



Post Office Box 9010 Addison, Texas 75001-9010 5300 Belt Line Road (972) 450-7000

Fax: (972) 450-7043

## AGENDA

### REGULAR MEETING OF THE CITY COUNCIL

MARCH 13, 2007

7:30 P.M.

TOWN HALL

5300 BELT LINE ROAD

---

### REGULAR SESSION

---

Item #R1 - Consideration of Old Business.

---

Item #R2 - Consent Agenda.

---

#2a - Approval of the Minutes for the February 27, 2007, Council Meeting.  
Approval of the Minutes for the February 26, 2007, Special Meeting.

#2b - Consideration and approval to authorize the City Manager to enter into an annual contract with Yellow Rose Landscape Services totaling \$65,223.61 for planting seasonal color.

---

Item #R3 - Presentation of the Government Finance Officers Association (GFOA) "Certificate of Achievement for Excellence in Financial Reporting" to the Town of Addison for its Comprehensive Annual Financial Report (CAFR).

---

Attachment:

1. Council Agenda Item Overview
- 

Item #R4 - Consideration and approval to authorize the City Manager to release the 2006 Comprehensive Annual Financial Report (CAFR) is requested.

Attachments:

1. Council Agenda Item Overview
2. Management Responses to Auditors Comments about 2006 CAFR
3. 2006 Management Comments from Weaver and Tidwell
4. 2006 Comprehensive Annual Financial Report (CAFR)

Administrative Recommendation:

Administration recommends approval.

---

Item #R5 - Consideration and approval to authorize the City Manager to enter into an Interlocal agreement with the North Central Texas Council of Governments (NCTCOG) for purposes related to the implementation of Governmental Accounting Standards Board (GASB) Statement Number 45.

Attachments:

1. Council Agenda Item Overview
2. Interlocal Agreement

Administrative Recommendation:

Administration recommends approval.

---

Item #R6 - Consideration and approval to authorize the City Manager to enter into a contract with Gabriel, Roeder, Smith, & Company (GRS) to perform actuarial services related to the implementation of Governmental Accounting Standards Board (GASB) Statement Number 45.

Attachments:

1. Council Agenda Item Overview
2. GRS Contract

---

Administrative Recommendation:

Administration recommends approval.

---

Item #R7 - Consideration and approval of a resolution of the City Council of the Town of Addison, Texas, in support of the application of Prestonwood Market Square, Ltd., HSM Pepper Square Partners, Ltd., to the Texas Commission on Environmental Quality for a municipal setting designation for properties located at 14856 Preston Road, 14902 Preston Road, 6160 Belt Line Road and adjacent streets rights of way in Dallas, Texas; providing an effective date.

Attachments:

1. Council Agenda Item Overview
2. Municipal Settings Designation Ordinance
3. Pepper Square MSD Application
4. Pepper Square Radius Map
5. Pepper Square Groundwater Plume
6. Municipal Settings Designation

Administrative Recommendation:

Administration recommends approval.

---

Item #R8 - **PUBLIC HEARING**, requesting approval of an amendment to an existing Special Use Permit for a restaurant and an existing Special Use Permit for the sale of alcoholic beverages for on-premises consumption only for Logan's, located at 5290 Belt Line Road, Suite 150, represented by Mr. Jack Bendetti.

Attachments:

1. Docket Map
2. Staff Report
3. Plans

---

Commission Findings:

The Addison Planning and Zoning Commission, meeting in regular session on February 22, 2007, voted to recommend approval of the request on application from Logan's on Belt Line, subject to the following conditions:

-All mechanical equipment on the new building shall be completely screened from view. The screening material shall be architecturally compatible to the building, and the Building Official shall make the determination of "architecturally compatible".

-The applicant shall not use any terms or graphic depictions that denote alcoholic beverages in exterior signs.

-The applicant should be aware that he will be required to comply with all requirements of the building and fire codes.

Voting Aye: Bernstein, Chafin, Daseke, Gaines, Jandura, Meier, Wood

Voting Nay: None

Absent: None

Administrative Recommendation:

Administration recommends approval.

---

Item #R9 - **PUBLIC HEARING**, requesting approval of a Special Use Permit for a Restaurant, Pho Quo Huong, located at 4826 Belt Line Road, represented by Mr. Sonny Huynh.

Attachments:

1. Docket Map
2. Staff Report
3. Plans

Commission Findings:

The Addison Planning and Zoning Commission, meeting in regular session on February 22, 2007, voted to recommend approval of the request on application from Pho Quo Huong, subject to the following conditions:

---

-the parking requirement for this restaurant shall be set at 15 spaces.

Voting Aye: Bernstein, Chafin, Daseke, Gaines, Jandura, Meier, Wood  
Voting Nay: None

Absent: None

Administrative Recommendation:

Administration recommends approval.

---

Item #R10 - Consideration and approval to authorize the City Manager to enter into a contract with Ratliff Hardscape totaling \$155,584 for construction of screening walls on Les Lacs Drive - Grand Homes Subdivision and Beltway Drive - Chatham Court Subdivision.

Attachment:

1. Council Agenda Item Overview
2. Screening Wall Bid Tab
3. Plan-South
4. Plan-North

Administrative Recommendation:

Administration recommends approval.

---

**EXECUTIVE SESSION**

---

ES #1 - Closed (executive) session of the City Council pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with its attorney(s) on a matter in which the duty of the attorney(s) to the Town Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Tex. Gov. Code, regarding and relating to the Addison Airport fuel farm and its construction.

---

Item #R11 - Consideration and approval to authorize the City Manager to approve a payment to Thielsch Engineering including 50% of Retainage and Change Order No. 2, for necessary additions as constructed on the Addison Airport Bulk Fuel Storage Facility.

---

Attachment:

1. Council Agenda Item Overview

Administrative Recommendation:

Administration recommends approval.

---

Item #R12 - Consideration and approval to authorize the City Manager to approve Change Order No. 3, for corrective measures to make the Addison Airport Bulk Fuel Storage Facility operational.

Attachment:

1. Council Agenda Item Overview

Administrative Recommendation:

Administration recommends approval.

---

Item #R13 - Consideration and approval to authorize the City Manager to execute a supplemental agreement to the Engineering Services Agreement with Robert and Company, Inc., for construction management services related to the Addison Airport Bulk Fuel Storage Facility.

Attachment:

1. Council Agenda Item Overview

Administrative Recommendation:

Administration recommends approval.

---

Item #R14 - Discussion and consideration of any additional or further action to be taken regarding and relating to the Addison Airport fuel farm and its construction.

---

Attachment:

1. Council Agenda Item Overview

---

Adjourn Meeting

---

Posted at 5:00 p.m. on March 9, 2007  
Mario Canizares, City Secretary

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH  
DISABILITIES. PLEASE CALL (972) 450-2819 AT LEAST 48 HOURS  
IN ADVANCE IF YOU NEED ASSISTANCE.**



## OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL SPECIAL MEETING

February 26, 2007

6:00 P.M.

Addison Conference Center

15650 Addison Road

Addison, TX 75001

Present: Mayor Chow, Councilmembers Braun, Hirsch, Kraft, Mallory, Mellow and Neimann

Absent: None

Item #S1 Presentation and Discussion Regarding Addison's Planning Sectors – Capital Projects and Development Issues.

- Addison Special Planning Section One
  - Belt Line from Tollway to Bridge
  - Hodge Property
  - Lake Forest
- Addison Planning Section Two
  - Beltway Connection
  - Inwood Road Re-development
- Addison Planning Section Three
  - Ashton Woods Development
  - Brookhaven Club Re-development
  - Brookhaven Parks/Trails
  - Kroger/Target Center
  - Midway Road (north portion)
  - Midway Road (south portion)
  - Trail System City Wide
- Addison Planning Section Four
  - Airport Contract
  - Airport Development Issues
  - Runway



- Addison Planning Section Five
  - Airport Parkway
  - Fairfield – Park Design
  - Land Banking
  - SNK Realty
  - Staubach Property
  - Train Depot/Parking
- Addison Planning Section Six
  - Addison Road Development Plan
  - Keller Springs at Addison Road
  - Woodmont Development
- Other Capital Projects and Development Issues

Town Staff led the discussion of the above referenced items. No action was required.

#S2. Presentation and Discussion regarding estimated costs of Addison’s various development and capital projects.

Town Staff led the discussion of the above referenced item. No action was required.

#S3. Presentation and Discussion Regarding Other Priority Issues

- Cotton Belt Financing
- Transportation Legislation
- Transportation Code
- Local Government Corporation
- New Human Resources Policies
- Update on Strategic Operational Reviews Process
- Organizational Culture Projects
- Red Moon Wi-Fi Service

Town Staff led the discussion of these items. No action was required.

#ES1 - Closed (executive) session of the City Council, pursuant to Section 551.071 of the Texas Government Code, to conduct a private consultation with its attorney(s) on a matter in which the duty of the attorney(s) to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code, regarding and relating to sale of alcoholic beverages.

The City Council did not enter into Executive Session. No action was required on this item.

#R1 – Discussion and consideration of any action regarding and relating to the sale of alcoholic beverages.

There was no discussion of the item. No action was required.

There being no further business before the Council the Special Meeting was adjourned.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Secretary

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH  
DISABILITIES. PLEASE CALL (972) 450-2819 AT LEAST 48 HOURS  
IN ADVANCE IF YOU NEED ASSISTANCE.**

**OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL  
REGULAR SESSION**

February 27, 2007  
7:30 p.m. – Town Hall  
5300 Belt Line Road  
Council Chambers

Present: Mayor Chow, Councilmembers Braun, Kraft, Hirsch, Mellow, Mallory and Niemann,

Absent: None

Regular Session

Item #R1 - Consideration of Old Business.

The following employee was introduced to the Council: Jeff Rose with the Police Department.

Item #R2 - Consent Agenda.

Item #2b was considered separately.

#2a - Approval of the Minutes for the February 13, 2007, Work Session and Council Meeting. (Approved as written)

#2c - Consideration of a Resolution (R007-006) authorizing the City Manager to appoint Carmen Moran as the Assistant City Secretary.

#2d - This item is to authorize the final payment to Insituform Technologies, Inc., in the amount of \$27,160.00 for rehabilitation of the sanitary sewer line serving Talisker Apartments and the sanitary sewer line serving Lake Forest Drive.

Councilmember Braun moved to duly approve the above listed items.

Councilmember Mellow seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Niemann, Kraft, Mallory

Voting Nay: None

Absent: None

#2b - Consideration of and approval to authorize the City Manager to enter into an agreement with HBF Group, Inc. for the company's access to the Town of Addison's

E911 Network in order to provide Voice Over Internet Protocol (VoIP) Positioning Center services to VoIP Service Providers.

Councilmember Niemann moved to duly approve an agreement with HBF Group, Inc. for the company's access to the Town of Addison's E911 Network in order to provide Voice Over Internet Protocol (VoIP) Positioning Center services to VoIP Service Providers subject to review and approval of the City Attorney.

Councilmember Kraft seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Niemann, Kraft, Mallory  
Voting Nay: None  
Absent: None

Item #R3 - Appointment of a Member to the Planning and Zoning Commission.

Commissioner Meier has resigned from the Commission to file as a candidate for City Council. Commissioner Meier was appointed by Councilmember Mellow.

Councilmember Mallory moved to duly approve the appointment of Kimberly Lay as the new Planning and Zoning Commissioner to replace Todd Meier.

Councilmember Niemann seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Niemann, Mallory, Kraft  
Voting Nay: None  
Absent: None

Item #R4 - Consideration of the acceptance of a sidewalk and utility easement along Midway Road. Enterprise Rent-A-Car is constructing a sidewalk along Midway Road from Wiley Post to roughly 200' north of Wiley Post. The width between the right-of-way and the back of curb for Midway Road is insufficient for the sidewalk, thus the sidewalk straddles the property line and an easement is required. In addition, the additional area is needed for telephone utilities.

Councilmember Kraft moved to duly approve the acceptance of a sidewalk and utility easement along Midway Road.

Councilmember Mallory seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Niemann, Kraft, Mallory  
Voting Nay: None  
Absent: None

Item #R5 - Submission of Racial Profiling Report to Council as required by Senate Bill (SB 1074). This Bill requires that the head of a law enforcement agency make

available to the governing body an analysis of traffic contacts made by the agency no later than March 1<sup>st</sup> of each year and covering the previous calendar year.

No action was required on this Item.

Item #R6 - Consideration and approval authorizing the City Manager to enter into a contract in the amount of \$30,090.00 with Coffman Associates, Inc., to update the Airport Layout Plan (ALP) for Addison Airport.

Councilmember Braun moved to duly approve the contract in the amount of \$30,090.00 with Coffman Associates, Inc. to update the Airport Layout Plan (ALP) for Addison Airport, contingent on City Attorney approval.

Councilmember Niemann seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Niemann, Kraft, Mallory

Voting Nay: None

Absent: None

Item #R7 - Consideration of and approval to authorize the City Manager to execute an advertising contract with the Dallas Morning News to provide for advertising in the Dallas Morning News/Guide, Quick and Internet advertising in the amount not to exceed \$151,999,

Councilmember Mallory moved to duly approve an advertising contract with the Dallas Morning News to provide for advertising in the Dallas Morning News/Guide, Quick and Internet advertising in the amount not to exceed \$151,999, contingent to the City Attorney's approval.

Councilmember Braun seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Niemann, Kraft, Mallory

Voting Nay: None

Absent: None

**EXECUTIVE SESSION:** At 8:03 P.M., Mayor Chow announced that the Council would convene into Executive Session to discuss the following items:

Councilmember Niemann recused himself for Executive Session Item #ES1.

Item #ES1- Closed (executive) session of the City Council, pursuant to Section 551.071 of the Texas Government Code, to conduct a private consultation with its attorney(s) on a matter in which the duty of the attorney(s) to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code, regarding and relating to sale of alcoholic beverages.

Councilmember Niemann re-entered the Executive Session for Executive Session Item #ES2.

Item #ES2 - Closed (executive) session of the City Council pursuant to Section 551.074, Texas Government Code, to deliberate a performance evaluation of the City Manager.

The Council came out of Executive Session at 9:07 P.M.

Councilmember Nieman recused himself for Item #R8.

Item #R8 – Discussion and consideration of any action regarding and relating to the sale of alcoholic beverages.

Council member Mallory moved to duly authorize the Town of Addison to participate in the alcoholic beverage litigation and matter pending before the Texas Supreme Court as discussed during the closed session.

Councilmember Braun seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Kraft, Mallory

Voting Nay: None

Absent: Niemann

Councilmember Niewmann re-entered the Regular Session.

Item #R9 - Consideration of a Resolution approving compensation for the City Manager.

No action was taken on this Item.

Item #R10 - Consideration of a Resolution of the City Council of the Town of Addison encouraging the federal government to enact realistic and sound public laws and policies and to provide appropriate funding to execute the same; providing an effective date.

Councilmember Kraft moved to duly approved Resolution R07-005 of the City Council of the Town of Addison encouraging the federal government to enact realistic and sound public laws and policies and to provide appropriate funding to execute the same; providing an effective date, as amended, subject to review by the City Attorney.

Councilmember Mellow seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Mellow, Kraft, Mallory, Niemann

Voting Nay: None

Absent: None

There being no further business before the Council, the meeting was adjourned.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Secretary

**Council Agenda Item:     #2b**

**SUMMARY:**

We are recommending approval of a contract with Yellow Rose Landscape Services totaling \$65,223.61 for seasonal color bed planting. The base bid plus the spring and fall planting alternates are included in this amount. A bid tabulation form is attached. Brickman submitted the lowest base bid, but when the alternate plantings are totaled, Yellow Rose ends up being the lowest bidder. Brickman and Foursquare did not submit a bid bond; therefore, their bids were disqualified anyway.

**FINANCIAL IMPACT:**

Budgeted Amount:     **\$66,000.00**

Cost:                     **\$65,223.61**

This is a budgeted item in the parks operations budget. The five bids received are summarized on the attached bid tabulation sheet. This is an annual contract with the option of extending it for two additional one-year terms, under the same terms and conditions, provided that the extensions are acceptable to the town and the contractor.

**BACKGROUND:**

The contract is for planting seasonal color throughout the town's parks, residential entry ways, municipal buildings and street medians. TruGreen Landcare held this contract during the past year; however, they decided to decline renewal for another year. Staff would not have recommended renewing their contract anyway, as their services were substandard. We are looking forward to working with Yellow Rose, because they have a good reputation, and the person handling the town's account is a transfer from Lawns of Dallas, who did excellent work for the town from 2002-2005. She understands our expectations of quality and providing more eye-catching planting designs.

The scope of this contract includes a winter (primarily pansies) and summer change out for all beds in town, and one early spring and early fall change for Town Hall and the Conference and Theatre Centre. Last year the scope of services was reduced by discontinuing the early spring and fall plantings in other areas of town, because staff found that the summer and winter color will thrive without the interim planting. Additionally, the early spring and early fall changes were short lived due to a narrow window of optimal temperature ranges. Most importantly, we will also realize some water usage savings.

The cost per square foot for the contract with TruGreen was \$3.21 per square foot. This contract breaks down to \$3.51 per foot. The difference is mostly attributable to fuel costs.

**RECOMMENDATION:**

Staff recommends approval.



**Seasonal Color Bed Planting and Maintenance, Annual Contract  
Bid No. 07-07**

**DUE: February 27, 2007**

**2:00 PM**

<b>BIDDER</b>	<b>Signed</b>	<b>Bid Bond</b>	<b>Base Bid</b>	<b>Alternate - Spring Flowers</b>	<b>Alternate - Fall Flowers</b>
Yellow Rose Landscape Services	y	y	\$ 56,428.41	\$ 3,401.10	\$ 5,394.10
American Landscape Systems Inc.	y	y	\$ 74,835.00	\$ 4,124.00	\$ 4,823.00
Lawns of Dallas	y	y	\$ 84,080.32	\$ 2,580.20	\$ 5,634.38
The Brickman Group, Ltd.	y	n	\$ 54,304.24	\$ 10,703.55	\$ 11,377.30
Four Square Landscape Mgmt., Inc.	y	n	\$ 71,055.57	\$ 3,899.40	\$ 3,356.94

*Shanna N. Sims*

---

Shanna N. Sims, Strategic Services Manager

*Katie Roller*

---

Witness

**Council Agenda Item: #R3**

**SUMMARY:**

Presentation of the Government Finance Officers Association (GFOA) “Certificate of Achievement for Excellence in Financial Reporting” to the Town of Addison for its Comprehensive Annual Financial Report (CAFR).

**FINANCIAL IMPACT:**

There is no financial impact associated with this item.

**BACKGROUND:**

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting in 1945. This Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. The purpose of the certificate program is to 1) recognize and encourage excellence in financial reporting by local governments, and 2) provide citizens, legislative bodies, and other decision makers with the best possible financial information.

The Town of Addison has received the Certificate of Achievement for Excellence in Financial Reporting every year since 1983. The GFOA has notified the Town that our CAFR will again receive this distinction for the fiscal year ending September 30, 2005.

**Council Agenda Item:     #R4**

**SUMMARY:**

Council authorization to release the 2006 Comprehensive Annual Financial Report (CAFR) is requested.

**FINANCIAL IMPACT:**

No Financial Impact

**BACKGROUND:**

Attached is the Town's 2006 Comprehensive Annual Financial Report (CAFR) that thoroughly describes the Town's financial condition as of September 30, 2006. Included with the CAFR is the independent Auditors' Report prepared by Weaver and Tidwell, LLP. The Auditors' Report reflects a "clean" opinion indicating the Town's finances are managed and reported in conformity with generally accepted accounting principles.

Also, please find the attached Auditors' Report to Management and the responses by Town staff.

We would also like to acknowledge the efforts of Jerry Gaither and Dale Jensen at Weaver and Tidwell. They were thorough in their audit and provided valuable assistance to the Town's accounting staff.

**RECOMMENDATION:**

Staff recommends that the Council authorize the release of the 2006 Comprehensive Annual Financial Report.



# MEMO

**To: Ron Whitehead**  
**From: Randy Moravec**  
**CC: Lea Dunn, Bryan Langley**  
**Re: Auditor's Management Letter**  
**Date: March 2, 2007**

---

Please find attached the Report to Management developed by Weaver and Tidwell LLP as part of their audit of the Town's financial records for the year ending September 30, 2006.

### **Current Year Comments**

For 2006, Weaver and Tidwell identified the following management comment in their report. This comment is not classified as a reportable condition. In other words, it is a suggestion for minor improvements to our processes.

#### **Hotel Tax Reports**

We agree with the auditor's comments. In December 2006, the Department of Financial and Strategic Services implemented a procedure to verify that the hotel occupancy tax reports submitted by hotels are correct. In addition, we contacted the hotels in question to correct the previous reports that were submitted in error.

### **Status of Prior Year Comments**

As discussed in the Report to Management, the Town implemented all auditor recommendations related to the 2005 report.

It has been a pleasure working with the staff of Weaver and Tidwell. Their assistance with the preparation of the 2006 CAFR is greatly appreciated.

TOWN OF ADDISON, TEXAS  
MANAGEMENT RECOMMENDATIONS  
SEPTEMBER 30, 2006



January 31, 2007

**WEAVER  
AND  
TIDWELL**

L.L.P.

CERTIFIED PUBLIC  
ACCOUNTANTS  
AND CONSULTANTS

The management of the Town of Addison ("the Town") is responsible for establishing and maintaining the Company's internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures.

The Town's internal control consists of policies and procedures established by management to provide reasonable, but not absolute, assurance that the financial data are recorded, processed, summarized, and reported consistent with the assertions embodied in the financial statements. In establishing those policies and procedures, management assesses their expected benefits and related costs. Because of the inherent limitations in any system of internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any assessment of internal control to future periods is subject to the risk that policies or procedures may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

In planning and performing our audit of the financial statements of the Town of Addison for the year ended September 30, 2006, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal controls. Additionally, we evaluated the status of the comments from our audit of the previous year. These matters, which were considered by us during our audit of the financial statements and do not modify the opinion expressed in our report dated February 7, 2006, are presented in the following paragraphs.

### **Hotel Tax Reports**

#### Observation

In our testing of the hotel occupancy tax revenue, we noted three instances whereby the hotel tax report worksheet had not been correctly completed by the hotel and that the Town had been either over or under paid based on the calculation.

#### Recommendation

We recommend that the Town implement a formal process whereby someone on a monthly basis recalculates the hotel tax report to verify the accuracy of the calculation.

#### DALLAS

*Three Forest Plaza  
12221 Merit Drive  
Suite 1400  
Dallas, Texas 75251-2280  
972.490.1970  
F 972.702.8321*

#### FORT WORTH

*1600 West Seventh Street  
Suite 300  
Fort Worth, Texas 76102-2506  
817.332.7905  
F 817.429.5936*

WWW.WEAVERANDTIDWELL.COM

AN INDEPENDENT MEMBER OF  
BAKER TILLY  
INTERNATIONAL

Town of Addison  
January 31, 2007  
Page Two

#### **Status of Prior Year Comments**

Accompanying this letter is a summary of the status of prior year's comments, which should be read along with our current observations and recommendations

#### **Concluding Comments**

If we may be of assistance in further discussion or implementation of the above comments, please feel free to call upon us. We appreciate the opportunity to be of service and wish to express our appreciation to the officers and employees of the Town for their cooperation and assistance during the course of our audit

This report is intended solely for the information and use of the Town Council and management of the Town.

  
WEAVER AND TIDWELL, L.L.P.

STATUS OF PRIOR YEAR'S COMMENTS

The status of prior year's recommendations is based upon discussion with management and limited review of their implementation.

<u>Recommendations</u>	<u>Implemented</u>	<u>Implementation Not Implemented</u>	<u>In Process</u>
------------------------	--------------------	---	-------------------

We recommend that the Town implement a formal process whereby the human resource director is required to perform and document her review of the payroll records on a monthly basis.

X



## **Council Agenda Item: #R5**

### **SUMMARY:**

Council authorization is requested of an interlocal agreement with the North Central Texas Council of Governments (NCTCOG) for purposes related to the implementation of Governmental Accounting Standards Board (GASB) Statement Number 45.

### **FINANCIAL IMPACT:**

There is a \$100 annual administrative fee for the NCTCOG.

### **BACKGROUND:**

In July 2004, the GASB issued Statement Number 45 titled "Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions." State and local governments are required to begin implementing the new guidance starting with fiscal years that begin after December 15, 2006. For the Town of Addison, the statement will need to be implemented no later than FY 2008-09. Due to the potential impact of GASB 45, however, staff would like to fully understand the effects of the statement prior to the required implementation deadline.

GASB 45 is a complex accounting pronouncement. Essentially though, it requires local governments to calculate and disclose the actuarial liability associated with their post-employment (retiree) benefits. For Addison, the benefits provided to retirees are as follows:

- The ability to be included on the Town's health insurance plan until retiree turns 65. While the retiree is required to pay the premium, there is an implicit subsidy given to retirees since employees would likely have lower premiums if retirees were not included in the plan. As such, the actuary will need calculate this subsidy and determine the liability.
- \$150 per month subsidy to the retiree's health insurance premium. In order to receive this subsidy, the retiree must be withdrawing retirement from TMRS and have at least 10 years of service with the Town of Addison. In addition, the retiree must be at least 55 years of age.
- \$75 per month supplement to retirees once they turn 65. This subsidy is subject to the same restrictions for the \$150 per month subsidy.

To meet the requirements of GASB 45, the liability associated with the above benefits will need to be calculated for the future and discounted to present day dollars. Some local governments have already completed this analysis and concluded that their liabilities total millions of dollars. Since the Town of Addison has established retiree benefits more judiciously than the average city though, staff does not anticipate that the actual liability will approach the magnitude of some other communities. However, the exact liability is unknown, and for this reason, we are requesting that a contract be approved with the firm of Gabriel, Roeder, Smith, & Company (GRS) to determine our precise liability.

The process of developing a request for proposal (RFP) and selecting an actuary is a complex and time consuming endeavor. Moreover, every local government will need to select an actuary to implement GASB 45. To provide a regional solution to this issue, the North Central Texas Council of Governments (NCTCOG) created an RFP and selected the actuarial firm of Gabriel, Roeder, Smith, & Company (GRS) after conducting a thorough review. Cities have the option of entering into a contract with GRS if they have approved an interlocal agreement with NCTCOG. Due to the complexity and cost associated with selecting an actuary, staff recommends that the Council approve the interlocal agreement with NCTCOG and a contract with the actuarial firm of GRS.

**RECOMMENDATION:**

Staff recommends that the Council authorize an interlocal agreement with the North Central Texas Council of Governments (NCTCOG) for purposes related to the implementation of Governmental Accounting Standards Board (GASB) Statement Number 45.

**INTERLOCAL AGREEMENT  
FOR  
COOPERATIVE PURCHASING  
FOR  
ACTUARIAL SHARED SERVICES**

THIS INTERLOCAL AGREEMENT (“Agreement”), made and entered into pursuant to the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code (the “Act”), by and between the North Central Texas Council of Governments, hereinafter referred to as “NCTCOG,” having its principal place of business at 616 Six Flags Drive, Arlington, Texas 76011, and (name of entity) \_\_\_\_\_ a local government, created and operated to provide one or more governmental functions and services, hereinafter referred to as “Participant,” having its principal place of business at:

**W I T N E S E T H**

**WHEREAS**, NCTCOG is a regional planning commission and political subdivision of the State of Texas operating under Chapter 391, Texas Local Government Code; and

**WHEREAS**, pursuant to the Act, NCTCOG is authorized to contract with eligible entities to perform governmental functions and services, including the development of a standard approach for acquiring actuarial services; and

**WHEREAS**, in reliance on such authority, NCTCOG has a cooperative purchasing program under which it contracts with eligible entities under the Act; and

**WHEREAS**, Participant has represented that it is an eligible entity under the Act, that by Administrative Action has authorized this Agreement on (Date)\* \_\_\_\_\_ and that it desires to contract with NCTCOG on the terms set forth below;

**NOW, THEREFORE**, NCTCOG and the PARTICIPANT do hereby agree as follows:

**ARTICLE 1: LEGAL AUTHORITY**

The Participant represents and warrants to NCTCOG that (1) it is eligible to contract with NCTCOG under the Act because its a local government, as defined in the Act, and (2) it possesses adequate legal authority to enter into this Contract.

**ARTICLE 2: APPLICABLE LAWS**

NCTCOG and the Participant agree to conduct all activities under this Agreement in accordance with all applicable rules, regulations, and ordinances and laws in effect or promulgated during the term of this Agreement.

**ARTICLE 3: WHOLE AGREEMENT**

This Agreement and any attachments, as provided herein, constitute the complete contract between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein.

**ARTICLE 4: BILLINGS**

Billings will be generated for the Actuarial Shared Services through Gabriel Roeder Smith & Company and will include an Administrative Fee of \$100 per valuation cycle (annually or biennially) payable to NCTCOG.

**ARTICLE 5: CHANGES AND AMENDMENTS**

This Agreement may be amended only by a written amendment executed by both parties, except that any alternations, additions, or deletions to the terms of this Agreement which are required by changes in Federal and State law or regulations are automatically incorporated into this Agreement without written amendment hereto and shall become effective on the date designated by such law or regulation.

NCTCOG reserves the right to make changes in the scope services offered through the Cooperative Purchasing Program to be performed hereunder.

**THIS INSTRUMENT HAS BEEN EXECUTED IN TWO ORIGINALS BY THE PARTIES HERETO AS FOLLOWS:**

*\*Denotes required fields*

NOTE: Facsimile copies of this document shall not be acceptable as ORIGINALS.

Interstate v1 rev. 10/05

\*  
\_\_\_\_\_  
Name of Participant (*local government, agency, or non-profit corporation*)

\*  
\_\_\_\_\_  
Mailing Address  
\*  
\_\_\_\_\_  
City State ZIP Code

\*By:  
\_\_\_\_\_  
Signature of Authorized Official

\*  
\_\_\_\_\_  
Typed Name of Authorized Official

\*  
\_\_\_\_\_  
Typed Title of Authorized Official Date

**North Central Texas Council of Governments**  
616 Six Flags Drive, Arlington, Texas 76011

\*By:  
\_\_\_\_\_  
Signature of Authorized Official

\*  
\_\_\_\_\_  
Typed Name of Authorized Official

\*  
\_\_\_\_\_  
Typed Title of Authorized Official Date

## **Council Agenda Item: #R6**

### **SUMMARY:**

Council authorization is requested of a contract with Gabriel, Roeder, Smith, & Company (GRS) to perform actuarial services related to the implementation of Governmental Accounting Standards Board (GASB) Statement Number 45.

### **FINANCIAL IMPACT:**

The base contract with GRS is for \$5,500 with an option to provide additional services based on a flat rate of \$750 or using specified hourly rates. While staff does not expect to exceed the \$5,500 threshold, we are requesting the contract be approved in an amount not to exceed \$10,000 to allow for additional services that may be needed.

### **BACKGROUND:**

In July 2004, the GASB issued Statement Number 45 titled "Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions." State and local governments are required to begin implementing the new guidance starting with fiscal years that begin after December 15, 2006. For the Town of Addison, the statement will need to be implemented no later than FY 2008-09. Due to the potential impact of GASB 45, however, staff would like to fully understand the effects of the statement prior to the required implementation deadline.

GASB 45 is a complex accounting pronouncement. Essentially though, it requires local governments to calculate and disclose the actuarial liability associated with their post-employment (retiree) benefits. For Addison, the benefits provided to retirees are as follows:

- The ability to be included on the Town's health insurance plan until retiree turns 65. While the retiree is required to pay the premium, there is an implicit subsidy given to retirees since employees would likely have lower premiums if retirees were not included in the plan. As such, the actuary will need calculate this subsidy and determine the liability.
- \$150 per month subsidy to the retiree's health insurance premium. In order to receive this subsidy, the retiree must be withdrawing retirement from TMRS and have at least 10 years of service with the Town of Addison. In addition, the retiree must be at least 55 years of age.
- \$75 per month supplement to retirees once they turn 65. This subsidy is subject to the same restrictions for the \$150 per month subsidy.

To meet the requirements of GASB 45, the liability associated with the above benefits will need to be calculated for the future and discounted to present day dollars. Some local governments have already completed this analysis and concluded that their liabilities total millions of dollars. Since the Town of Addison has established retiree benefits more judiciously than the average city though, staff does not anticipate that the actual liability will approach the magnitude of some other communities. However, the exact liability is unknown, and for this reason, we are requesting that a contract be

approved with the firm of Gabriel, Roeder, Smith, & Company (GRS) to determine our precise liability.

The process of developing a request for proposal (RFP) and selecting an actuary is a complex and time consuming endeavor. Moreover, every local government will need to select an actuary to implement GASB 45. To provide a regional solution to this issue, the North Central Texas Council of Governments (NCTCOG) created an RFP and selected the actuarial firm of Gabriel, Roeder, Smith, & Company (GRS) after conducting a thorough review. Cities have the option of entering into a contract with GRS if they have approved an interlocal agreement with NCTCOG. Due to the complexity and cost associated with selecting an actuary, staff recommends that the Council approve the interlocal agreement with NCTCOG and a contract with the actuarial firm of GRS.

**RECOMMENDATION:**

Staff recommends that the Council authorize a contract with Gabriel, Roeder, Smith, & Company (GRS) in an amount not to exceed \$10,000.

#R6

**MASTER AGREEMENT**

Pursuant to the award of Joint Actuarial Services by the North Central Texas Council of Governments (NCTCOG), this agreement confirms the terms under which the \_\_\_\_\_ (name of government) hereinafter referred to as ‘CONTRACTING GOVERNMENT’ has engaged Gabriel, Roeder, Smith & Co. hereinafter referred to as “GRS” to perform actuarial consulting services. In as much as this relationship will involve several actuarial reviews and other services that will be governed by the Request for Proposal issued by NCTCOG on May 31, 2006 and our subsequent response to that proposal, we have agreed to establish this “master agreement” defining the general terms and conditions for all work performed.

This agreement will not, by itself, authorize the performance of any services. Rather specific services will be authorized through a separate engagement letter that references this master agreement and details the services to be provided and the timeframe and fees required. In the event of an inconsistency between this master agreement and an individual engagement letter, the master agreement will be followed.

As described in the above referenced Request for Proposal the following terms apply:

- A. **Tax Exempt Entities.** CONTRACTING GOVERNMENT is exempt from manufacturer’s federal excise tax and states sales tax. Tax exemption certificates will be issued upon request.
- B. **Role of NCTCOG.** NCTCOG has served as a facilitator to the RFP and award process but the contractual relationship is between GRS and the CONTRACTING GOVERNMENT.
- C. **Aggregate Information.** GRS agrees to supply NCTCOG with the specified results from the valuations and to aggregate that information with that of other governments for the purpose of benchmarking.
- D. **Fees.** GRS agrees to follow the attached pricing schedule (“Attachment A”) for pricing of its services.
- I. **Review of Charges.** CONTRACTING GOVERNMENT has the right to review the supporting documentation for any hourly charges or out of pocket expenses assessed to the CONTRACTING GOVERNMENT under the fee schedule.
- J. **Termination.** Both CONTRACTING GOVERNMENT and GRS will have the right to terminate this agreement through written notice. CONTRACTING GOVERNMENT will pay any charges or prorate fees incurred to the date the termination notice is received and actuary will cease any in progress work unless specific stopping points are provided in the letter.

- K. **Work Product.** The final work product will be the property of the CONTRACTING GOVERNMENT to be used as stated in the specific engagement letter. Ancillary use of the product is permitted but GRS is not responsible for the reliability of those projections. It is understood that all reports are subject to the open records laws of the State of Texas and the contracting jurisdiction.
- L. **Independent Contractor.** All the services provided by GRS will be as an independent contractor. None of the terms in the engagement letter will be interpreted to create an agency or employment relationship.
- M. **Biennial Reviews.** CONTRACTING GOVERNMENT agrees to provide census data in off years using the same cut off date and delivery dates as used for the year of review. Actuary agrees to review the off year census data and provide CONTRACTING GOVERNMENT with timely feedback regarding deficiencies in the data.
- N. **Term.** The term of this master agreement will be governed by the afore referenced NCTCOG RFP and will expire on September 30, 2012.
- O. **Complete Agreement.** This letter combined with the specific engagement letter and as clarified by the RFP and Proposal set forth the entire agreement between the CONTRACTING GOVERNMENT and GRS.
- P. **Indemnification.** GRS covenants and agrees to indemnify and hold harmless and defend and does hereby indemnify, hold harmless, and defend NCTCOG and CONTRACTING GOVERNMENTS, its officers and employees, from and against any and all suits or claims for damages or injuries, including death, to persons or property, whether real or asserted, arising out of any negligent act or omission on the part of the contractor, its officers, agents, servants, employees, or subcontractors, and the contractor does hereby assume all liability for injuries, claims or suits for damages to persons, property, or whatever kind of character, whether real or asserted, occurring during or arising out of the performance of a contract as a result of any negligent act or omission on the part of the contractor, its officers, agents, servants, employees, or subcontractors to the extent permitted by law. Please review this master agreement letter and the attached schedules and indicate your acceptance by having an official of CONTRACTING GOVERNMENT sign below.
- Q. **Force Majeure.** A force majeure event shall be defined to include governmental decrees or restraints, acts of God (except that rain, wind, flood or other natural phenomena normally expected for the locality, shall not be construed as an act of God), work stoppages due to labor disputes or strikes, fires, explosions, epidemics, riots, war, rebellion, and sabotage. If a delay or failure of performance by either party to this contract results from the occurrence of a force majeure event, the delay



shall be excused and the time fixed for completion of the work extended by a period equivalent to the time lost because of the event.

- R. **Professional Standards.** GRS will provide qualified personnel for each engagement and follow all professional standards ascribed by the American Academy of Actuaries and the Governmental Accounting Standards Board.

GABRIEL, ROEDER, SMITH & CO.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

CONTRACTING GOVERNMENT

By \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

## Attachment A

### Pricing of Services

Employer					
	Governments by Total OPEB Participants	Annual	Biennial	First Year Options Study	Hourly Rate for Additional Services
1	Less than 100-Insured 1 health plan	\$4,000	\$5,000	\$750/Study	See Below
1a	Less than 100-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
2	Between 100 and 249-Insured 1 health plan	\$4,500	\$5,500	\$750/Study	See Below
2a	Between 100 and 249-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
3	Between 100 and 249-Self Insured 1 health plan	\$6,000	\$7,000	\$750/Study	See Below
3a	Between 100 and 249-per additional self insured health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
4	Between 250 and 499-Insured 1 health plan	\$4,500	\$5,500	\$750/Study	See Below
4a	Between 250 and 499-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
5	Between 250 and 499-Self Insured 1 health plan	\$6,000	\$7,000	\$750/Study	See Below
5a	Between 250 and 499-per additional self insured health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
6	Between 500 and 749-Insured 1 health plan	\$4,500	\$5,500	\$750/Study	See Below
6a	Between 500 and 749-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
7	Between 500 and 749-Self Insured 1 health plan	\$6,000	\$7,000	\$750/Study	See Below
7a	Between 500 and 749-per additional self insured health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
8	Between 750 and 999-Insured 1 health plan	\$4,500	\$5,500	\$750/Study	See Below
8a	Between 750 and 999-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
9	Between 750 and 999-Self Insured 1 health plan	\$6,000	\$7,000	\$750/Study	See Below
9a	Between 750 and 999-per additional self insured health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
10	Between 1000 and 1499-Insured 1 health plan	\$5,000	\$6,000	\$750/Study	See Below
10a	Between 1000 and 1499-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
11	Between 1000 and 1499-Self Insured 1				

	health plan	\$6,500	\$7,500	\$750/Study	See Below
11a	Between 1000 and 1499-per additional self insured health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
12	Between 1500 and 1999-Insured 1 health plan	\$5,000	\$6,000	\$750/Study	See Below
12a	Between 1500 and 1999-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
13	Between 1500 and 1999-Self Insured 1 health plan	\$6,500	\$7,500	\$750/Study	See Below
13a	Between 1500 and 1999-per additional self insured health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
14	Between 2000 and 2499-Insured 1 health plan	\$5,000	\$6,000	\$750/Study	See Below
14a	Between 2000 and 2499-per additional health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
15	Between 2000 and 2499-Self Insured 1 health plan	\$6,500	\$7,500	\$750/Study	See Below
15a	Between 2000 and 2499-per additional self insured health or retirement plan	\$1,000	\$1,000	\$750/Study	See Below
16	Between 2500 and 5000-Self Insured 1 health plan	\$7,000	\$8,000	\$750/Study	See Below
16a	Between 2500 and 5000-per additional self insured health or retirement plan	\$1,500	\$1,500	\$750/Study	See Below

Plans (if applicable)					
	Governments by Total OPEB Participants	Annual	Biennial	First Year Options Study	Hourly Rate for Additional Services
1	Less than 100-Insured 1 health plan	\$0	\$0	\$750/Study	See Below
1a	Less than 100-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
2	Between 100 and 249-Insured 1 health plan	\$0	\$0	\$750/Study	See Below
2a	Between 100 and 249-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
3	Between 100 and 249-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
3a	Between 100 and 249-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below
4	Between 250 and 499-Insured 1 health plan	\$0	\$0	\$750/Study	See Below
4a	Between 250 and 499-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
5	Between 250 and 499-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
5a	Between 250 and 499-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below
6	Between 500 and 749-Insured 1 health plan	\$0	\$0	\$750/Study	See Below
6a	Between 500 and 749-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
7	Between 500 and 749-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
7a	Between 500 and 749-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below
8	Between 750 and 999-Insured 1 health plan	\$0	\$0	\$750/Study	See Below
8a	Between 750 and 999-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
9	Between 750 and 999-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
9a	Between 750 and 999-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below
10	Between 1000 and 1499-Insured 1 health plan	\$0	\$0	\$750/Study	See Below
10a	Between 1000 and 1499-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
11	Between 1000 and 1499-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
11a	Between 1000 and 1499-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below
12	Between 1500 and 1999-Insured 1 health plan	\$0	\$0	\$750/Study	See Below

4812a	Between 1500 and 1999-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
13	Between 1500 and 1999-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
13a	Between 1500 and 1999-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below
14	Between 2000 and 2499-Insured 1 health plan	\$0	\$0	\$750/Study	See Below
14a	Between 2000 and 2499-per additional health or retirement plan	\$0	\$0	\$750/Study	See Below
15	Between 2000 and 2499-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
15a	Between 2000 and 2499-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below
16	Between 2500 and 5000-Self Insured 1 health plan	\$0	\$0	\$750/Study	See Below
16a	Between 2500 and 5000-per additional self insured health or retirement plan	\$0	\$0	\$750/Study	See Below

- ❖ For the first valuation, the prices above include a mandatory kick-off meeting to begin the project and a meeting to present the findings. If the second meeting can take place either via web cast or through a conference call, we will discount the above valuation fees by \$500.
- ❖ For subsequent valuations, we anticipate the kickoff meeting to be via conference call or web cast. For any participant, if the meeting to present the results can take place either via web cast or through a conference call, we will discount the above valuation fees by \$500.
- ❖ Pricing assumes 20% paid upon acceptance by the government of the engagement, 50% upon receipt of the draft report and 30% upon acceptance of the final report.
- ❖ Fees for additional services and optional services that are not determined as 'basic' will be based on the following rates:

GRS Position Title	Hourly Rates
Senior Consultant	\$350
Consultants	\$275
Senior Analysts	\$175
Actuarial Analysts	\$150
Systems Analysts and Programmers	\$200
Administrative Support Staff	\$110

**Council Agenda Item: #R7**

**SUMMARY:**

Prior to recent environmental changes, dry cleaning businesses at the Pepper Square Shopping Center caused ground water contamination at the southeast corner of Preston & Beltline Roads in Dallas. Regular monitoring of the affected area during the past ten years indicates that the plume of contaminated groundwater extending southeast from the site is slowing, weathering and showing signs of contracting. To obtain some form of environmental closure on the property, Pepper Square Partners are seeking a Municipal Settings Designation (MSD) from the Texas Commission on Environmental Quality by demonstrating that existing and future groundwater conditions do not pose a health risk. Being that the most eastern portions of Addison are within a half mile of the shopping center, the applicant is required by law to notify the Town of Addison and pursue a resolution supporting action towards obtaining a Municipal Settings Designation. The City of Dallas has passed an ordinance supporting the MSD (attached).

**FINANCIAL IMPACT:**

Budgeted Amount: \$0

Cost: \$0

If over budget or not budgeted, what is the budget impact?

N/A

**BACKGROUND:**

The natural flow of groundwater in and around the area of the Pepper Square Shopping Center is towards the southeast with no indication of westward movement towards Addison. White Rock Creek also serves as a barrier to any groundwater originating east of Addison. Furthermore, there are no water wells in this area of Addison that are used for potable uses. Please find attached application for Municipal Settings Designation, a map identifying a half mile radius of site, a map of the contaminated groundwater plume and a sample resolution for the Town of Addison.

**RECOMMENDATION:**

Staff recommends approval

1-18-07

ORDINANCE NO. 26563

A municipal setting designation ordinance prohibiting the use of designated groundwater from beneath property generally located at 14856 and 14902 Preston Road and 6160 Beltline Road and supporting issuance of a municipal setting designation by the Texas Commission on Environmental Quality; providing a penalty not to exceed \$2,000; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, Subchapter W, "Municipal Setting Designations," of Chapter 361, "Solid Waste Disposal Act," of the Texas Health and Safety Code authorizes the Texas Commission on Environmental Quality to create municipal setting designations; and

WHEREAS, Section 51A-6.108, "Municipal Setting Designation Ordinance," of Article VI, "Environmental Performance Standards," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code authorizes municipal setting designation ordinances prohibiting the use of designated groundwater as potable water and thereby enable the Texas Commission on Environmental Quality to certify a municipal setting designation for designated property; and

WHEREAS, the city council finds that:

(1) the eligibility criteria of Section 361.803 of the Texas Health and Safety Code have been met;

(2) this municipal setting designation ordinance will not have an adverse effect on the current or future water resource needs or obligations of the city of Dallas;

(3) there is a public drinking water supply system that satisfies the requirements of Chapter 341 of the Texas Health and Safety Code and that supplies or is capable of supplying drinking water to the designated property and property within one-half mile of the designated property; and

(4) this municipal setting designation ordinance is necessary because the concentration of contaminants of concern exceed ingestion protective concentration levels for human ingestion; and

WHEREAS, the city council, in accordance with the Charter of the City of Dallas, the state law, and the ordinances of the city of Dallas, have given the required notices and have held the required public hearings regarding this municipal setting designation ordinance; Now Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That for purposes of this municipal setting designation ordinance, the “designated property” means the property described in Exhibit A, attached to the ordinance.

SECTION 2. That for purposes of this municipal setting designation ordinance, “designated groundwater” means water below the surface of the designated property to a depth of 200 feet.

SECTION 3. That use of the designated groundwater from beneath the designated property as potable water is prohibited.

SECTION 4. That the use of the designated groundwater from beneath public rights-of-way immediately adjacent to the designated property as potable water is prohibited.

SECTION 5. That the following uses of or contacts with the designated groundwater are prohibited:

- (1) Human consumption or drinking.
- (2) Showering or bathing.
- (3) Cooking.
- (4) Irrigation of crops for human consumption.

SECTION 6. That the following conditions are imposed on the designated property and the designated groundwater:

- (1) The potable use of the designated groundwater from beneath the designated property is prohibited.



(2) The potable use of the designated groundwater from beneath public rights-of-way adjacent to the designated property is prohibited.

(3) The designated property must receive a certificate of closure through the Texas Commission on Environmental Quality voluntary cleanup program no later than January 24, 2009.

SECTION 7. That the city council supports the application to the Texas Commission on Environmental Quality for a municipal setting designation on the designated property, with the following comments: The Texas Commission on Environmental Quality, as the state agency chartered to protect human health and the environment, is requested to thoroughly review the conditions on the designated property and issue a certificate of closure only when all contaminants of concern, through the applicable routes of exposure, have been addressed.

SECTION 8. That the public rights-of-way immediately adjacent to the designated property must be included, at no additional cost to the city of Dallas, in the application to the Texas Commission on Environmental Quality.

SECTION 9. That a state or federal program must address the entire non-ingestion protective concentration level exceedence zone originating from sources on the designated property or migrating from the designated property no later than January 24, 2009. That within this time period, the applicant shall provide the director of development services documentation, including a certificate of closure from the Texas Commission on Environmental Quality, that it has been addressed to the satisfaction of the agency administering the program. If it has not been addressed, the director of development services may, for good cause, take any of the following actions:

(1) allow additional time to address the non-ingestion protective concentration level exceedence zone;

(2) request a review by the Texas Commission on Environmental Quality or the agency administering the program;

- (3) recommend to the city council that this municipal setting designation ordinance be repealed;
- (4) request additional information or documentation from the applicant; or
- (5) pursue other actions that the director of development services believes may be warranted.

SECTION 10. That any person owning, operating, or controlling the designated property remains responsible for complying with all applicable federal and state laws and regulations; all ordinances, rules, and regulations of the city of Dallas; and all environmental regulations, and that this municipal setting designation ordinance in itself does not change any environmental assessment or cleanup requirements applicable to the designated property.

SECTION 11. That approval of this municipal setting designation ordinance shall not be construed to subject the city of Dallas to any responsibility or liability for any injury to persons or damages to property caused by any contaminant of concern.

SECTION 12. That within 30 days after adoption of this municipal setting designation ordinance, the applicant shall provide the director of development services with an electronic file showing the location of the designated property and the designated groundwater in a format compatible with the city of Dallas' geographic information system.

SECTION 13. That within 60 days after adoption of this municipal setting designation ordinance, the director of development services shall file a certified copy of this municipal setting designation ordinance in the deed records of the county where the designated property is located.

SECTION 14. That within 60 days after adoption of this municipal setting designation ordinance, the director of development services shall send a certified copy of this municipal setting designation ordinance to the applicant and the Texas Commission on Environmental Quality, and that the director of development services shall notify the Texas Commission on Environmental Quality 60 days prior to any amendment or repeal of this municipal setting designation ordinance.

SECTION 15. That the applicant shall provide the director of development services with a copy of the municipal setting designation certificate issued by the Texas Commission on Environmental Quality pursuant to Section 361.807 of the Texas Health and Safety Code within 30 days after issuance of the certificate.

SECTION 16. That the applicant shall provide the director of development services with a copy of the certificate of completion or other documentation issued by the Texas Commission on Environmental Quality showing that any site investigations and response actions required pursuant to Section 361.808 of the Texas Health and Safety Code have been completed to the satisfaction of the Texas Commission on Environmental Quality within the time period required. The director of development services may, for good cause, extend the time for submitting the documentation.

SECTION 17. That the applicant shall notify the director of development services in writing if the applicant determines that notice is required to be sent to an owner of other property beyond the boundaries of the designated property under Title 30 Texas Administrative Code, Chapter 30, Section 350.55(b), and provide the name of the property owner, the property address, and a copy of the notice sent to the property owner.

SECTION 18. That the director of development services shall correct Zoning District Map No. C-7 in the offices of the city secretary, the building official, and the department of development services to reflect the imposition of this municipal setting designation ordinance on the designated property and the designated groundwater.

SECTION 19. That a person violating a provision of this municipal setting designation ordinance, upon conviction, is punishable by a fine not to exceed \$2,000, and that the Texas Commission on Environmental Quality shall be notified of any violations.

SECTION 20. That Chapter 51A of the Dallas City Code shall remain in full force and effect, save and except as amended by this municipal setting designation ordinance.

26563

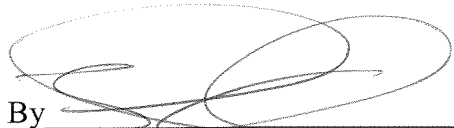
070334

SECTION 21. That the terms and provisions of this municipal setting designation ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 22. That this municipal setting designation ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney



By \_\_\_\_\_

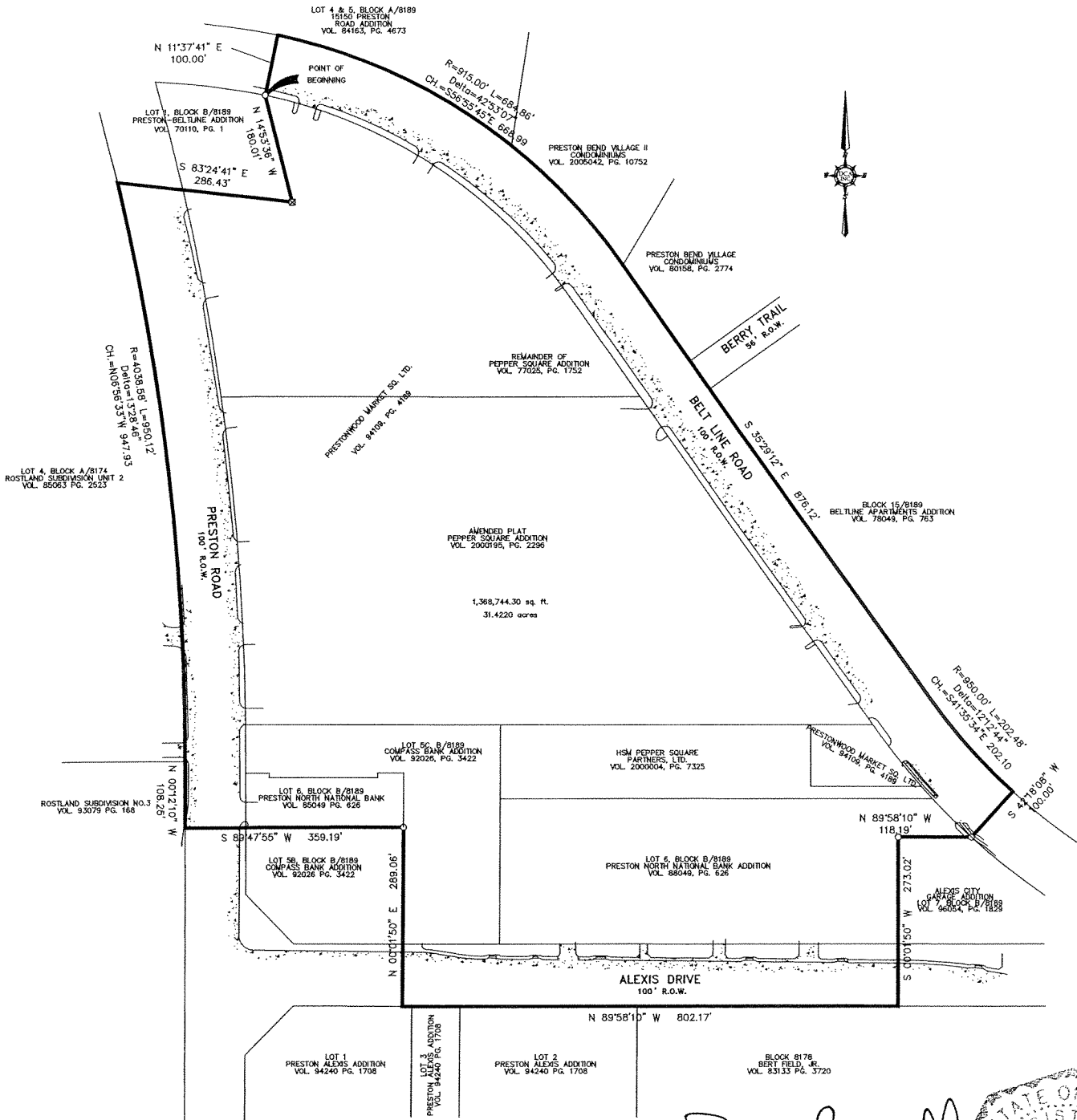
Assistant City Attorney

Passed           JAN 24 2007

26563

070334

EXHIBIT "A"  
M.S.D. SURVEY

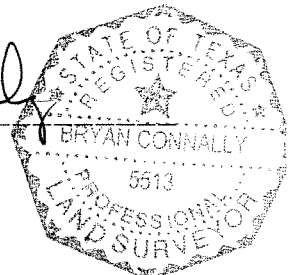


GENERAL NOTES:

1) BEARINGS ARE BASED ON THE COMPASS BANK ADDITION, AN ADDITION TO THE CITY OF DALLAS, DALLAS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 92026, PAGE 3422 OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS.

*Bryan Connally*

BRYAN CONNALLY  
R.P.L.S. NO. 5513



**DOUG CONNALLY & ASSOCIATES, INC.**  
**ENGINEERING · PLANNING · SURVEYING**  
 11545 Pagemill Road · Suite 200 · Dallas, Texas 75243  
 P 214.349.9485 · F 214.349.2216  
 www.dcadfw.com

SHEET 1 OF 3  
JOB NO. 0602749-2  
DRAWN BY: R.G.

26563

070334

# EXHIBIT "A" M.S.D. SURVEY

Being a tract of land situated in the James Byrd Survey, Abstract No. 84, City of Dallas, Dallas County, Texas, and being all of a tract of land conveyed to Prestonwood Market Square. Ltd. by Deed recorded in Volume 94109, Page 4189, Deed Records, Dallas County, Texas, and being all of a tract of land conveyed to HSM Pepper Square Partners, Ltd. by Deed recorded in Volume 2000004, Page 7325, Deed Records, Dallas County, Texas, and being all of Lot 6, Block B/8189 of Preston North National Bank Addition, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 88049, Page 626 of the map records of Dallas County, Texas, and all of Lot 5C, Block B/8189 of Compass Bank Addition, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 92026, Page 3422 of the map records of Dallas County, Texas, and being all of Lot 6, Block B/8189 of Preston North National Bank, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 85049, Page 626 of the map records of Dallas County, Texas, and being a portion of Belt Line Road (100 foot right of way), Preston Road (100 foot right of way) and Alexis Drive (100 foot right of way), and being more particularly described by metes and bounds as follows:

BEGINNING at a 3/8 inch iron rod found for corner, said corner being the Northeast corner of Lot 1, Block B/8189 of Preston - Bellline Addition, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 70110, Page 1 of the map records of Dallas County, Texas and being the most Northerly corner of said Prestonwood Market Square Ltd. tract, and lying in the Southwest line of said Belt Line Road;

THENCE North 11 degrees 37 minutes 41 seconds East, crossing said Belt Line Road, a distance of 100.00 feet to a point for corner, said corner lying in the Northeast line of 15150 Preston Road Addition, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 84163, Page 4673 of the map records of Dallas County, Texas, said corner being in a non tangent curve to the Right, having a radius of 915.00 feet, a delta of 42 degrees 53 minutes 07 seconds and a chord bearing and distance that bears South 56 degrees 55 minutes 45 seconds East, 668.99 feet;

THENCE along the Northeast line of said Belt Line Road and along said curve to the Right, an arc length of 684.86 feet to a point for corner, said corner lying in the Northeast line of Preston Bend Village II, Condominiums, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 2005042, Page 10752 of the map records of Dallas County, Texas,;

THENCE South 35 degrees 29 minutes 12 seconds East along the Northeast line of said Belt Line Road, a distance of 876.12 feet to a point for corner, said corner lying in the East line of BellLine Apartments Addition, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 78049, Page 763 of the map records of Dallas County, Texas, said corner being in a non tangent curve to the Left, having a radius of 950.00 feet, a delta of 12 degrees 12 minutes 44 seconds and a chord bearing and distance that bears South 41 degrees 35 minutes 34 seconds East, 202.10 feet;

THENCE along the Northeast line of said Belt Line Road and along said curve to the Left, an arc length of 202.48 feet to a point for corner;

THENCE South 42 degrees 18 minutes 08 seconds West, crossing said Belt Line Road, a distance of 100.00 feet to a 3/8 inch iron rod found for corner, said corner being the North corner of Lot 7, Block B/8189 of Alexis City Garage Addition, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 96054, Page 1829 of the map records of Dallas County, Texas;

THENCE North 89 degrees 58 minutes 10 seconds West along the North line of said Lot 7, a distance of 118.19 feet to a 1/2 inch iron rod found for corner, said corner being the Northwest corner of said Lot 7;

THENCE South 00 degrees 01 minute 50 seconds West along the West line of said Lot 7 and crossing said Alexis Drive, a distance of 273.02 feet to a point for corner, said corner lying in the South line of said Alexis Drive;

THENCE North 89 degrees 58 minutes 10 seconds West along the South line of said Alexis Drive, a distance of 802.17 feet to a point for corner;

THENCE North 00 degrees 01 minutes 50 seconds East, crossing said Alexis Drive, a distance of 289.06 feet to a 1/2 inch iron rod found for corner, said corner being the Northeast corner of Lot 5B, Block B/8189 of Compass Bank Addition, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 92026, Page 3422 of the map records of Dallas County, Texas;

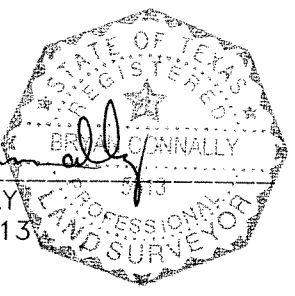
THENCE South 89 degrees 47 minutes 55 seconds West along the North line of said Lot 5B and crossing said Belt Line Road, a distance of 359.19 feet to a point for corner, said corner lying in the East line of said Rostland Subdivision No.3, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 93079, Page 168 of the map records of Dallas County, Texas, said corner lying in the West line of said Preston Road;

THENCE North 00 degrees 12 minutes 10 seconds West along the West line of said Preston Road, a distance of 108.25 feet to a point for corner, said corner being the Southeast corner of Lot 4, Block A/8174 of Rostland Subdivision Unit 2, an addition to the City of Dallas, Dallas County, Texas, according to the map or plat thereof recorded in Volume 85063, Page 2523 of the map records of Dallas County, Texas, said corner being in a non tangent curve to the Left, having a radius of 950.12 feet, a delta of 13 degrees 28 minutes 46 seconds and a chord bearing and distance that bears North 06 degrees 56 minutes 33 seconds West, 947.93 feet;

THENCE along the West line of said Preston Road and along said curve to the Left, an arc length of 950.12 feet to a point for corner;

THENCE South 83 degrees 24 minutes 41 seconds East, crossing said Preston Road, a distance of 286.43 feet to an "X" found in concrete for corner;

THENCE North 14 degrees 53 minutes 36 seconds West, a distance of 180.01 feet to the POINT OF BEGINNING and containing 1,368,744.30 square feet or 31.4220 acres of land.

*Bryan Connally*  
BRYAN CONNALLY  
R.P.L.S. NO. 5513  




**DOUG CONNALLY & ASSOCIATES, INC.**  
ENGINEERING · PLANNING · SURVEYING  
11545 Pagemill Road · Suite 200 · Dallas, Texas 75243  
P 214.349.9485 · F 214.349.2216  
www.dcadfw.com

SHEET 2 OF 3  
JOB NO. 0602749-1  
DRAWN BY: R.G.

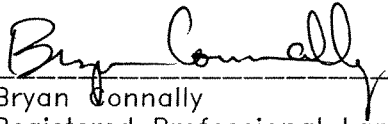
26563

070334

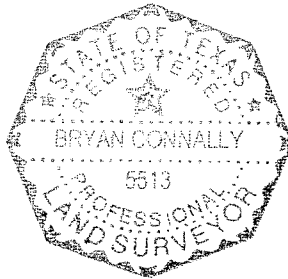
EXHIBIT "A"  
M.S.D. SURVEY

The undersigned Registered Professional Land Surveyor (Bryan Connally) hereby certifies to Thompson & Knight LLP, (a) this survey and the property description set forth hereon were prepared from an actual on-the-ground survey; (b) such survey was conducted by the Surveyor, or under his direction; (c) all monuments shown hereon actually existed on the date of the survey, and the location, size and type of material thereof are correctly shown; Use of this survey by any other parties and/or for other purposes shall be at User's own risk and any loss resulting from other use shall not be the responsibility of the undersigned. The plat hereon is a correct and accurate representation of the property lines and dimensions are as indicated; location and type of buildings are as shown; and EXCEPT AS SHOWN, all improvements are located within the boundaries the distances indicated and there are no visible and apparent encroachments or protrusions on the ground.

Executed this 17th day of April, 2006



Bryan Connally  
Registered Professional Land Surveyor No. 5513



**DOUG CONNALLY & ASSOCIATES, INC.**  
**ENGINEERING · PLANNING · SURVEYING**  
11545 Pagemill Road · Suite 200 · Dallas, Texas 75243  
P 214.349.9485 · F 214.349.2216  
www.dcadfw.com

SHEET 3 OF 3  
JOB NO. 0602749-1  
DRAWN BY: R.G.



# City of Dallas Municipal Setting Designation Application

## 1. Executive Summary

Prestonwood Market Square, Ltd. and HSM Pepper Square Partners, Ltd., through this application, hereby request approval from the City of Dallas of a Municipal Setting Designation (“MSD”) for the properties identified in Tab 3 hereinafter referred to as the “Designated Property.” Prestonwood Market Square, Ltd. holds title to the northern portion of the Designated Property bounded by Preston Road on the west, Beltline Road on the north and east, and the HSM Pepper Square Partners, Ltd. property on the south. HSM Pepper Square Partners, Ltd. holds title to the southern portion of the Designated Property, bounded by Preston Road on the west, Alexis Drive on the south, Beltline Road on the east, and the Prestonwood Market Square, Ltd. property on the north. Prestonwood Market Square, Ltd. and HSM Pepper Square Partners, Ltd. are partnerships and have related general partners.

The Designated Property is currently developed with a shopping center. The Designated Property was entered into the Texas Voluntary Cleanup Program in 1997 and project work has been performed at the site under the supervision of the Texas Commission on Environmental Quality (“TCEQ,” formerly the Texas Natural Resource Conservation Commission) in response to releases from former dry cleaning operations. Soil has been removed from two of the three former dry cleaner locations on the Designated Property. Subsurface investigations have indicated on and off-site groundwater impacts of tetrachloroethene (“PCE” or “perchloroethylene”) and its degradation products trichloroethene (“TCE”), cis-1,2-dichloroethene (“cis-1,2-DCE”), trans-1,2-dichloroethene (“trans-1,2-DCE”) and vinyl chloride.

A underground storage tank (“UST”) system was formerly located on the Western side of the Designated Property. A release from the UST system was detected, reported, and remediated under the supervision of the TCEQ. Closure was granted by the TCEQ in 1998.



**2. Name, address, telephone number, and e-mail for all applicants, all property owners within the Designated Property, and any representatives of the applicants or property owners**

*Applicant 1:* Prestonwood Market Square, Ltd.

*MSD Property Address:* 14902 Preston Road, Dallas, Texas and 6160 Belt Line Road, Dallas, Texas

*Mailing Address:* c/o Davis H. Glass  
1100 Providence Towers West  
5001 Spring Valley Road  
Dallas, TX 75244

*Tel. #:* (972) 419-4085 *E-mail:* [dglass@henrysmiller.com](mailto:dglass@henrysmiller.com)

*Representative of Applicant 1:* Davis H. Glass, Executive Vice President  
Henry S. Miller Project Management, Inc.

*Mailing Address:* Henry S. Miller Project Management, Inc.  
1100 Providence Towers West  
5001 Spring Valley Road  
Dallas, TX 75244

*Tel. #:* (972) 419-4085 *E-mail:* [dglass@henrysmiller.com](mailto:dglass@henrysmiller.com)

*Property Owner 1:* Same as Applicant 1.

*Representative of Property Owner 1:* Same as Representative of Applicant 1.

*Applicant 2:* HSM Pepper Square Partners, Ltd.

*MSD Property Address:* 14856 Preston Road, Dallas, Texas

*Mailing Address:* c/o Davis H. Glass  
1100 Providence Towers West  
5001 Spring Valley Road  
Dallas, TX 75244

*Tel. #:* (972) 419-4085 *E-mail:* [dglass@henrysmiller.com](mailto:dglass@henrysmiller.com)

*Representative of Applicant 2:* Davis H. Glass, Executive Vice President  
Henry S. Miller Project Management, Inc.

*Mailing Address:* Henry S. Miller Project Management, Inc.  
1100 Providence Towers West  
5001 Spring Valley Road  
Dallas, TX 75244

*Tel. #:* (972) 419-4085 *E-mail:* [dglass@henrysmiller.com](mailto:dglass@henrysmiller.com)

*Property Owner 2:* Same as Applicant 2.

*Representative of Property Owner 2:* Same as Representative of Applicant 2.

3. **A legal description of the boundaries of the Designated Property and the metes and bounds of the adjacent public rights of ways and a copy of the deeds for the Designated Property are included in Tab 3.**

Also included for your convenience are copies of the certified metes and bounds on 8.5” by 11” paper.

4. **Included in Tab 4 are maps showing**
- A. **the location of the Designated Property and adjacent public rights of way,**
  - B. **the topography of the Designated Property as indicated on publicly available sources,**
  - C. **the detected area of groundwater contamination,**
  - D. **the location of all soil sampling locations and all groundwater monitoring wells,**
  - E. **groundwater gradients, to the extent known, and direction of groundwater flow, and**
  - F. **the ingestion protective concentration level exceedence zone for each contaminant of concern to the extent known.**
5. **Describe the current use, and, to the extent known, the anticipated uses of the Designated Property and properties within 500 feet of the Designated Property.**

The Designated Property is currently developed and used as a commercial shopping center. The anticipated future use of the Designate Property is also as a commercial shopping center. Most of the property within 500 feet of the Designated Property is commercial or undeveloped. The anticipated future use of properties within 500 feet of the Designated Property is not known.

6. **For each contaminant of concern within the ingestion protective concentration level exceedence zone, to the extent known:**
- A. **Describe the ingestion protective concentration level exceedence zone and the non-ingestion protective concentration level exceedence zone, including a specification of the horizontal area and the minimum and maximum depth below ground surface**

The analytical data received from on- and off-site monitoring wells indicate two dissolved-phase chlorinated solvent plumes located in the area generally from

Preston Road on the West, Beltline Road on the north and east, and the southern plume extending just across Alexis Drive on the south. Based on the sampling to date, the minimum depth to the ingestion PCL exceedance zone in the northern plume is approximately 25 feet below ground surface and the maximum depth of the ingestion PCL exceedance zone in the northern plume is approximately 35 feet below the ground surface. Based on the sampling to date, the minimum depth to the ingestion PCL exceedance zone in the southern plume is approximately 11 feet below ground surface and the maximum depth of the ingestion PCL exceedance zone in the southern plume is approximately 22 feet below the ground surface. The difference in depth to groundwater is a result of change in topography from the north portion of the designated property heading south across Alexis Drive.

**B. Indicate the level of contamination, the ingestion protective concentration level, and the non-ingestion protective concentration level, all expressed as mg/L units.**

Generally speaking, there are two constituent plumes at the Designated Property: the North plume and the South plume. Some of the constituents of concern appear in both plumes while other appear in only one. For each constituent of concern, the requested information will be provided for the plume in which the constituent of concern can be found. The constituent levels are based on the most recent data obtained for each constituent of concern detected.

**PCE**

Level of contamination (N. plume):	0.0282 mg/L
Level of contamination (S. plume):	0.0969 mg/L
Ingestion PCL:	0.0050 mg/L
Non-ingestion PCL:	71 mg/L

**TCE**

Level of contamination (N. plume):	0.0059 mg/L
Level of contamination (S. plume):	0.0136 mg/L
Ingestion PCL:	0.0050 mg/L
Non-ingestion PCL:	35 mg/L

**Cis-1,2-DCE**

Level of contamination (N. plume):	0.0462 mg/L
Level of contamination (S. plume):	0.0391 mg/L
Ingestion PCL:	0.0700 mg/L
Non-ingestion PCL:	2900 mg/L

**Isopropyl Benzene**

Level of contamination (S. plume):	0.025 mg/L
Ingestion PCL:	Not established
Non-ingestion PCL:	Not established

Napthalene

Level of contamination (S. plume): 0.081 mg/L  
Ingestion PCL: 0.490 mg/L  
Non-ingestion PCL: 57 mg/L

n-Propyl Benzene

Level of contamination (N. plume): 0.0094 mg/L  
Level of contamination (S. plume): 0.039 mg/L  
Ingestion PCL: 0.980 mg/L  
Non-ingestion PCL: 1100 mg/L

**C. Indicate the basic geochemical properties**

The basic geochemical properties of the constituents of concern within the ingestion PCL exceedence zone are included in Tab 6.

**7. For each contaminant of concern within the designated groundwater, to the extent known:**

**A. Describe the ingestion protective concentration level exceedence zone and the non-ingestion protective concentration level exceedence zone, including a specification of the horizontal area and the minimum and maximum depth below ground surface**

See response to Item # 6.A.

**B. Indicate the level of contamination, the ingestion protective concentration level, and the non-ingestion protective concentration level, all expressed as mg/L units**

See response to Item # 6.B.

**C. Indicate the basic geochemical properties**

See response to Item # 6.C.

8. Provide the following information for each contaminant of concern, to the extent known:  
GROUNDWATER

Contaminant of Concern	Contaminant Concentration for North Plume (mg/L)		Contaminant Concentration for South Plume (mg/L)		Ingestion PCL GW <sub>Ing</sub>		Non-Ingestion PCL AirGW <sub>Inh-V</sub>		Critical PCL without MSD <sup>GW</sup> GW <sub>Ing</sub>		Critical PCL with MSD AirGW <sub>Inh-V</sub>	
	Concentration	Sample Date	Concentration	Sample Date	(mg/L)	Exceeded?	(mg/L)	Exceeded?	(mg/L)	Exceeded?	(mg/L)	Exceeded?
Cis-1,2-DCE	0.0462	1/5/2006	0.0391	12/13/2005	0.07	N	2900	N	0.07	N	2900	N
Trans-1,2-DCE	<0.00075	1/5/2006	<0.00075	12/13/2005	0.1	N	1800	N	0.1	N	1800	N
PCE	0.0282	1/5/2006	0.0969	12/13/2005	0.005	Y	71	N	0.005	Y	71	N
TCE	0.0059	1/5/2006	0.0136	12/13/2005	0.005	Y	35	N	0.005	Y	35	N
VC	<0.00042	1/5/2006	<0.00042	12/13/2005	0.002	N	0.79	N	0.002	N	0.79	N
Isopropyl Benzene	<0.003	7/10/2002	0.025	1/15/2002	Not established	N	Not established	N	Not established	N	Not established	N
Naphthalene	<0.010	7/10/2002	0.081	1/15/2002	1.5	N	57	N	1.5	N	57	N
n-Propyl Benzene	0.0094	7/10/2002	0.039	1/15/2002	2.9	N	1100	N	2.9	N	1100	N
Benzene	<0.00047	1/5/2006	<0.00047	12/13/2005	0.005	N	11	N	0.005	N	11	N
Ethylbenzene	<0.00048	1/5/2006	<0.00048	12/13/2005	0.7	N	2800	N	0.7	N	2800	N
Toluene	<0.00054	1/5/2006	<0.00054	12/13/2005	1.0	N	1100	N	1.0	N	1100	N
Xylene	<0.002	1/5/2006	<0.002	12/13/2005	10	N	300	N	10	N	300	N
Chloroform	<0.00066	1/5/2006	<0.00066	12/13/2005	0.73	N	4.3	N	0.73	N	4.3	N

SOIL\*

Contaminant of Concern	Contaminant Concentration for Soil (mg/kg)			Soil PCL protective of groundwater ingestion GW <sub>Ing</sub> Soil <sub>Ing</sub>		Soil PCL protective of pathways other than groundwater ingestion Tot <sub>Soil</sub> Soil <sub>Comb</sub>		Critical PCL without MSD <sup>GW</sup> Soil <sub>Ing</sub>		Critical PCL with MSD Tot <sub>Soil</sub> Soil <sub>Comb</sub>	
	Concentration	Sample Date	Sample Depth	(mg/kg)	Exceeded?	(mg/kg)	Exceeded?	(mg/kg)	Exceeded?	(mg/kg)	Exceeded?
Cis-1,2-DCE	20	9/22/1999	10' 8"	0.12	Y	4700	N	0.12	Y	4700	N
Trans-1,2-DCE	0.130	1/26/1999	8'	0.25	N	6100	N	0.25	N	6100	N
PCE	38	9/16/1999	3' to 10' 8"	0.025	Y	270	N	0.025	Y	270	N
TCE	1.100	9/22/1999	3' to 10' 8"	0.017	Y	170	N	0.017	Y	170	N
VC	0.300	9/29/1999	8' - 10' 8"	0.011	Y	12	N	0.011	Y	12	N

\* - Soil remediation has taken place under the Texas VCP with TCEQ guidance and oversight. Even though no critical soil PCLs would be exceeded with an MSD, it is worth noting that the TCEQ already approved leaving the existing soil concentrations in place based on Risk Reduction Standard 3.

9. **Is the plume of contamination stable, expanding, or contracting? STABLE AND CONTRACTING. Provide the basis for the statement.**

Based on groundwater monitoring data from a series of sampling events conducted at various times between 1997 and 2006, the extent of the groundwater plume appears to be stable with apparent decreasing trends in concentrations across the majority of the project site, especially nearest the location of the historical sources on the Designated Property. Included for your information are current and historical groundwater sampling results for the Designated Property and confirmation samples after removal of the soil source area.

10. **Will contamination on the Designated Property without a municipal setting designation exceed a residential assessment level as defined in the Texas Risk Reduction Program (“TRRP”)? YES. Will contamination off the Designated Property without a municipal setting designation exceed a residential assessment level as defined in the Texas Risk Reduction Program (“TRRP”)? YES. Explain the basis for each statement.**

The concentration of constituents detected in groundwater both within and outside the Designated Property exceed the Class 1 groundwater ingestion PCL residential assessment level. Included for your information in Tab 9 are current and historical groundwater sampling results for the Designated Property.

11. **Will contamination on the Designated Property with a municipal setting designation exceed a residential assessment level as defined in the Texas Risk Reduction Program (“TRRP”)? NO. Will contamination off the Designated Property with a municipal setting designation exceed a residential assessment level as defined in TRRP? NO. Explain the basis for each answer.**

The only TRRP Tier 1 PCLs that are exceeded on or off the Designated Property are the groundwater ingestion PCLs for PCE, TCE, vinyl chloride, and cis-1,2-DCE. Once an MSD is issued, the concentration of chemicals in the soil and groundwater on and off the Designated Property will not exceed any applicable PCLs and accordingly will not exceed any applicable residential assessment level. Included for your information in Tab 9 are current and historical groundwater sampling results for the Designated Property.

12. **To the extent known, identify the point of origin of the contamination and the persons responsible for the contamination.**

The point of origin of the PCE and related constituent plumes of interest appear to arise from three former dry cleaning operations at the Designated Property. The location of the former cleaners is indicated on the site map included in Tab 4. The persons responsible for the contamination include the owners and operators of these cleaners.

The small amounts of gasoline related constituents detected resulted from a release from a former UST system on site. The release was detected, reported, and remediated under the supervision of the TCEQ. Closure was granted by the TCEQ in 1998. None of these

constituents exceed any applicable TRRP Tier 1 PCLs. Chevron Products Co. is listed as the responsible party in the TCEQ LPST database.

- 13. Have there been any environmental regulatory actions taken in connection with the Designated Property within the last five years? YES. If yes, describe.**

The Designated Property is currently in the Voluntary Cleanup Program to address PCE and related constituents. Soil removal and remediation has taken place at the Designated Property under TCEQ oversight.

The only other known regulatory action taken in connection with the Designated Property was related to a release from the former UST system on the Designated Property. Final closure for that release, however, was granted more than five years ago in 1998.

- 14. List all existing state or U.S. Environmental Protection Agency registrations, permits, and identification numbers that apply to the Designated Property.**

Texas Voluntary Cleanup Program No. 670 and LPST ID No. 094158.

- 15. Has the Designated Property been submitted to the Texas Voluntary Cleanup Program or similar state or federal program? YES. If yes, describe the Designated Property's status in the program.**

The Designated Property was entered into the Voluntary Cleanup Program in 1997. At that time, the relevant cleanup rule was the "Risk Reduction Rule," 30 Tex. Admin. Code Chapter 335 Subchapter S. Under this program and with TCEQ oversight, soil at the Designated Property was removed or remediated. The TCEQ approved the removal/remedial action and approved leaving the low remaining soil concentrations in place based on Risk Reduction Standard 3. With respect to affected groundwater, the TCEQ approved an "Alternative Concentration Limit" or "ACL," that served as the relevant action level. The TCEQ approved a natural attenuation approach with regular monitoring to ensure the constituents in groundwater do not exceed the ACL. Results of the regular groundwater sampling are reported to the TCEQ.

- 16. Summarize any environmental site assessment reports filed with the TCEQ regarding any site investigations or response actions that are planned, ongoing, or completed related to the Designated Property.**

See list included in Tab 16.

- 17. Is there a public drinking water supply system or systems satisfying the requirements of Chapter 341 of the Texas Health & Safety Code that supplies or is capable of supplying drinking water to the Designated Property and property within one-half mile of the Designated Property? YES. Identify the system or systems.**

The Designated Property is located in Dallas, Texas. The City of Dallas owns and operates a public drinking water supply system which services the Designated Property and other properties within one-half mile of the Designated Property.

- 18. Is there a state-registered private water well within five miles of the Designated Property? YES. If yes, has the applicant provided notice to each owner in compliance with Section 361.805 of the Texas Health and Safety Code? NO.**

Included in Tab 18 are a list of the names and addresses of each owner of state-registered private water well within 5 miles of the Designated Property and, to the extent known for each well, whether it is used for potable water, and a map showing the location of each such owner state-registered private water well.

We intend to use the notice sent by the City of Dallas as the notice required under Texas Health & Safety Code § 361.805.

We are also including for your information in Tab 18 a map showing that there are no state-registered water wells within one half mile of the Designated Property.

- 19. Is there a retail public utility (as defined in Section 13.002 of the Texas Water Code) that owns or operates a groundwater supply well within five miles of the Designated Property? YES. If yes, has the applicant provided the notice required by Texas Health & Safety Code § 361.805? NO. Include a list of the names and addresses of each retail public utility.**

Included with Tab 19 is a list of each retail public utility that owns or operates a groundwater supply well within five miles of the Designated Property. The applicant intends to use the notice sent by the City of Dallas as the notice to meet Section 361.805 of the Texas Health and Safety Code. The only well that appears on the Water Utility Database Report belongs to the City of Carrollton. There is, however, another well within five miles of the Designated Property owned by the City of Dallas and listed as a Public Supply that does not appear on the Water Utility Database Map. That well is included on the list.

For your information, the City of Carrollton well is not used. The City of Carrollton has indicated that it obtains all of its water supply from the City of Dallas, which in turn obtains its water from nearby surface reservoirs.

- 20. Does any municipality other than the City of Dallas have a boundary within one-half mile of the Designated Property? YES.**

The Town of Addison has a boundary within one-half mile of the Designated Property. The Applicant has contacted the Town of Addison regarding obtaining a resolution in support of the MSD as required for the Texas Commission on Environmental Quality

- 21. Does any municipality other than the City of Dallas own or operate a groundwater supply well within five miles of the Designated Property? YES. If yes, has the applicant provided notice as required by Section 361.805 of the Texas Health and Safety Code? NO. If yes, list each municipality below.**



Included in Tab 21 is a list of all municipalities that own a groundwater well within five miles of the Designated Property. The applicant intends to use the notice sent by the City of Dallas as the notice to meet Section 361.805 of the Texas Health and Safety Code. A list of each municipality is included in Tab 21. Not all of these wells are actually used. For example, the City of Carrollton is included on the list of municipalities with a groundwater well within five miles of the Designated Property. The City of Carrollton has, however, indicated that it obtains all of its water supply from the City of Dallas, which in turn obtains its water from nearby surface reservoirs. The same is true for the City of Richardson.

22. **Signature of licensed professional engineer or licensed professional geoscientist authorized to practice in the state of Texas with expertise in environmental remediation.**

To the best of my knowledge and belief, based upon a review of all public and private records and other information sources available to me in the exercise of due diligence, the opinions stated and conclusions made in this application are supported by such information, and the technical and scientific information submitted with the application is true, accurate, and complete. Based on such review, the contaminants of concern from sources on the Designated Property more likely that not do not exceed a non-ingestion protective concentration level on property beyond the boundaries of the Designated Property.



Signed: Isaac M. Aboulafia  
Name: ISAAC MAX ABOULAFIA  
Date: JUNE 28, 2006

23. **Do the contaminants of concern from sources on the Designated Property or migrating form or through the Designated Property more likely than not exceed a non-ingestion protective concentration level on property beyond the boundaries of the Designated Property? NO.**

Property owned by Bert Fields is impacted by constituents of concern from sources historically on the Designated Property. The representatives of the applicants intend to work with the City of Dallas to include a copy of this application with the mailing to Mr. Fields.

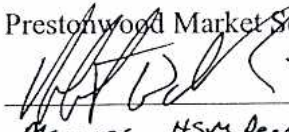
Bert Fields, Jr., 11835 Preston Road, Dallas, TX 75230

24. **Applicant certification and applicant representatives on application**

I certify under penalty of law that this application and all attachments were prepared under my direction or supervision in a manner designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the persons responsible for gathering and evaluating the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Applicant 1: Prestonwood Market Square, Ltd.

Signed:



Date:

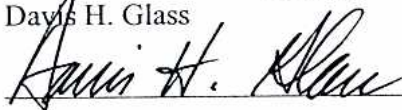
6/22/06

Representative  
of Applicant 1:

Manager, HSM Pepper Square LLC  
General partner

Davis H. Glass

Signed:

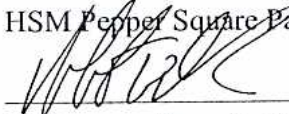


Date:

06/28/06

Applicant 2: HSM Pepper Square Partners, Ltd.

Signed:



Date:

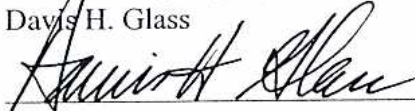
6/22/06

Representative  
of Applicant 2:

Treasurer, Henry S. Miller Holdings Corp  
General Partner

Davis H. Glass

Signed:



Date:

06/28/06

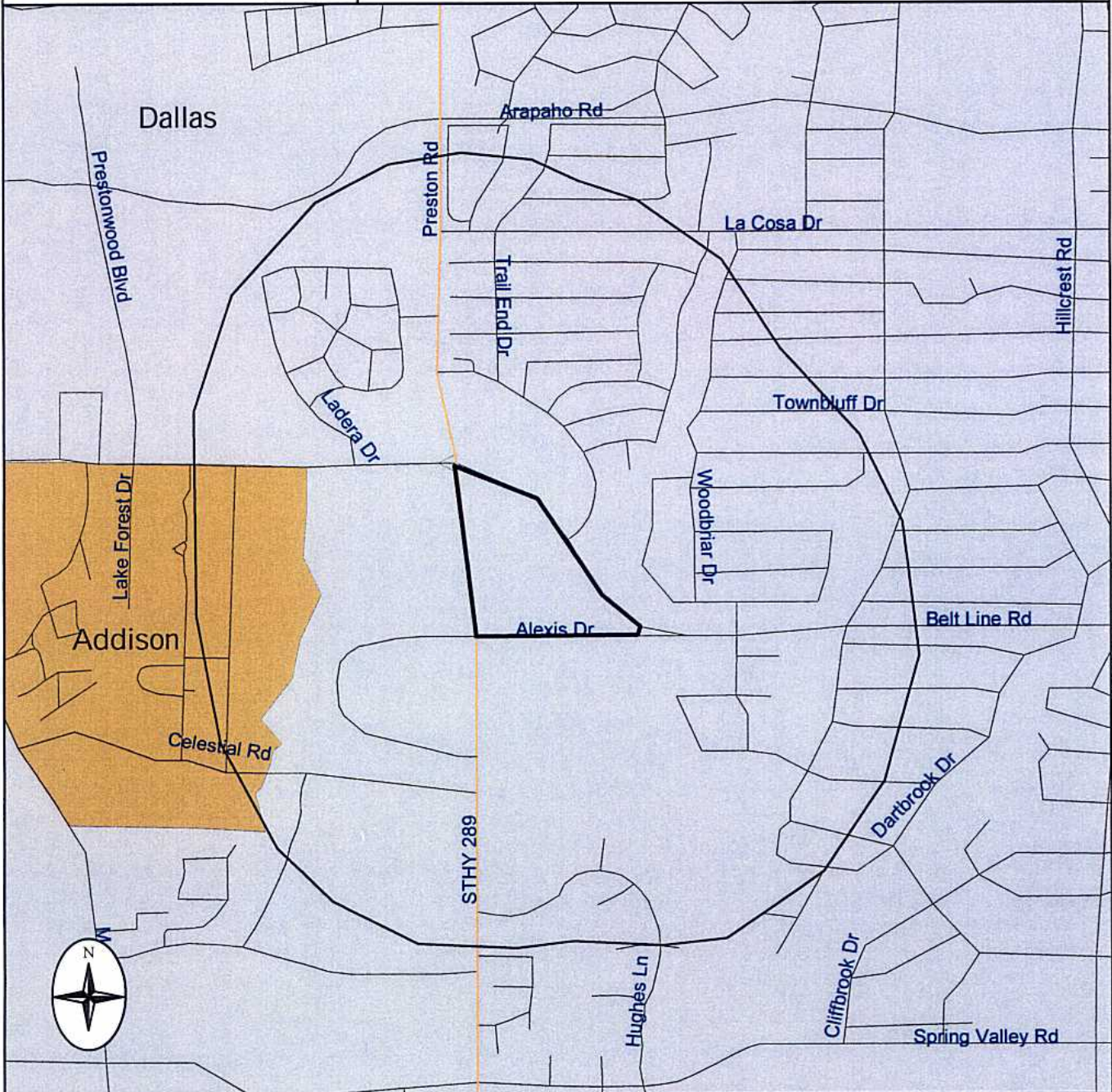
25. **Has an application been filed with the TCEQ? NO.**
26. **Does the applicant have the legal authority to restrict the use of the groundwater on the Designated Property? YES. The documentation of the authority is included in Tab 3.**
- Together the applicants own the two properties that make up the Designated Property. Because the applicants are the owners of the Designated Property, they have the authority to restrict the use groundwater at the Designated Property. Documentation of the authority to restrict groundwater is included in Tab 3 (deeds showing the applicants to be the owners of the Designated Property).
27. **The initial filing fee of \$2,500 payable to the City of Dallas is included with this application.**
28. **Is any additional information being submitted? NO.**



**Banks  
Information  
Solutions, Inc.**

# Water Well Report™

**Map of Wells within 0.5 Mile(s)  
Municipal Boundaries Shown**



- Subject Site
- Ground Water Wells (Cluster)
- Ground Water Well
- Airport
- Hospital
- Highway
- Primary road
- Secondary and connecting road
- Local road
- Access road
- Water body
- Park
- State



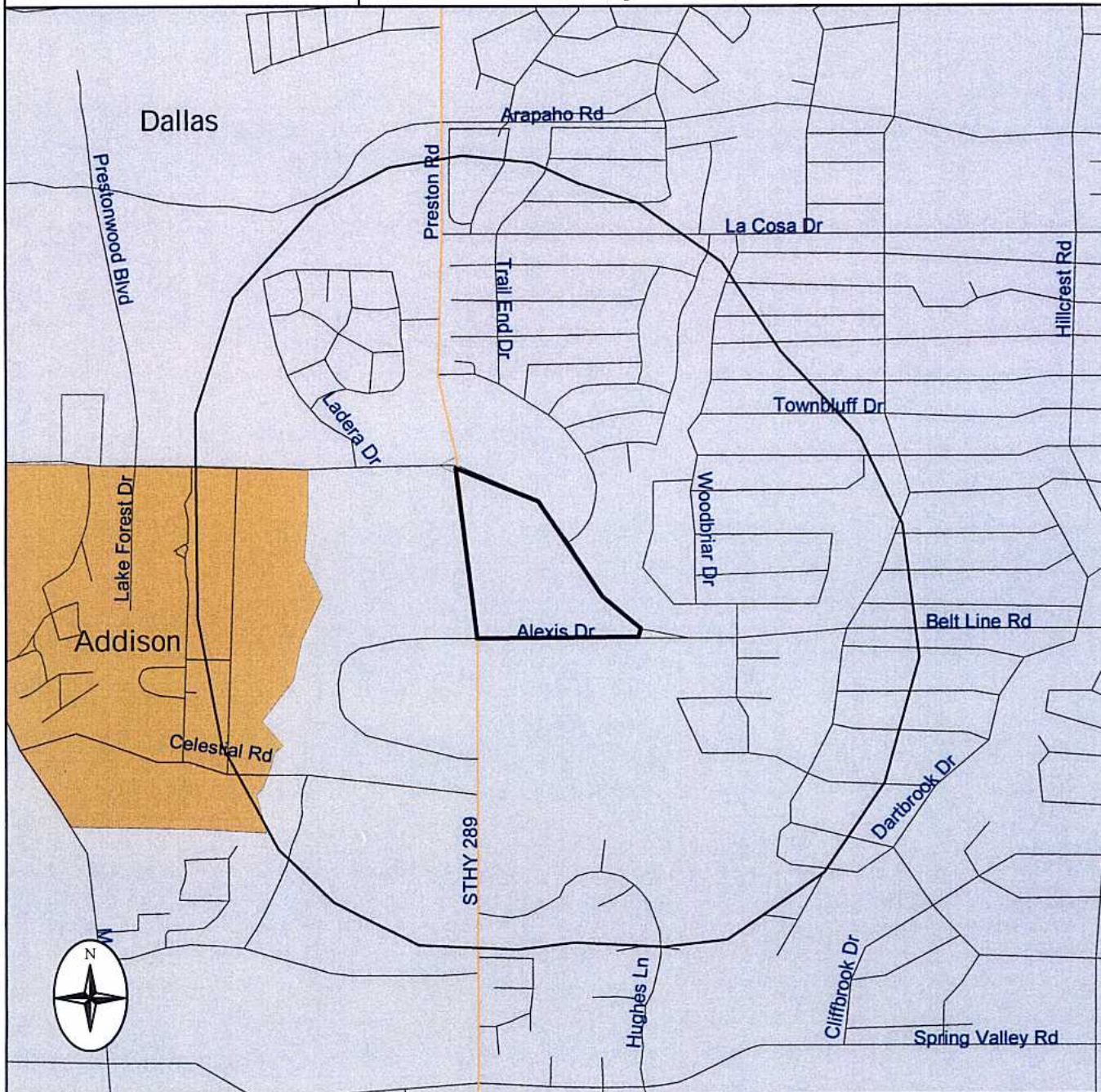
**Banks Information Solutions, Inc.**  
 P.O. Box 12851, Capitol Station Austin, Texas 78711  
 700 N. Lamar, Suite 200 Austin, Texas 78703  
 512-478-0059 FAX 512-478-1433 E Mail: [BANKS@BANKSINFO.COM](mailto:BANKS@BANKSINFO.COM)  
 March 22, 2006



**Banks  
Information  
Solutions, Inc.**

# Water Well Report™

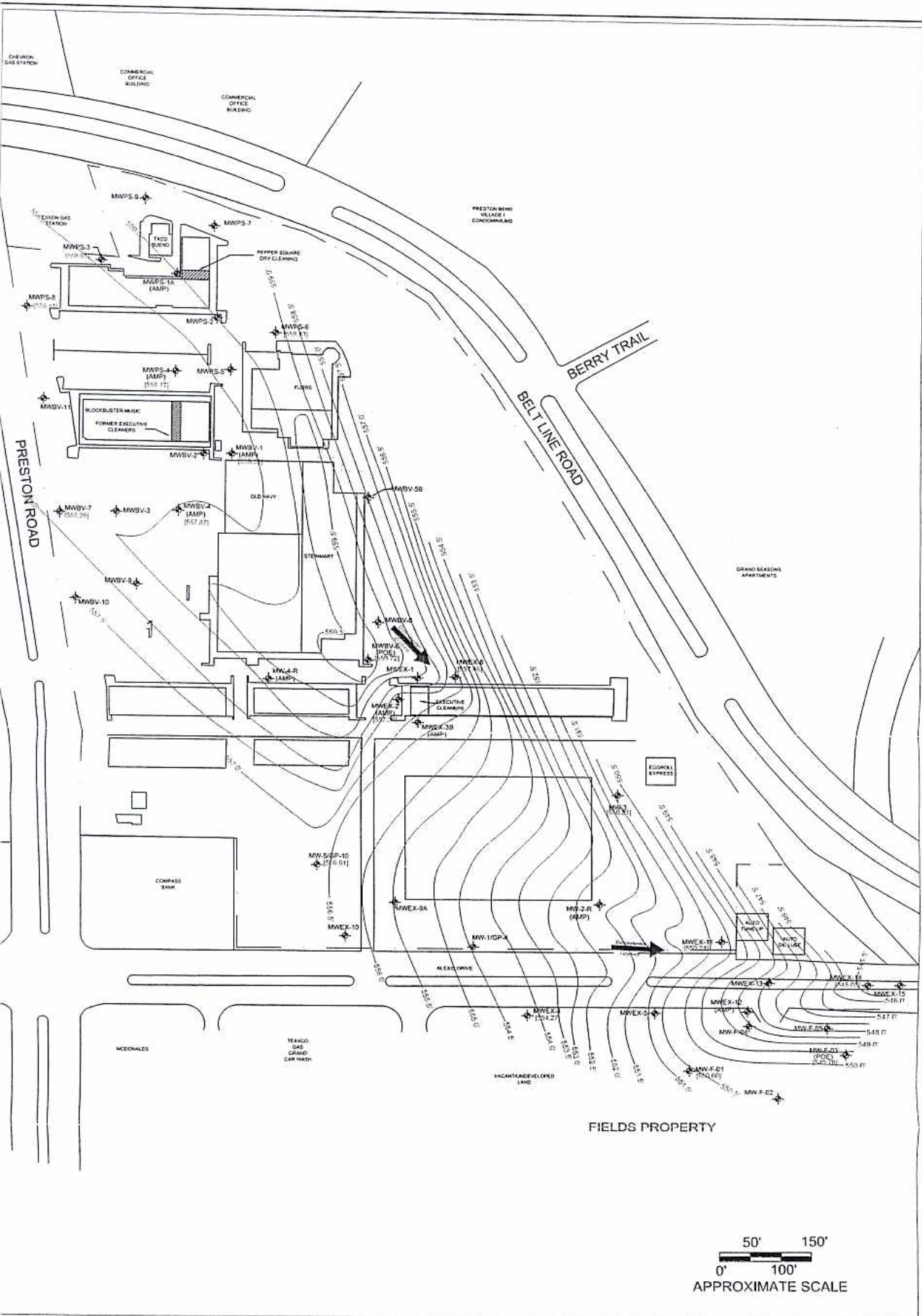
**Map of Wells within 0.5 Mile(s)  
Municipal Boundaries Shown**



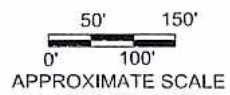
- Subject Site
- Ground Water Wells (Cluster)
- Ground Water Well
- Airport
- Hospital
- Highway
- Primary road
- Secondary and connecting road
- Local road
- Access road
- Water body
- Park
- State



**Banks Information Solutions, Inc.**  
P.O. Box 12851, Capitol Station Austin, Texas 78711  
700 N. Lamar, Suite 200 Austin, Texas 78703  
512-478-0059 FAX 512-478-1433 E Mail: [BANKS@BANKSINFO.COM](mailto:BANKS@BANKSINFO.COM)  
March 22, 2006



**LEGEND:**  
 - MONITORING WELLS  
 [559.47] - GROUNDWATER ELEVATION (FEET ABOVE MEAN SEA LEVEL)  
 - MUNICIPAL SETTINGS DESIGNATION AREA



**MEC<sup>2</sup>, LLC**  
 3203 AUDLEY STREET  
 HOUSTON, TEXAS 77098

**GROUNDWATER GRADIENT  
 (DECEMBER 2005)**  
 Pepper Square Shopping Center  
 14902 Preston Road  
 Dallas, Texas

PROJECT NO: 7043.010.014H.00    REV. DATE: 03/24/06    GAP

TOWN OF ADDISON, TEXAS

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS IN SUPPORT OF THE APPLICATION OF PRESTONWOOD MARKET SQUARE, LTD. AND HSM PEPPER SQUARE PARTNERS, LTD. TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR A MUNICIPAL SETTING DESIGNATION FOR PROPERTIES LOCATED AT 14856 PRESTON ROAD, 14902 PRESTON ROAD, 6160 BELT LINE ROAD AND ADJACENT STREET RIGHTS OF WAY IN DALLAS, TEXAS; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 361, Subchapter W, of the Texas Health and Safety Code (a portion of the Texas Solid Waste Disposal Act) authorizes the Texas Commission on Environmental Quality (“TCEQ”) to certify Municipal Setting Designations (“MSD”) for properties upon receipt and approval of a properly submitted application to the TCEQ; and

**WHEREAS**, as part of the application to the TCEQ for a Municipal Setting Designation, applicants are required to provide documentation that (i) the city council of the city where the proposed MSD property is located has adopted an ordinance or adopted a resolution enforcing a restrictive covenant for the MSD property that prohibits the potable use of designated groundwater from beneath the MSD property and that appropriately restricts other uses of and contact with the designated groundwater, and that (ii) their application is supported by the city council of each municipality with a boundary located not more than one-half mile, and each municipality that owns or operates a groundwater supply well located not more than five miles, from the property for which the designation is sought; and

**WHEREAS**, Prestonwood Market Square, Ltd. and HSM Pepper Square Partners, Ltd. (“Applicants”) have filed an application with the City of Dallas, Texas for the issuance of a Municipal Setting Designation ordinance for the property located to the southeast of the intersection of Preston Road and Belt Line Road in Dallas, Texas, more fully described in Exhibit “A” attached hereto and generally described as the properties located at 14856 Preston Road, 14902 Preston Road, 6160 Belt Line Road, and adjacent street rights-of-way in the City of Dallas, Texas (the “Site”); and

**WHEREAS**, on January 24, 2007 the City Council of the City of Dallas, Texas approved and adopted Ordinance No. 26563 (the “Dallas Ordinance,” copy attached as Exhibit “B”) which, among other things, prohibits the potable use of groundwater beneath the Site to a depth of 200 feet; and

**WHEREAS**, with the adoption of the Dallas Ordinance, the Applicants now desire and intend to submit to the TCEQ an application for certification of a Municipal Setting Designation for the Site pursuant to Texas Health and Safety Code, Chapter 361, Subchapter W; and

**WHEREAS**, the Town of Addison, Texas (the “City”) has a boundary located within one-half mile of the Site, and Applicants have requested that the City adopt a resolution in support of the Applicants' application to the TCEQ for a municipal setting designation certificate for the Site; and

**WHEREAS**, the designated groundwater identified in the Applicants’ City of Dallas Municipal Setting Designation Application and in the Dallas Ordinance is groundwater beneath the Site to a depth of 200 feet which generally flows to the southeast, away from the Town of Addison.

**NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:**

Section 1. The Town of Addison supports Applicants’ application to the TCEQ for certification of a Municipal Setting Designation for the Site described in Exhibit “A.”

Section 2. This Resolution shall take effect upon its adoption.

**PASSED AND APPROVED** by the City Council of the Town of Addison, Texas on this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Joe Chow, Mayor

ATTEST:

By: \_\_\_\_\_  
Mario Canizares, City Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Ken Dippel, City Attorney



**EXHIBIT "A"**  
**TO RESOLUTION NO. \_\_\_\_\_**

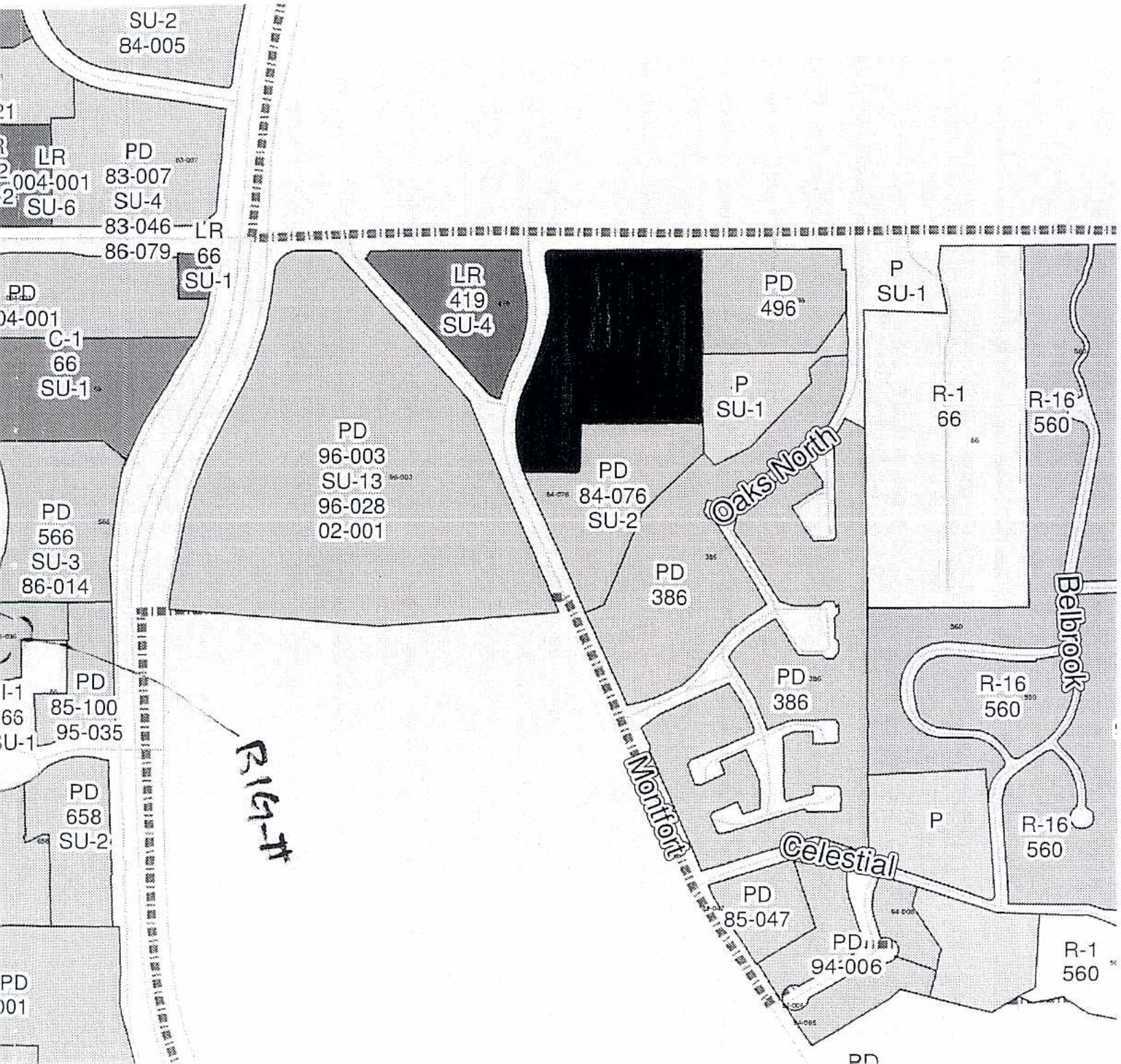
[Description of the Site]

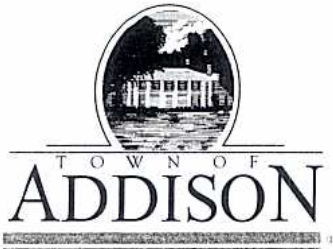
**EXHIBIT “B”  
TO RESOLUTION NO. \_\_\_\_\_**

[Copy of Dallas Ordinance]

# 1535-SUP

Case 1535-SUP Logan's on Belt Line. Requesting approval of an amendment to an existing Special Use Permit for a restaurant and an existing Special Use Permit for the sale of alcoholic beverages for on-premises consumption, located at 5290 Belt Line Road, Suite 150, on application from Logan's on Belt Line, represented by Mr. Jack Bendetti.





February 16, 2007

STAFF REPORT

RE: Case 1535-SUP/Logan's on Belt Line

LOCATION: 5290 Belt Line Road, Suite 150

REQUEST: Approval of an amendment to an existing Special Use Permit for a restaurant and an existing Special Use Permit for the sale of alcoholic beverages for on-premises consumption only

APPLICANT: Logan's on Belt Line, represented by Mr. Jack Bendetti

DISCUSSION:

Background. This property is zoned Local Retail. It was originally developed as a Figaro's Restaurante through Ordinance 796, approved by the City Council on May 26, 1982. The SUP was then amended through Ordinance 083-008, approved on February 22, 1983.

After a time, Figaro's reduced its square footage and the landlord converted the south portion of the restaurant to a tailor shop. Figaro's closed, and a restaurant named Street Talk took over the existing Figaro's space through an Administrative Approval. After Street Talk closed, Logan's took over the Street Talk space through an Administrative Approval. At this point, the owners of Logan's would like to take over the tailor shop and expand the restaurant back into the original space that was occupied by Figaro's

Proposed Plan. The floor plan for the existing restaurant will remain as is. The addition will include 1,800 square feet of dining area, including an additional restroom, an additional bar, and 232 square feet of additional patio space.

Facades. The facades will not be changed, but awnings will be added to match the awnings on the existing Logan's.

Parking. The staff has just gone through an extensive parking analysis on this center in order to make sure the Service Merchandise building could be re-occupied. The landlord has entered into a lease with Frito-Lay to move its marketing department into the bottom floor of the former Service Merchandise building. Frito-Lay will set up the space as a mock store and will invite its customers (store representatives from Wal-Mart, Target, and other food vendors) in for focus groups on Frito-Lay's store rack set-ups and advertising. Frito-Lay may also eventually occupy the top floor of the building.

In order to make sure there was sufficient parking in the center for the Frito-Lay use, the staff asked the landlord to conduct a parking count and provide a tenant roster (attached). The staff field counted the spaces to verify that they were correctly reflected on the attached sheet. The former Service Merchandise building is over 50,000 square feet. Therefore, parking for office uses in that building can be counted on the net useable, rather than the gross. When Frito-Lay was figured on the net useable, there was more than enough parking for all uses in the center, including the expansion of Logan's.

The expanded Logan's will require 20 additional spaces the analysis presented by the landlord did not include patio space for the expansion, but it is indicated on the plans Logan's provided). Therefore, the expanded Logan's will require 82 spaces. The center provides 741 spaces, and only 704 are required. There is sufficient parking for this expansion.

Landscaping. The Parks Department has inspected the entire center and notes that the landscaping is in good condition.

Screening of Mechanical Equipment. Any mechanical equipment added as a result of the expansion shall be completely screened from view. The screening material shall be architecturally compatible to the building, and the Building Official shall make the determination of "architecturally compatible".

Signs. The applicant has shown signs on the building. He should be aware that all signs in Addison must meet the requirements of the Addison Sign ordinance. In addition, the Town has a policy against the use of any terms or graphic depictions that denote alcoholic beverages in exterior signs.

Building Code. The Building Official notes that fire sprinklers will be required for the entire space unless the addition is separated from the rest of the building, including the existing space, with two hour rated occupancy separation walls. In addition, all openings in the rated walls shall have 90-minute protection, and all penetrations shall be property fire-sealed. The applicant will have to install fire doors that will close automatically to separate the existing space and the new space, in the event of a fire or

fire alarm. In addition, two exits will be required from the new area and the exit doors shall open in the direction of egress. In addition, the new fenced-in patio area will need an additional exit gate. The applicant should be aware that he will be required to comply with all requirements of the building and fire codes.

**RECOMMENDATION:**

Staff recommends approval of the request for the amendment to an existing Special Use Permit for a restaurant and the SUP for the sale of alcoholic beverages for on-premises consumption only, subject to the following conditions:

-All mechanical equipment on the new building shall be completely screened from view. The screening material shall be architecturally compatible to the building, and the Building Official shall make the determination of "architecturally compatible".

-The applicant shall not use any terms or graphic depictions that denote alcoholic beverages in exterior signs.

-The applicant should be aware that he will be required to comply with all requirements of the building and fire codes.

Respectfully submitted,

A handwritten signature in black ink that reads "C MORAN". The "C" is a simple circle, and "MORAN" is written in a stylized, slightly slanted font.

Carmen Moran  
Director of Development Services

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on February 22, 2007 voted to recommend approval of the request on application from Logan's on Belt Line, subject to the following conditions:

-All mechanical equipment on the new building shall be completely screened from view. The screening material shall be architecturally compatible to the building, and the Building Official shall make the determination of "architecturally compatible".

-The applicant shall not use any terms or graphic depictions that denote alcoholic beverages in exterior signs.

-The applicant should be aware that he will be required to comply with all requirements of the building and fire codes.

Voting Aye: Bernstein, Chafin, Daseke, Gaines, Jandura, Meier, Wood

Voting Nay: None

Absent: None



Z PROJECTS, LLC  
 11405 Prestonwood  
 2200 Rockwall, Suite 4375E  
 Dallas, TX 75201  
 214.973.9944  
 www.zprojects.com



**PRESTONWOOD PLACE**

CORNER OF  
 MONTFORT DRIVE AND  
 BELTLINE ROAD  
 ADDISON, TX

NOT TO SCALE  
 THIS DRAWING IS NOT FOR CONSTRUCTION.  
 REPEAT OR REGULATORY APPROVAL.

THE DRAWINGS AND WRITTEN MATERIAL HEREIN  
 CONSTITUTE ORIGINAL WORK OF THE  
 ARCHITECT, AND AS INTELLECTUAL PROPERTY  
 ARE RESERVED BY THE ARCHITECT. NO PART  
 HEREOF MAY BE REPRODUCED, COPIED, OR  
 DISTRIBUTED, PUBLISHED OR USED IN ANY MANNER  
 WITHOUT THE EXPRESS WRITTEN CONSENT OF THE  
 ARCHITECT.

DATE: 12.19.2006

PROJECT NO: Z-3161

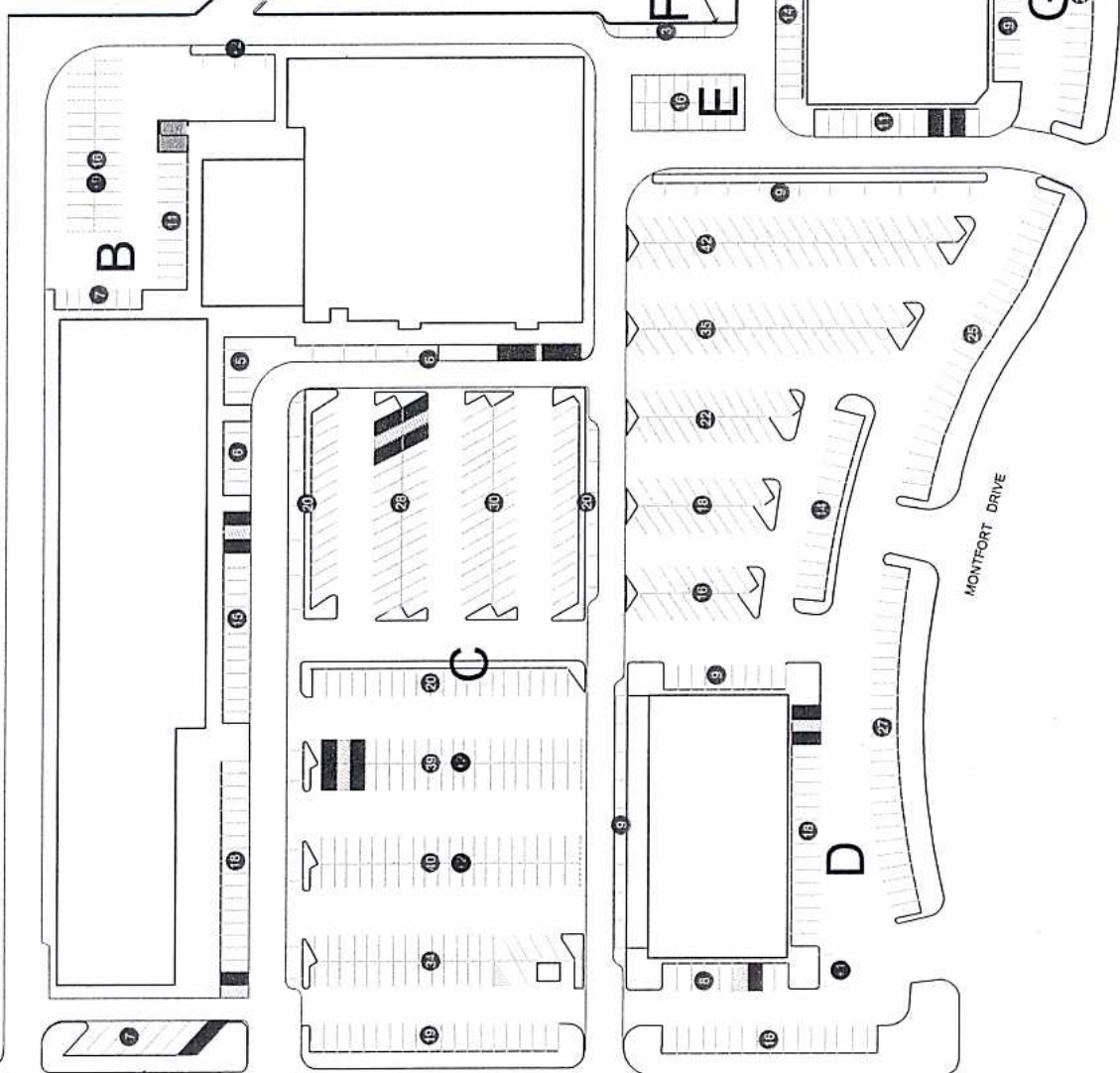
ISSUED FOR:  
 PARKING COUNT

REVISIONS:

PROPOSED PARKING  
 PLAN

EXISTING STANDARD		EXISTING ADA	PROPOSED ADDITIONAL
AREA A	6	1	11
AREA B	79	5	4
AREA C	242	8	4
AREA D	285	3	1
AREA E	16	3	
AREA F	3		
AREA G	62	4	
AREA H	47		
<b>TOTAL</b>	<b>720</b>	<b>21</b>	<b>741</b>

- LEGEND**
- PARKING COUNT
  - POSSIBLE ADDITIONAL SPACES
  - FIRE LANE
  - BUILDING
  - TRASH ENCLOSURE W/ DUMPSTER(S)
  - HC PARKING SPACE
  - HC ACCESS AISLE
  - PROPOSED ADDITIONAL PARKING SPACE LOCATIONS
  - RELOCATE EXISTING DUMPSTERS



BELTLINE ROAD

MONTFORT DRIVE

NORTH



Z-Projects  
 Project Name: Prestonwood Place  
 City, State: Addison, TX  
 Date: 1/8/07

Parking Analysis

Tenant	Suite	Lease SF	Patio SF	Total SF	Building Type	Ratio	Required	General Comments
Chipolte	102A	2,582	400	2,982	Restaurant	1:100	30	
Okeano's (SOHO)	102B	1,443	157	1,600	Restaurant	1:100	16	
Vacant/SOHO Expansion	104	1,275	0	1,275	Restaurant	1:100	13	
Extreme Pits	103	1,300	0	1,300	Restaurant	1:100	13	
Mille Fleurs Florist	105	1,112	0	1,112	Retail	1:200	6	
Addison Café	108	2,000	0	2,000	Restaurant	1:100	20	
The Great Outdoors	110	2,300	272	2,572	Restaurant	1:100	26	33' 6" x 8' (34x8)
La Madeleine	112	5,840	616	6,456	Restaurant	1:100	65	44' 3" x 137" (44x14)
Café Gecko	118	2,440	364	2,804	Restaurant	1:100	29	25' 10" x 14' (26x14)
The Consignment Store	122	14,925	0	14,925	Furniture Store	1:1000	15	
Momo's Pasta	132	3,000	0	3,000	Restaurant	1:100	30	No Patio
Vacant	134	3,000	0	3,000	Retail	1:200	15	
Vacant	136	6,000	0	6,000	Retail	1:200	30	
Vemon's Grille	142	3,500	0	3,500	Restaurant	1:100	35	No Patio
Chow Thai Restaurant	144	3,500	0	3,500	Restaurant	1:100	35	No Patio-57' 9" x 9' (west) & 45' 6" x 9' (north) less
Logan's On The Belt	150	5,200	918	6,118	Restaurant	1:100	62	brick columns. (used 57x9 & 45x9)
K. Ratan/Logan's Expansion	151	1,800	<del>0</del> 252	<del>1,800</del> 2,052	Restaurant	1:100	<del>18</del> 20	
Weight Watchers	156	1,517	0	1,517	Retail	1:200	8	
Planned Parenthood	158	999	0	999	Office	1:300	4	
Joe's Keys/Alpha Lock	100	168	0	168	Retail	1:200	1	
Amedo's Restaurant	114	5,200	560	5,760	Restaurant	1:100	58	27' 5" x 19' 11" (28x20)
Raymond Stark Salon	152	1,984	0	1,984	Retail	1:200	10	
Smart Learning	168A	25,275	0	25,275	Office/SRVC	1:300	84	
Vacant/Second Floor	168B	23,745	0	23,745	Office/SRVC	1:300	79	
<b>Total Parking Required</b>		120,105	3,287	123,392				<del>702</del> 704

**Total Number of Spaces Provided** 741  
**Total Number of Accessible Spaces Provided** 21  
**Total Number of Accessible Spaces Required** 21

## Memorandum

Date: February 9, 2007  
To: Carmen Moran, Director of Development Services  
From: Slade Strickland, Director of Parks and Recreation  
Subject: Case 1535-SUP/Logan's on Belt Line

The landscaping in this center is in good condition. There are no conditions for approval at this time.

To: Carmen Moran, Director Development Services

From: Lynn Chandler, Building Official

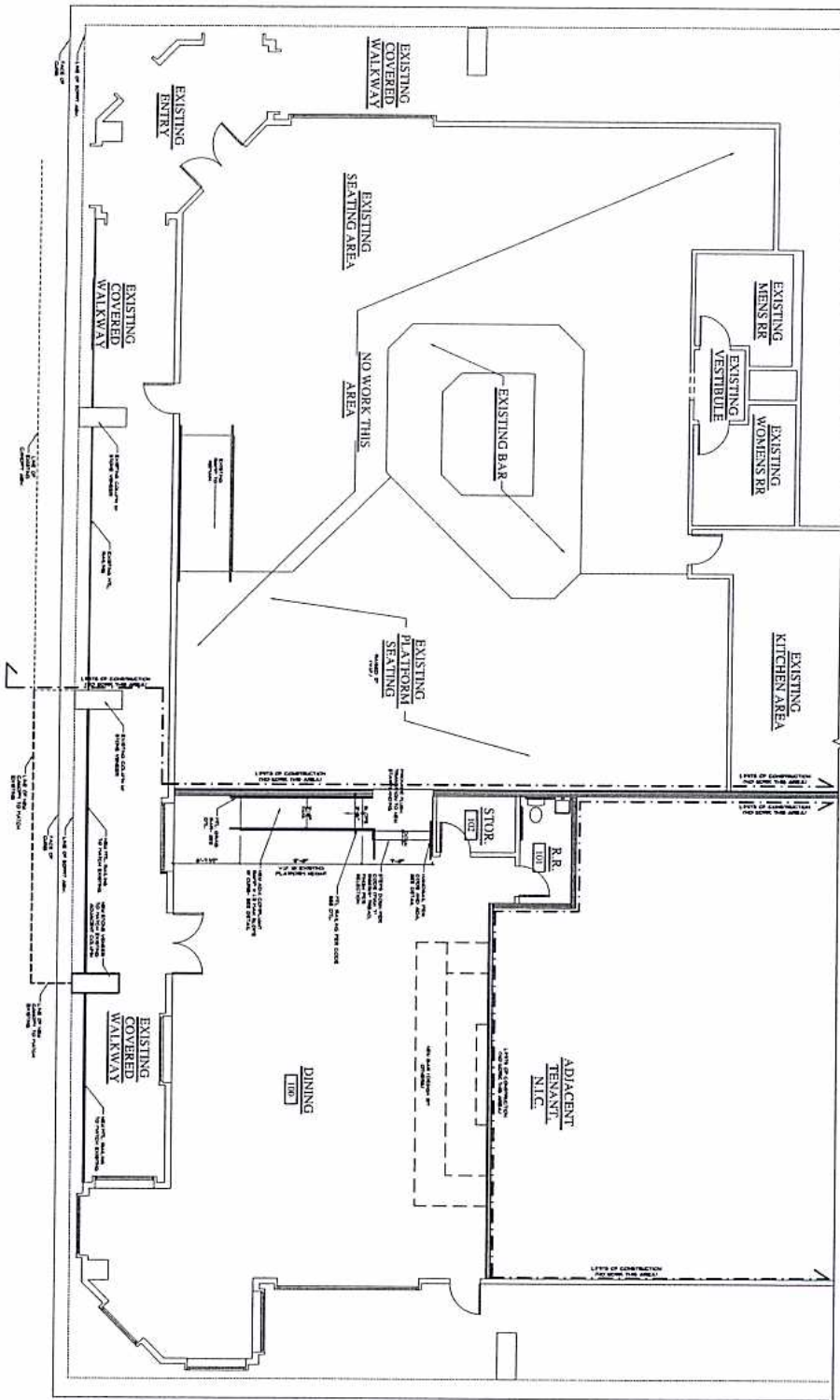
Date: February 2, 2007

Subject: Logan's Grill Addition

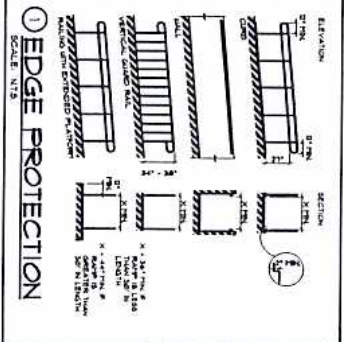
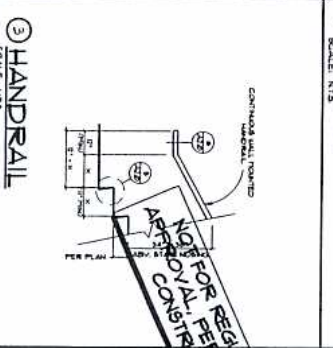
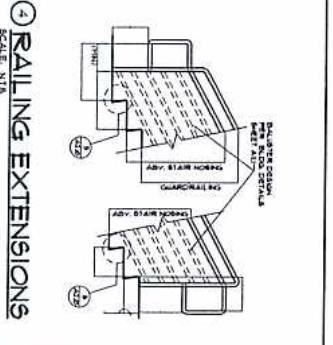
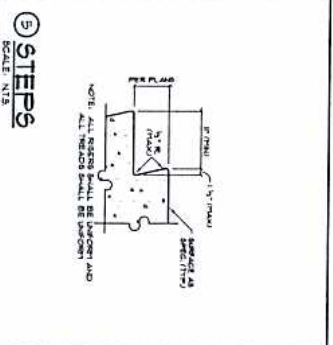
Fire sprinklers will be required unless the addition is separated from the rest of the building, including their existing space, with two hour rated occupancy separation walls. In addition all openings in the rated walls shall have 90 minute protection and all penetrations shall be properly fire sealed.

Two exits will be required from the new area and the exit doors shall open in the direction of egress. In addition the new fenced in patio area will need an additional exit gate.





**FLOOR PLAN**  
SCALE: 3/8" = 1'-0"



**GENERAL PLAN NOTES:**

1. INCLUDE THE ABOVE APPROVED MEASUREMENTS IN ALL CONSTRUCTION DOCUMENTS AS REQUIRED BY CODE.
2. PROVIDE THE ABOVE APPROVED MEASUREMENTS FOR ALL CONSTRUCTION DOCUMENTS AS REQUIRED BY CODE.
3. ALL DIMS TO BE VERIFIED IN FIELD.

LOGAN'S GRILL  
PROJECT NO. **A2.0**  
DATE: 07/23/13  
DRAWN BY: J. A. J. / J. A. J.  
CHECKED BY: J. A. J. / J. A. J.

LOGAN'S GRILL  
PRESTONWOOD PLAZA, SUITE 151  
5290 BELTLINE ROAD  
ADDISON, TEXAS

**CORNERSTONE GROUP ARCHITECTS**  
7000 Bee Caves Rd., Suite 200 Austin, Texas 78746 (512) 219-0007 FAX: (512) 219-0008 www.cgsaustin.com

**FLOOR PLAN**

Copyright © 2013 All Rights Reserved. These drawings are the sole property of Cornerstone Group Architects and may not be reproduced in any form, by any method, for any purpose without prior written permission.

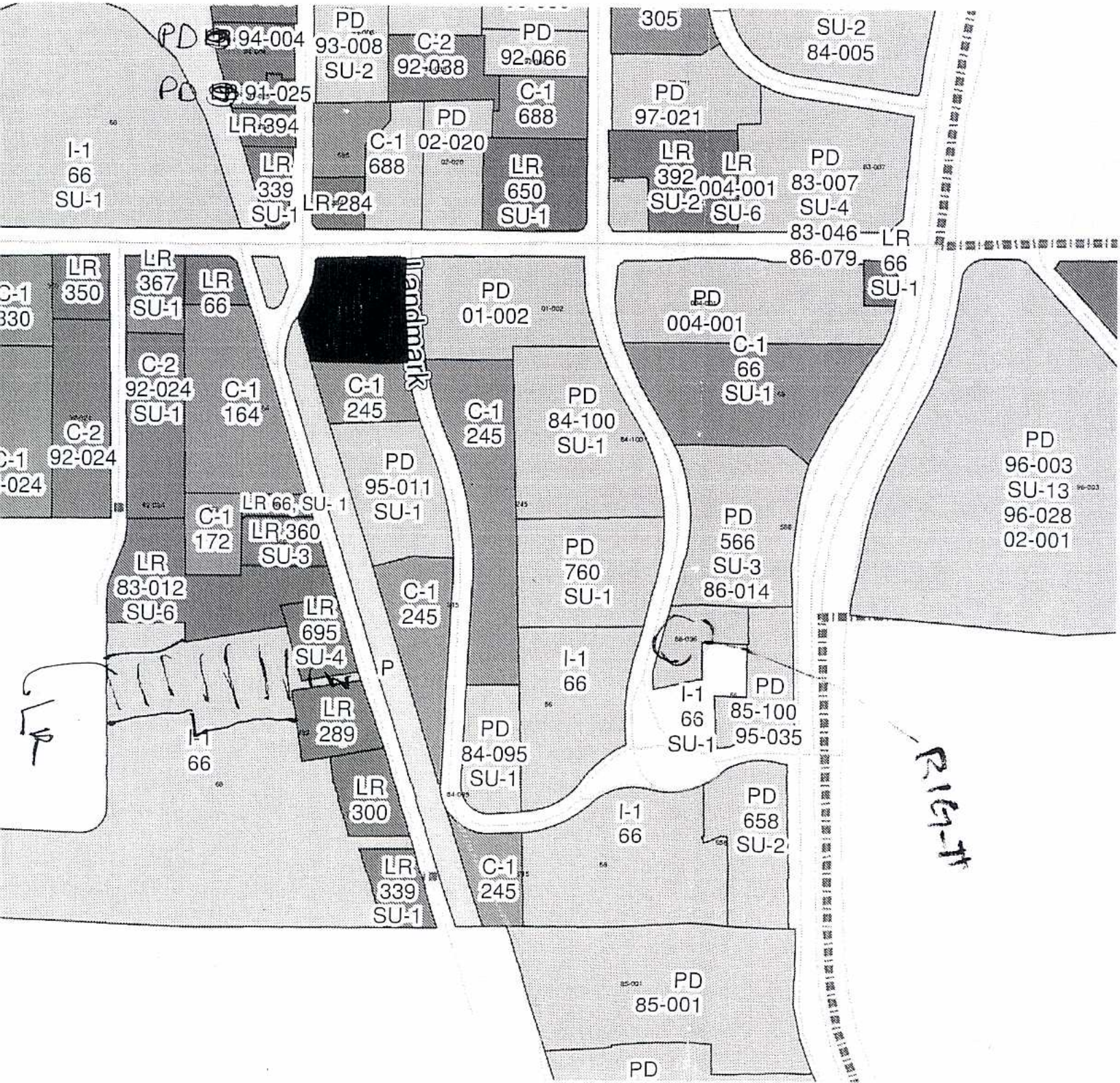


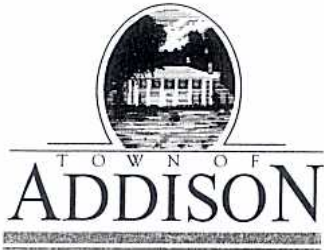
LOGAN'S GRILL EXTERIOR REMODEL

# 1536-SUP

#R9

Case 1536-SUP/Pho Que Huong. Requesting approval of a Special Use Permit for a restaurant, located at 4826 Belt Line Road (Inwood Quorum Village Shopping Center), on application from Pho Quo Huong, represented by Mr. Sonny Huynh.





February 16, 2007

STAFF REPORT

RE: Case 1536-SUP/Pho Quo Hung

LOCATION: 4826 Belt Line Road

REQUEST: Approval of a Special Use Permit for a restaurant

APPLICANT: Pho Quo Hung, represented by Mr. Sonny Huynh

DISCUSSION:

Background. This lease space is located in the Inwood Quorum Village at the southeast corner of Inwood Road and Addison Road. The center contains 30,153 square feet, which allows it to park all restaurant uses at the 1/100 ratio. There are several other restaurants in the center, which include. Benedict's, Purdy's, May Dragon, Mr. Sushi, ZuZu, and Stadium Café. In addition, there is one space on the west end of the center that has been approved, but not built, the Kebap House. There is one non-restaurant tenant in the center which occupies 1,600 square feet. At this time, the Pho Quo Hung Noodle House would like to occupy a 2,160 square foot lease space immediately east of the proposed Kebap House.

Proposed Plan. The floor plan shows a restaurant of 2,160 square feet. The restaurant is a fast-casual concept with food ordered at a counter. The restaurant provides seating for 76 customers at tables and 12 at a counter. It does not serve alcohol.

Facades. The applicant is not making any changes to the façade of the existing lease space.

Parking. The zoning ordinance contains a special parking requirement for shopping centers that are under 30,000 square feet **and** more than 40% leased to restaurant tenants. Those centers must provide parking for all restaurant tenants at a 1/70 ratio. This center, as noted above, is 30,153 square feet; therefore, it may provide parking for restaurant tenants at 1/100, even though it more than 40% leased to restaurant tenants.

The center was originally developed with 293 spaces. However, after the center was constructed, the state changed the specifications on the size of handicapped-accessible



spaces to make them larger. In addition, the Environmental Services staff requested the owner to install special washing stations for the washing of restaurant mats and other equipment. Through the years, changes in requirements on this property have caused the elimination of five spaces.

The staff feels that owners who build the required number of spaces, and then have them eliminated through no fault of their own, should have a limited amount of "grandfathering." Staff has also driven by the center on several occasions during the day and at night, and has noted that the center seems to always have sufficient parking. In addition, the staff has considered the size and type of restaurant being proposed. It is a small fast-casual space, which typically means a faster turn time for parking spaces. In addition, the restaurant is not proposing to serve alcohol, which should also result in a faster turn time for parking spaces. The staff also considered the fact that this restaurant will run more lunch and early dinner business, while Benedict's has more breakfast business than lunch business, and Stadium Café has more dinner than lunch business. The staff feels that the mix of restaurants in the center will allow each restaurant to still have sufficient parking.

The staff has previously dealt with the same situation in the two other shopping centers to the east of this center. The center immediately east, at 4950 Belt Line, changed to a PD in order to change its parking requirement for restaurant uses to 1/160. The center at 5000 Belt Line rezoned to a PD in order to change its parking requirement for restaurant to 1/180. It should be noted that those centers did not lose parking due to changes in state requirements; they simply wanted to have more restaurant tenants.

The owner has not requested a change to PD zoning for this center. However, staff feels that this one small restaurant could be accommodated without having to change the zoning on the entire property. Staff would recommend that this restaurant be approved with a condition in its Special Use Permit that the parking requirement for this restaurant be set at 15 spaces. Under that condition, the remaining 1,600 square-foot space could not be converted to a restaurant and Pho Que Huong could not be expanded, but it would be allowed to locate in this center.

Landscaping. The landscaping for this center is already in place and meets the requirements of the ordinance. However, Slade Strickland recommends that the owner of the center prune up the Live Oak trees on the northwest corner of the site. While the tree pruning is not required, it would allow better visibility into the center.

Food Service Code. This restaurant will require a grease trap, and the applicant should be advised that the restaurant will be subject to all regulations contained in the Addison Food Service Ordinance.

RECOMMENDATION:

Staff feels that there is a circumstance in this center that deserves special consideration. While the staff is not typically in favor of varying the parking requirements for Special Use Permits, it feels that some consideration should be given for the fact that an adequate number of spaces were provided, but were then eliminated through no fault of the property owner.

Staff recommends approval of the Special Use Permit for a restaurant subject to the following condition:

-the parking requirement for this restaurant shall be set at 15 spaces.

Respectfully submitted,

A handwritten signature in black ink that reads "CMORAN". The letters are stylized and connected, with a large "C" and "M" at the beginning.

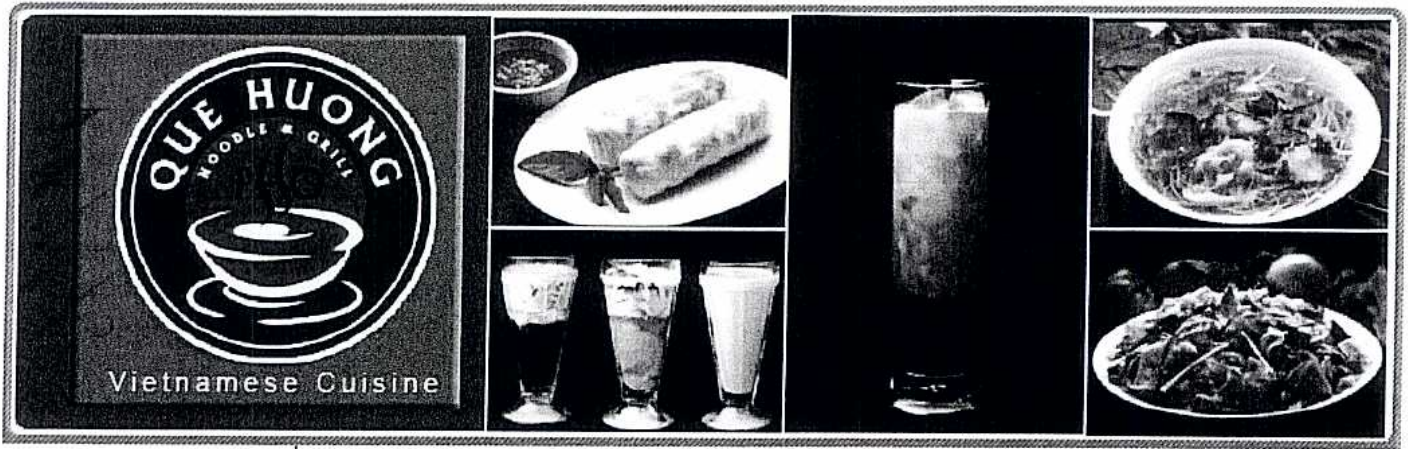
Carmen Moran  
Director of Development Services

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on February 22, 2007, voted to recommend approval of the request on application from Pho Quo Huong, subject to the following conditions:

-the parking requirement for this restaurant shall be set at 15 spaces.

Voting Aye: Bernstein, Chafin, Daseke, Gaines, Jandura, Meier, Wood  
Voting Nay: None  
Absent: None



## Great Eating Adventures

... It's Nutritious and health and it's more than just noodle soup!

- Home**
- menu**
- Locations**
- News**
- Franchise**
- Contact Info**

PHO is the most famous Vietnamese meal. It has all the qualities a healthy eater would look for - a fresh, natural, well balanced meal that is always delicious. PHO, a uniquely Vietnamese creation, dates back to the 10th century and means "Noodle Soup". QUE HUONG means "Native Village". We aim to create healthy home-style food for you and your family.

Preparing PHO is culinary art and at PHO QUE HUONG we use only the finest beef and many natural spices to give our rich flavorful broth that unique aroma and taste which can only be described as IRRESISTIBLE.

PHO, though traditionally eaten for breakfast, makes a light and satisfying lunch or dinner. You will be served a bowl of golden broth with rice noodles and your choice of beef. We garnish the soup with coriander and onions and you can add basil leaves, bean sprouts, fresh lime and even jalapeno to suit your own unique taste.

At PHO QUE HUONG, we don't just serve PHO. We also have a variety of Vietnamese delicacies such as grilled chicken, beef or pork chop on steamed rice. If you want something light and healthy, we also recommend the delicious grilled chicken & shrimp over vermicelli with our special sauce. Also try our fresh spring rolls with shrimp or vegetarian spring roll.

For refreshments, we have Vietnamese iced coffee with condensed milk, a real treat, and delicious Vietnamese deserts.

PHO QUE HUONG has been awarded by the DALLAS MORNING NEWS.

At PHO QUE HUONG you will experience how delicious PHO can be!

**PHO QUE HUONG since 1994**

Pho Que Huong © 2006 | Designed and hosted by Sundial Technology, INC.

## Memorandum

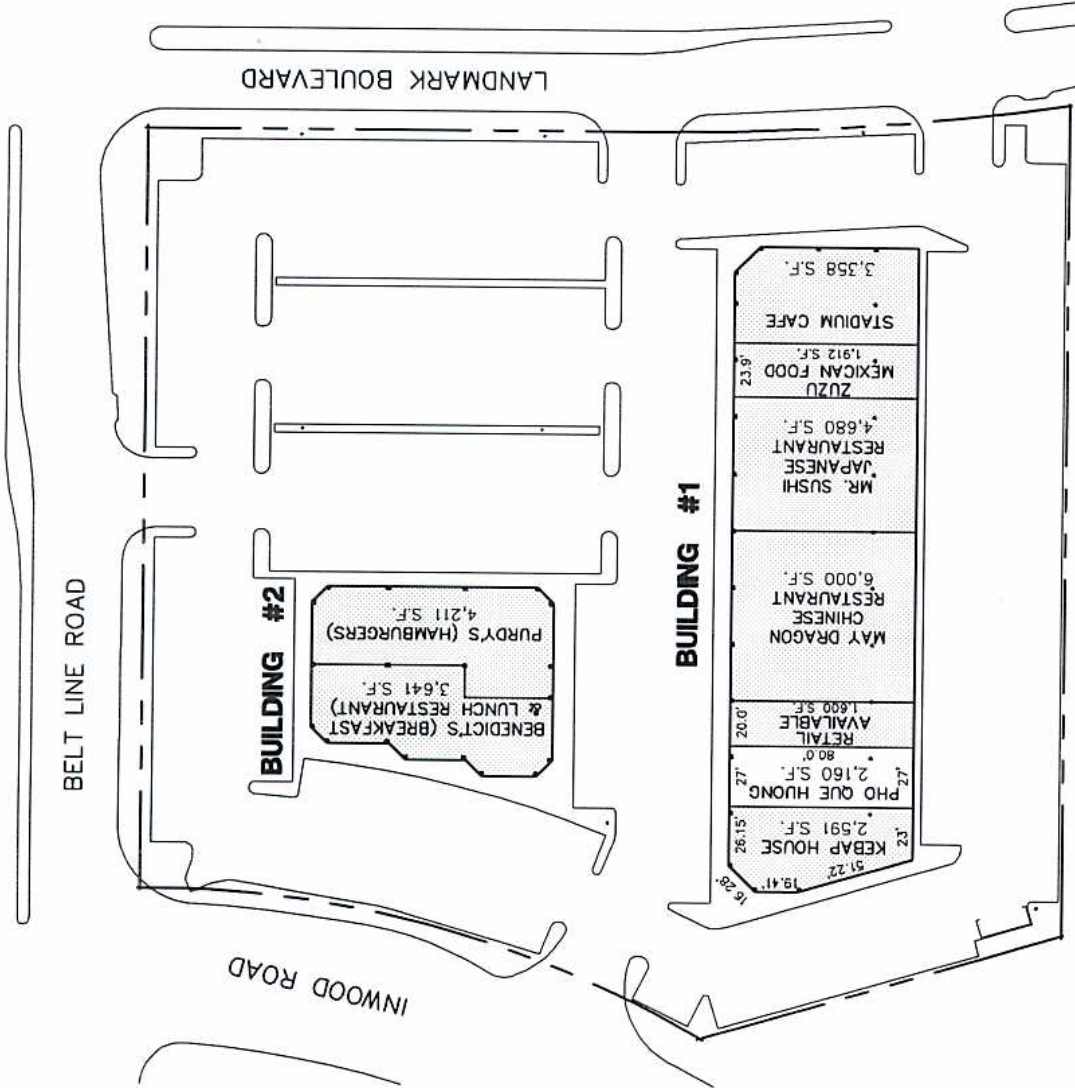
Date: February 9, 2007  
To: Carmen Moran, Director of Development Services  
From: Slade Strickland, Director of Parks and Recreation  
Subject: Case 1536-SUP/Pho Que Huong

The landscaping at this center is in good condition. We recommend that the live oaks on the northwest corner of the site be pruned to remove some of the lower limbs. This will help prevent truck traffic from hitting the limbs when turning right on Belt Line Road from Inwood Road. The lower limbs on all of the live oaks on this property could use some trimming, which will allow better visibility into the center.

# INWOOD QUORUM VILLAGE

ADDISON, TEXAS

PESKIND DEVELOPMENT COMPANY  
P.O. BOX 835183  
RICHARDSON, TEXAS 75083-5183  
PHONE: (972) 980-0080



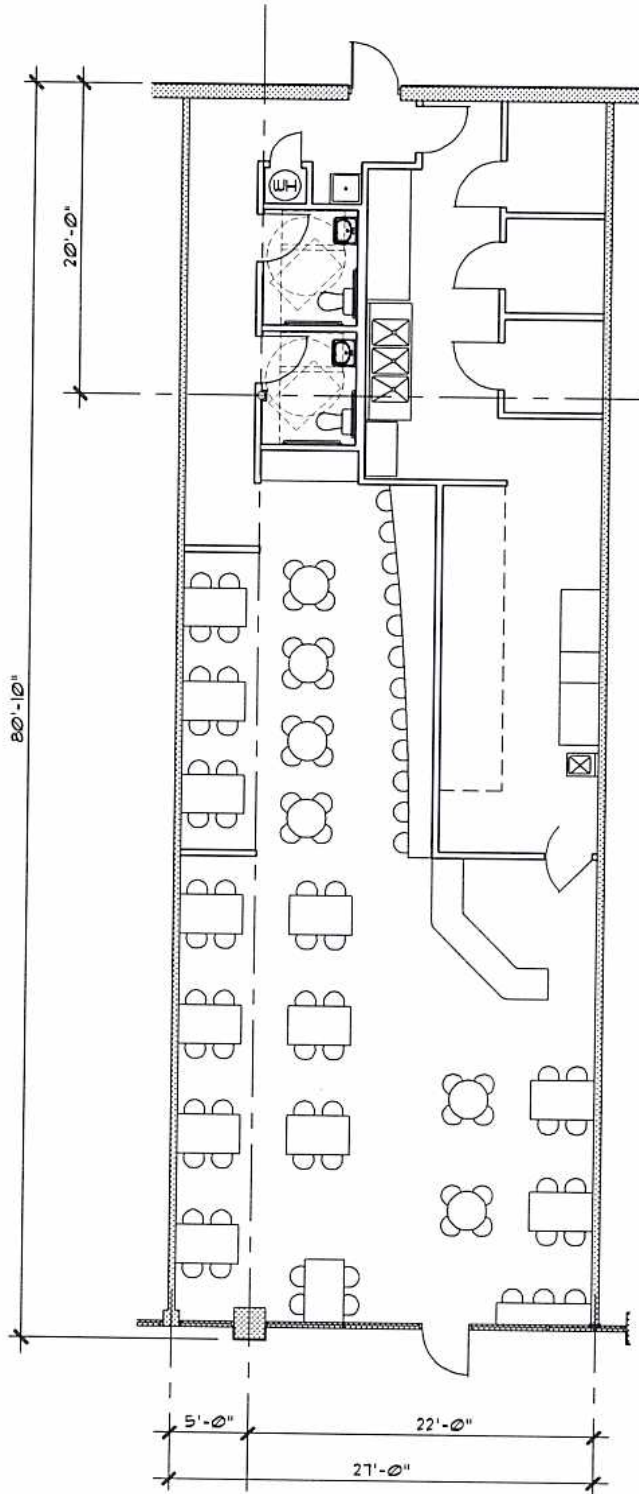
## TABULATION

SITE AREA:	145,661 SQ FT
GROSS BLDG. AREA: BLDG. #1	22,301 SQ FT
BLDG. #2	7,852 SQ FT
TOTAL GROSS BLDG. AREA:	30,153 SQ FT

EXISTING TENANTS AS SHOWN MAY CHANGE. DUMPSTER ENCLOSURE AREAS, TXU TRANSFORMERS, OUTSIDE MAT WASHING AREA, ETC. ARE NOT SHOWN.



EXHIBIT "A"



NOTE: SHADED WALLS ARE EXISTING

## PRELIMINARY FLOOR PLAN

SCALE: 1/8" = 1'-0"

2,160 S.F.

**4826 BELTLINE ROAD**

**Council Agenda Item: #R10**

**SUMMARY:**

We are recommending that the Council approve a contract with Ratliff Hardscape totaling \$155,584.00 for replacement of 1,815 feet of perimeter screening wall along Beltway Drive (Chatham Court Subdivision) and Les Lacs Drive (Grand Homes Subdivision). The attachments include aerial photos of the project locations and a bid tabulation.

Hardscape Construction Specialties submitted the lowest bid; however, staff believes it is in the town's best interest to release them from their bid and proceed with Ratliff whose bid was consistent with the engineer's estimate. Hardscape was agreeable after they found a significant miscalculation in their brick quantity estimate.

**FINANCIAL IMPACT:**

Construction Budget: **\$274,000.00**

Cost: **\$155,584.00**

This is a budgeted item in the parks operations budget.

**BACKGROUND:**

This is the second phase of perimeter residential screening wall replacement in the Les Lacs area. The first phase was completed by Ratliff in 2004, which included replacement of the wall along Marsh Lane on the west side of the Chatham Court Subdivision and along Proton Drive. This project will address the walls on the north and east sides of Chatham Court, and the entire perimeter wall on the north side of the Grand Homes Subdivision.

The project will consist of removing the existing deteriorating walls and replacing them with new walls with the intention of using the existing concrete pier footings. Some deteriorated concrete mow strips will also be replaced.

Reedcon Engineering provided the engineering services that included evaluation of repairing or reconstructing the screening walls based on the level of structural/aesthetic damage. Their analysis concluded that the wall damage was caused by the inability of the wall panel sections to float during ground movement or heavy wind loads, due to being rigidly connected during the original construction in 1991. In addition, they visually inspected the existing concrete piers and footings, and found most of them to be structurally sound. The bid includes replacement of 15 concrete piers and footings in case deteriorated footings are encountered when the existing wall is removed.

Reedcon will provide inspection services to insure that the construction methods are carried out according to the plans to prevent the problem from occurring again.

Before wall demolition begins, temporary chain link screen fencing will be placed behind the homes affected to provide privacy when the existing wall is removed. Staff will hold neighborhood meetings to familiarize residents with the project and the construction timeline. Advance notices were mailed to each of the residents earlier this year on the proposed bidding and construction schedule. The construction should be completed in 75 calendar days, or approximately June 2007.



**RECOMMENDATION:**

Ratliff has successfully completed projects with Addison and extensive masonry wall construction and repairs for the City of Plano. Having completed the project in Addison in 2004, Ratliff understands the time sensitivity and the attention to detail necessary when construction is occurring so close to residents homes. Staff recommends approval.

**Beltway Drive & Les Lacs Avenue Screening Wall Reconstruction  
Bid No. 07-05**

**DUE: February 22, 2007**

**9:00 AM**

BIDDER	Signed	Bid Bond	Total Bid
Hardscape Construction	y	y	\$116,422.31
Ratliff Hardscape, Ltd.	y	y	\$155,584.00

*Shanna N. Sims*

---

Shanna N. Sims, Strategic Services Manager

*Katie Roller*

---

Witness

#R10-  
NORTH



#R10-  
SOUTH



**Council Agenda Item # ES1**

**There are no attachments for this item.**

**Council Agenda Item: #R11**

**SUMMARY:**

Consideration and approval to authorize the City Manager to approve a payment to Thielsch Engineering including 50% of Retainage and Change Order No. 2, for necessary additions as constructed on the Addison Airport Bulk Fuel Storage Facility.

**Council Agenda Item: #R12**

**SUMMARY:**

Consideration and approval to authorize the City Manager to approve Change Order No. 3, for corrective measures to make the Addison Airport Bulk Fuel Storage Facility operational.

**Council Agenda Item: #R13**

**SUMMARY:**

Consideration and approval to authorize the City Manager to execute a supplemental agreement to the Engineering Services Agreement with Robert and Company, Inc., for construction management services related to the Addison Airport Bulk Fuel Storage Facility.



**Council Agenda Item: #R14**

**SUMMARY:**

Discussion and consideration of any additional or further action to be taken regarding and relating to the Addison Airport fuel farm and its construction.