pro Tem Rushing, that this matter be adopted to request City staff to prepare an ordinance to increase the development impact fees as outlined in the agenda item. The motion carried by the following vote:

Ayes: 4 - Mayor Harper, Councilmember Maggiotto, Councilmember Mays and Mayor Pro Tem Rushing

Noes: 1 - Councilmember Alberts

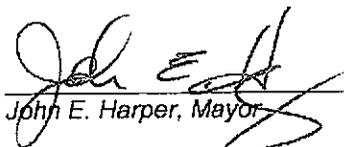
Absent: 1 - Deputy Mayor Pro Tem Gottel

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

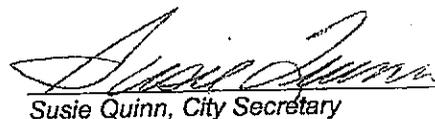
Action was taken on Item 2A. No actions were taken on the other Executive Session items.

11. ADJOURNMENT

Mayor Harper adjourned the meeting at 9:09 p.m.


John E. Harper, Mayor

Date Approved: April 1, 2008


Susie Quinn, City Secretary