

DRAFT

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL MEETING & WORK SESSION

August 14, 2018

Addison Town Hall, 5300 Belt Line Rd., Dallas, TX 75254
5:00 p.m. Executive Session & Work Session
7:30 Regular Meeting

Present: Mayor Joe Chow; Mayor Pro Tempore Paul Walden; Deputy Mayor Pro-Tempore Tom Braun; Councilmember Ivan Hughes; Councilmember Lori Ward; Councilmember Guillermo Quintanilla; Councilmember Marlin Willesen

1. **CLOSED (EXECUTIVE) SESSION:**

The Addison City Council will conduct a Closed Executive Session pursuant to Section 551.071, Tex. Gov. Code, to conduct a private consultation with its attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Tex. Gov. Code, pertaining to:

- The ponds or lakes at Vitruvian Park located within the vicinity and east of the intersection of Vitruvian Way and Ponte Ave., and Farmers Branch Creek; and
- Budget Suites of America located at 15130 Marsh Lane, Addison, Texas, 75001

Mayor Chow convened the City Council into Closed Executive Session at 5:05 pm.

2. **RECONVENE INTO REGULAR SESSION:**

In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matters discussed in Executive Session.

Mayor Chow reconvened the City Council into Regular Session at 7:05 pm. NO ACTION TAKEN.

WORK SESSION

3. **Present and Discuss an Update on the Final Design and Updated Cost Estimate of the Combined U.S. Customs and Border Protection Federal Inspection Station and Airport Administration Office Facility located at 4545 Jimmy Doolittle Drive.**

PRESENTATION: Infrastructure & Development Services Director Lisa Pyles - On April 24, 2018, Council approved the design of the U.S. Customs and Border Protection Federal Inspection Station combined with the Airport Administration offices to be located at 4545 Jimmy Doolittle Drive near the intersection of Keller Springs Road and Addison Road. Page Southerland Page, Inc., (Page) was engaged to design the combined facility. Design Development and Cost Estimate Update have been completed, with Construction Documents Phase now underway. The updated timetable for this project is as follows:

- August 2018 - Demolition package to be advertised
- October 2018 – Public hearing: Council considers resolution authorizing Notice of Intent Publication for Certificates of Obligation
- October 2018 - Construction documents complete
- October 2018 - Construction advertised on BidSync
- November 2018 – First and Second Publication of Notice of Intent to Issue Certificates of Obligation
- December 2018 - Public hearing: Council considers adoption of Bond Ordinance and approval of sale
- January 2019 - Construction to begin - 18 months duration

Work has begun on the construction documents and the interior and exterior materials have been selected. Staff and Page updated the Council on the final design and the latest cost estimates. The cost estimates (see below) that have been updated since the schematic design phase. The estimated cost of the facility has increased from \$6,186,248 to \$6,239,193, a difference of \$52,945, or a .85% increase. The primary elements that have increased are the concrete cost and systems such as plumbing and electronic safety and security. Other elements estimates have decreased such as HVAC and communications.

Preliminary Design Development Facility Costs

Scope	7/11/2017 Council Presentation	3/26/2018 Schematic Design Preliminary Cost Estimate	7/27/2018 Design Development Preliminary Cost Estimate
Facility + Landside Site Work	\$4,210,721	\$4,428,760	\$4,481,705
Airfield Improvements	\$1,445,000	\$880,400	\$880,400
Construction Subtotal	\$5,665,721	\$5,309,160	\$5,362,105
Demolition	\$180,486	\$516,650	\$516,650
Furniture	Not Included	\$275,738	\$275,738
Equipment	Not Included	\$84,700	\$84,700
Facility Grand Total	\$5,836,207	\$6,186,248	\$6,239,193

NOTE: Facility and site costs (airside and landside) include 3.6% escalation and 10% contingency.
Site costs include all landside elements outside the building footprint – utilities, driveway, parking, sidewalks, landscaping and fencing.

The presentation will also include the floor plans of both the Customs and Airport office spaces

and artist renderings of the exterior and interior spaces. There have been no changes to the previous rendition presented to Council. **COUNCIL COMMENTS:** Mayor Chow commented on the abbreviation of Texas – “TX” shown on the side of the building. He prefers that Texas be spelled out.

4. **Present and Discuss the Findings of the Addison Circle/Cotton Belt Special Area Study.**

PRESENTATION: Infrastructure & Development Services - In November 2017, the City Council approved a contract with Kimley-Horn and Associates, Inc. to facilitate a special area study for two areas adjacent to Addison Circle. The first area includes the properties adjacent to the Cotton Belt Rail Line consisting of approximately 29 acres. The second area includes the 8 acres abutting Addison Circle on the east side of Addison Road from Airport Parkway to Morris Avenue.

During the study process, the consultant and staff completed a strategic assessment of the study area to review existing conditions, identify opportunities and constraints, and conduct a high-level market analysis. The team received stakeholder and community input using stakeholder interviews, four committee meetings, and two community workshops. As part of the study process, the consultant developed two alternatives for the study area for consideration before crafting a preferred development concept based on the committee and community feedback.

Staff and the consultant will present the findings of the study to the Council and answer any questions. Additionally, the full draft report on the study is attached. The report describes the study process, discusses the strategic assessment of the study area, details the proposed vision statement, guiding principles and the preferred development concept, and establishes an implementation plan for the study area. Should Council approve of the study findings, staff will begin the process of formally amending the Comprehensive Land Use Plan. Short question and period followed. **COUNCIL COMMENTS:** No action to be taken at this time. Staff to proceed to finalize.

REGULAR MEETING

Pledge of Allegiance

Announcements and Acknowledgements regarding Town and Council Events and Activities. Discussion of Events/Meetings

Public Comment: *The City Council invites citizens to address the City Council on any topic not on this agenda. Please fill out a **City Council Appearance Card** and submit it to a city staff member prior to Public Participation. Speakers are allowed **up to three (3) minutes per speaker** with **fifteen (15) total minutes** on items of interest or concern and not on items that are on the current agenda. In accordance with the Texas Open Meetings Act, the City Council cannot take action on items not listed on the agenda. The Council may choose to place the item on a future agenda.*

No citizens requested to address the City Council on any item not on the agenda.

Consent Agenda

All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.

5. **Consider Action to Approve the July 10, 2018 Regular Meeting Minutes.**
6. **Consider Action to Approve a Resolution to Give Consent to the Proposed Second Amendment to the Ground Lease to Concourse Plaza II, LTD., for the Real Property Located at 16051 Addison Road at Addison Airport, at the Far East End of Taxiway Sierra, and Authorize the City Manager to Execute the Agreement.**
7. **Consider Action to Approve a Resolution for a Non-Exclusive Food and Beverage Vending Agreement with the Crowne Plaza Hotel and Authorize the City Manager to Execute the Agreement to Provide Food and Beverage Services to Event Patrons at Oktoberfest 2018.**
8. **Consider Action to Approve a Resolution for a Non-Exclusive Food and Beverage Vending Agreement with The Taste of Cuba Food Truck and Catering, LLC and Authorize the City Manager to Execute the Agreement to Provide Food and Beverage Services to Event Patrons at Oktoberfest 2018.**
9. **Consider Action to Approve a Resolution for a Non-Exclusive Food and Beverage Vending Agreement with Prime Steak Management, Inc. DBA Chamberlain's Brau Haus and Authorize the City Manager to Execute the Agreement to Provide Food and Beverage Services to Event Patrons at Oktoberfest 2018.**
10. **Consider Action to Approve a Resolution for a Non-Exclusive Food and Beverage Vending Agreement with Marriott Quorum Hotel and Authorize the City Manager to Execute the Agreement to Provide Food and Beverage Services to Event Patrons at Oktoberfest 2018.**
11. **Consider Action to Approve a Resolution for an Events Sponsorship Agreement with DCO Reality, Inc., (UDR) for the Purposes of Sponsoring Events at Vitruvian Park to Include, but not limited to, Vitruvian Nights Live, Vitruvian Salsa Nights and the Vitruvian Holiday Lights Display and Authorize the City Manager to Execute the Agreement in an Amount not to Exceed \$185,000 for Fiscal Year 2018.**

Mayor Chow called for any requests to remove Items from *CONSENT AGENDA* for separate discussion. There were no requests. Mayor Chow called for a motion.

MOTION: Mayor Pro-Tempore Walden moved to approve *CONSENT AGENDA* Items 5 thru 11 as presented. Council Member Ward seconded the motion. Motion carried unanimously.

Resolution No. R18-60: Give Consent to the Proposed Second Amendment to the Ground Lease to Concourse Plaza II, LTD., 16051 Addison Road at Addison Airport, at the Far East End of Taxiway Sierra

Resolution No. R18-61: Non-Exclusive Food and Beverage Vending Agreement with the Crowne Plaza Hotel - Oktoberfest 2018.

Resolution No. R18-62: Non-Exclusive Food and Beverage Vending Agreement with The Taste of Cuba Food Truck and Catering, LLC - Oktoberfest 2018.

Resolution No. R18-63: Non-Exclusive Food and Beverage Vending Agreement with Prime Steak Management, Inc. DBA Chamberlain's Brau Haus - Oktoberfest 2018.

Resolution No. R18-64: Non-Exclusive Food and Beverage Vending Agreement with Marriott Quorum Hotel - Oktoberfest 2018.

Resolution No. R18-65: Events Sponsorship Agreement with DCO Reality, Inc., (UDR) for Sponsoring Events at Vitruvian Park to Include, but not limited to, Vitruvian Nights Live, Vitruvian Salsa Nights and the Vitruvian Holiday Lights Display - Amount not to Exceed \$185,000 for Fiscal Year 2018.

REGULAR ITEMS

12. **Hold a Public Hearing, Present, Discuss, and Consider Action on an Ordinance Changing the Zoning on Property Located at 4535 Belt Line Road, formerly Macaroni Grill, which Property is Currently Zoned PD, Planned Development, through Ordinance 089-015, by Approving a Special Use Permit for a Restaurant with the Sale of Alcoholic Beverages for On-Premises Consumption Only, in Order to Allow for Revised Development Plans. Case 1780-SUP/Lupe Tortilla.**

Assistant Director of Development Services Charles Goff presented Case 1780-SUP/Lupe Tortilla for Council consideration. This site was previously operated as Romano's Macaroni Grill. The restaurant was constructed in 1990 and subsequently expanded in 1998 to add an interior bar and an exterior patio. In 2014, the SUP was amended to approve an extensive renovation necessary to convert the building to Brick House Tavern and Tap, which ultimately did not come to fruition. The property is currently zoned as Planned Development (PD) through Ordinance 089-015.

The applicant is proposing to convert the building to Lupe Tortilla. Lupe Tortilla is a Mexican restaurant with multiple locations centered around the Houston, Austin, and San Antonio areas. This would be their first North Texas location, with a second planned in Las Colinas.

- *Proposed Plan:* The existing restaurant space is 8,991 square feet, which includes an existing exterior patio of 761 square feet. The applicant is proposing to renovate and expand the existing building and patio area to a total of 9,073 square feet. The interior dining space is proposed at 8,282 square feet and seats a total of 281 people, and the outdoor patio space is 790 square feet and seats 50 people. Because the applicant is proposing to increase the total square footage of this restaurant space, relocate and expand the bar area, and revise the site plan and building elevations, these actions require a new Special Use Permit.

- *Site Plan:* The site plan has been amended to show the additional 82 square feet of the building footprint, which includes the patio expansion as well as expansion and relocation of the bathroom area, which would now align with the existing northernmost edge of the building. The site plan also shows additional parking and landscaping improvements.
- *Landscaping:* As a redevelopment site, the property does not meet the Town's current landscape requirements and there are limitations in meeting these requirements without losing required parking spaces. The applicant has worked with staff to retain most of the existing landscape coverage while adding additional landscaping where possible to meet as many of the requirements as feasible. The submitted landscape plan provides 15.7% site coverage for landscaping, which is slightly more than the existing 15.5%. The Parks Department has reviewed the landscape plans and deemed this sufficient given the existing site constraints.
- *Building Elevations:* Ordinance 089-015 requires at least 80% of the exterior walls of all structures to be of masonry construction, with the front and side walls of the building to be of brick or stone veneer. Because the existing building is constructed primarily of stucco, with some brick and stone veneer elements, staff instructed the applicant that any new additions to the exterior walls must comply with the above masonry requirements. The submitted façade plans show new stone and brick veneer additions, while the remainder of the façades maintain the existing stucco material.
- *Parking:* The proposed restaurant including the patio, is 9,073 square feet, which requires a total of 130 parking spaces, at a ratio of one parking space per 70 square feet. The proposed site plan shows 130 provided parking spaces.

Staff believes that redeveloping this currently vacant building will be a positive contribution to the surrounding area. Furthermore, the building additions and site improvements attempt to move the site toward compliance with the existing zoning requirements. The Addison Planning and Zoning Commission, meeting in regular session on July 17, 2018, voted to recommend approval the Special Use Permit for a restaurant with the sale of alcoholic beverages for on-premises consumption only, in order to allow for revised development plans, with the following condition: the applicant shall not use any terms or graphic depictions that relate to alcoholic beverages in any exterior signage. Staff recommends approval by the City Council.

Mayor Chow commented that this facility has been the location of several restaurants in the past. Mayor Pro-Tempore Walden asked if Staff was familiar with the company and if their businesses were successful. Mr. Goff reported that Lupe Tortilla is a Mexican restaurant with multiple locations centered around the Houston, Austin, and San Antonio areas. This would be their first North Texas location, with a second planned in Las Colinas. By all indications the restaurant chain is popular enterprise.

Mayor Chow commented that this facility has been the location of several restaurants in the past. Mayor Pro-Tempore Walden asked if Staff was familiar with the company and if their businesses were successful. Mr. Goff reported that Lupe Tortilla is a Mexican restaurant with multiple locations centered around the Houston, Austin, and San Antonio areas. This would be their first North Texas location, with a second planned in Las Colinas. By all indications the restaurant chain is popular enterprise.

City Manager Pierson stated the Council has discussed how do we start to trigger the implementation of the Master Transportation Plan when you have properties that do not conform. We have talked about the need to do that, but not how do we want to do that. That decision has not been made. City Attorney McDonald added that she would like to provide a legal opinion in Executive Session on the implementation of a Master Transportation Plan and how it impacts a zoning case.

Deputy Mayor Pro-Tempore Braun concurred with Ms. McDonald that the Council does need to have that conversation, this issue has been ongoing. He added that the Master Transportation Plan was recently discussed during the Beltline Beautification Plan and efforts needed to carve out areas for bus stops. In some cases, the language in the easement does not allow the addition of these types of improvements but only provides the use for utilities. Ms. McDonald advised there is a process to acquire easement apply our easement right. She opined that this zoning case would not be the appropriate place to do insert this stipulation.

Mayor Chow noted this is a Public Hearing and called for any questions and/or comments from the audience on this agenda item. There were no such questions. Mayor Chow called for a motion.

MOTION: Council Member Hughes moved to adopt ***Ordinance No. 018-24*** Changing the Zoning on Property Located at 4535 Belt Line Road, formerly Macaroni Grill, which Property is Currently Zoned PD, Planned Development, through Ordinance 089-015, by Approving a Special Use Permit for a Restaurant with the Sale of Alcoholic Beverages for On-Premises Consumption Only, in Order to Allow for Revised Development Plans. Case 1780-SUP/Lupe Tortilla. Deputy Mayor Pro-Tempore Braun seconded the motion. Motion carried unanimously.

13. Hold a Public Hearing, Present, Discuss and Consider Action on an Ordinance Changing the Zoning on Property Located at 5000 Belt Line Road, Suite 850, at the Southwest Corner of Dallas North Tollway and Belt Line Road, which Property is Currently Zoned PD, Planned Development, Through Ordinance 004-001, by Approving a Special Use Permit for a Restaurant with the Sale of Alcoholic Beverages for On-Premises Consumption Only, in Order to Allow an Additional Restaurant Concept and Floor Plan Revision within the Existing Restaurant. Case 1781-SUP/Cinco Tacos Cocina & Tequila and 67 Street Food.

Assistant Director of Development Services Charles Goff presented this item for Council consideration. After reading the Ordinance Caption Mayor Chow noted the word “Tequila” in the restaurant’s name. He asked how this was allowed within the Town. Mr. Goff provided a brief synopsis of this business related to this Special Use Permit.

Background: This restaurant space is currently operating as Cinco Tacos Cocina & Tequila, previously approved as La Zaranda in 2011. The restaurant is part of the Addison Walk shopping center, which is zoned as Planned Development (PD) through Ordinance 004-001. The applicant is proposing to renovate a small portion of the existing interior space to introduce a second restaurant concept, 67 Street Food. Both Cinco Tacos and 67 Street Food will operate out of the same suite, under the same Certificate of Occupancy, and under one operator, and will be regulated

under one Special Use Permit.

Proposed Plan: The existing restaurant space is 7,201 square feet. This includes an exterior patio of 1,292 square feet. The interior space currently consists of one bar area and two dining areas. The applicant is proposing to maintain the same overall square footage but would like to renovate one of the existing dining areas, a total of 800 square feet, to create a new restaurant concept, 67 Street Food that would include a bar. The interior dining space for Cinco Tacos will now seat a total of 114 people inside and 60 on the patio. 67 Street Food will seat a total of 52 people. Revising the floor plan and adding a second bar area requires a new Special Use Permit.

Site Plan: There are no site plan changes proposed as part of this request.

Landscaping: There are no landscape plan changes proposed as part of this request.

Building Elevations: The submitted façade plan shows a new door as the entrance to 67 Street Food, to the right of the existing double door, which will remain as the entrance for Cinco Tacos. The rest of the facades remain unchanged.

Parking: The existing restaurant space, inclusive of the patio area, is a total of 7,201 square feet, which require a total of 45 parking spaces, at a ratio of one parking space per 160 square feet. The shopping center requires 460 parking spaces and provides a total of 509 parking spaces. There is sufficient parking on this site.

The proposal is an interior renovation of an existing restaurant space, which has been operating in this location for over seven years but has struggled. Adding the second concept is intended to help them improve their business. From a regulatory standpoint, this will remain one space operated together under one certificate of occupancy and one Special Use Permit. This set up is necessary because they both utilize the same kitchen and restroom facilities. Staff recommends approval of the request subject to no conditions.

Staff is not including the typical condition regarding the use of terms or graphic depictions relating to the sale of alcoholic beverages because the City Council previously revised this Special Use Permit specifically to remove this requirement to allow them to use such terms, including “tequila.” Mayor Chow asked when this condition was removed. Mr. Goff stated that this was approved by a previous Council prior to 2011. Mayor Chow added that he was against approving this Ordinance unless the word “tequila” was removed. He expressed concern that the Town was not following established laws consistently. Council Member Hughes commented that the Planning & Zoning Commission had addressed this as well. The Commission felt that this was the time to add the ‘condition’ to comply with the current Code. Mr. Goff reported that a SUP followed the property.

The Addison Planning and Zoning Commission, meeting in regular session on July 17, 2018, voted to recommend approval of an ordinance changing the zoning on property located at 5000 Belt Line Road, Suite 850, which property is currently zoned PD, Planned Development, through Ordinance 004-001, by approving a Special Use Permit for a restaurant with the sale of alcoholic beverages for on-premises consumption only, in order to allow an additional restaurant concept and floor plan revision within the existing restaurant, with the following condition: ‘the

applicant shall not use any terms or graphic depictions that relate to alcoholic beverages in any exterior signage.’

The restaurant owner, Mario Letayf, addressed the City Council during the Public Hearing and advised he had no issues with the addition of the condition. Originally, the addition of the word ‘Tequila’ was to distinguish the restaurant as authentic Mexican Food and not the Tex-Mex type food. Council asked the owner various questions about this new restaurant concept. There being no further questions, comments during the Public Hearing, Mayor Chow closed the Public Hearing and called for a motion.

MOTION: Deputy Mayor Pro-Tempore Braun moved to adopt **Ordinance No. 018-25** Changing the Zoning on Property Located at 5000 Belt Line Road, Suite 850, at the Southwest Corner of Dallas North Tollway and Belt Line Road, which Property is Currently Zoned PD, Planned Development, Through Ordinance 004-001, by Approving a Special Use Permit for a Restaurant with the Sale of Alcoholic Beverages for On-Premises Consumption Only, in Order to Allow an Additional Restaurant Concept and Floor Plan Revision within the Existing Restaurant. Case 1781-SUP/Cinco Tacos Cocina & Tequila and 67 Street Food. Council Member Willesen seconded the motion. Motion carried unanimously.

14. Present, Discuss, and Consider Action on an Ordinance Amending Chapter 62, Signs, of the Code of Ordinances by Amending Article VI, Special Districts, Section 62-289(g), Vitruvian Park, to Allow for Two Pylon Signs as part of Brookhaven Village Shopping Center at 14280 Marsh Lane at the Southeast Corner of Marsh Lane and Spring Valley Road.

Assistant Director of Development Services Charles Goff presented this request to the City Council for consideration. He stated UDR is currently under construction on the Brookhaven Village Shopping Center redevelopment at the southeast corner of Marsh Lane and Spring Valley Road. As part of this project, UDR demolished two buildings, is constructing a new multi-tenant retail building adjacent to the existing Tom Thumb store and is creating three developable pad sites for future retail/restaurant development. UDR is requesting the Town consider amending the Sign Code to allow for two detached pylon signs for the center that do not comply with the Town’s current regulations.

Starting in April of 2017, UDR’s representatives began discussing signage for the shopping center with Town staff. At that time, a pylon sign was proposed that did not comply with several of the design requirements in the Town’s Sign Code. Most notably, the sign was 25 feet tall, 99 square feet, and contained a mixture of stone and aluminum. The Sign Code contains very specific design requirements for detached signs and restricts such signs to exactly 20 feet tall and 72 square feet in area.

Staff shared several concerns with UDR regarding the originally proposed pylon sign. First, that the proposed sign did not comply with several requirements in the Sign Code. Second, staff expressed a growing concern that signage within the district was being designed in a very piecemeal fashion. The existing signs in the area and the proposed signs had little relation to each other, and therefore were not creating a cohesive identity for the Vitruvian neighborhood.

Staff suggested that UDR look at signage more broadly and work with the Town to revise the Vitruvian Park Special Sign District to include design specifications and material pallets that would establish a common look for detached signs. Due to time constraints associated with the construction schedule of the shopping center, UDR would like to address the proposed pylon signs separately now and then work on revisions to the Special Sign District requirements.

UDR and their representatives have revised the design of the proposed pylon sign, reduced the height of the sign to 20 feet and the area of the tenant signage to 79.75 square feet. Additionally, the proposed signs include text at the base showing the Vitruvian leaf logo and the text “Brookhaven” which adds approximately 12 square feet of signage area. The proposed sign can be seen in the attachments to this agenda item.

Staff supports the design and materials of the proposed sign as well as allowing the Vitruvian leaf logo and “Brookhaven” text at the base of the sign. Staff believes that the area of the tenant signage, however, should be reduced to 72 square feet to comply with the Sign Code provision. Staff has explained to UDR that most, if not all, retailers desire as much signage as possible. Additionally, retailers are very aware of the type, number, and size of signs that their competitors are allowed. Staff is concerned that allowing larger signage in this location without a compelling justification would be used by other retail properties in the future to request equal treatment by the Town; therefore, Staff recommends denial of the request, but would support the proposed sign if the area of the tenant signage was reduced to 72 square feet.

Deputy Mayor Pro-Tempore Braun stated that larger signage may be needed for larger shopping centers. He requested clarification on the requirements for signage versus frontage. Mayor Chow added that two pylon signs could be used due to the size of frontage at the center. Mr. Goff concurred; however, he added that the long-term plan for this shopping center included two out-parcels that have yet to be constructed. Potentially, a total of three signs could be located on one frontage. Council Member Willesen commented that Staff’s Agenda Memo opined that the signage was being done in a piece-meal fashion. He stated that he had driven through the District and thought it looked great, he asked if there was some framework in place for standalone signs. Mr. Goff stated there was no standard in the Code and each request was done on a case by case basis. Council Member Willesen recommended that a framework be established and that the Town work with the requestor to reach a consensus. Mr. Goff stated that due to time constraints UDR moved forward with this request using the current process.

Council Member Hughes asked for clarification regarding the process for amending or re-writing a signage ordinance. Mayor Chow asked if any variances have been granted for larger signs. Mr. Goff reported there was one that comes to mind and this was approved due to the location along the Toll Road. The increase was approved due to the location. Mayor Chow and Council Member Ward concurred that the Town needs to be consistent in administering the Code. Staff expressed concern about the developer having to go back to re-submit this sign request. Mr. Goff requested that Council deny the construction of two pylon signs as submitted but support signage at the reduced 72 square feet.

MOTION: Mayor Pro-Tempore Walden moved to approve an **Ordinance No. 018-24** to Allow for Two Pylon Signs as part of Brookhaven Village Shopping Center at 14280 Marsh

Lane at the Southeast Corner of Marsh Lane and Spring Valley Road at 72 square feet. Council Member Ward seconded the motion. Motion carried 6-1 with Deputy Mayor Pro-Tempore Braun casting the dissenting vote.

15. Present, Discuss, and Consider Action on a Resolution for an Agreement with 308 Construction, LLC, for Infrastructure Construction and Services Associated with the Kellway Lift Station Improvements and Authorize the City Manager to Execute the Agreement in an Amount Not to Exceed \$222,919.

Assistant Director of Infrastructure Jason Shroyer presented this project. Sewer services are designed to flow on a gravity basis. It is sometimes necessary to install a lift station that will pump wastewater or sewage from a lower elevation to a higher elevation so that it can continue to flow by gravity.

The Kellway Lift Station was built in 1998 to move wastewater from the northern part of Town to a sewer tunnel system that is then treated at a Trinity River Authority (TRA) wastewater treatment plant in Dallas. The Kellway Lift Station has very complex components, such as pumps, motors, intricate piping, complex electrical and control systems, and detailed structural elements that require routine maintenance based on industry best practices, and periodic refurbishment and replacement. Although Staff does perform routine maintenance tasks, a more in-depth assessment was performed by Garver in 2017. This data is being incorporated into the Town's comprehensive asset management plan.

The assessment by Garver included the following services:

- Preparation of an asset inventory;
- Assessment of each asset and documentation of its condition including structural, electrical, and pumping equipment;
- Recommendations for improvements to the Town's supervisory Controls and Data Acquisition System (SCADA);
- Evaluation of and recommendations for improvements to capacity and process control systems;
- Evaluation of the facility's current compliance with state regulatory requirements;
- An opinion of probable costs for the recommended projects; and
- Preparation of Capital Improvements Plan (CIP).

One of the projects that was recommended in the first year's CIP, was to update old and outdated electrical equipment and an additive alternate for the installation of a dump station that will be used when cleaning and inspecting sanitary sewer lines. Garver completed the design of these improvements in June 2018 and the project was placed on Bidsync. The Town received four bids on July 31, 2018. A bid tabulation is provided below:

Company Name	Base Bid	Additive Alternate	Total Bid
308 Construction	\$91,000	\$131,919	\$222,919
Rey-mar Construction	\$83,310	\$171,377	\$254,687
Fryer Construction	\$81,800	\$297,700	\$379,500
Felix Construction	\$128,000	\$290,000	\$418,000

308 Construction, LLC has been determined to be the lowest bidder, with a total bid of \$222,919. The engineer's estimate for the project was \$274,000 and the project is within the Town's available budget of \$375,000 in the Utility Fund, of which \$44,227 has been spent on design, leaving \$330,773 for the construction of the improvements. A reference check on 308 Construction finds them capable of performing this work. Once the pre-construction meeting is held and the lead times for the electrical equipment is determined, the Notice to Proceed will be issued. The contract specified duration of the project, which is currently set at 120 days, may be adjusted depending on the availability and lead time to procure the electrical equipment. Staff recommends awarding a contract to the low bidder, 308 Construction, LLC.

City Manager Pierson noted that this project is under budget. Mayor Chow added that there were several bidders on this project compared to those projects where only one bid is received there is no competition for being awarded the project.

MOTION: Council Member Hughes moved to approve **Resolution No. R18-66**, a Resolution approving the Agreement with 308 Construction, LLC, for Infrastructure Construction and Services Associated with the Kellway Lift Station Improvements and Authorize the City Manager to Execute the Agreement in an Amount Not to Exceed \$222,919. Council Member Willeesen seconded the motion. Motion carried unanimously.

16. Present and Discuss an Update on the HVAC Improvements for the Addison Athletic Club.

Assistant Director of Infrastructure Jason Shroyer presented the update to the Addison Athletic Club Master Plan process which began in 2014 when Council funded a study in the amount of \$40,000 to complete a facility assessment and master plan. Staff selected Barker Rinker Seacat Architecture (BRS) as the most qualified firm through a Request for Qualifications (RFQ) to perform this service. The Master Plan was adopted by Council on October 11, 2016. A preferred list of renovation projects was finalized at Council's October 20, 2016 meeting. The total cost of those improvements is \$1,047,000 and they include: air conditioning and heating system; elevator replacement; general painting, carpet replacement; conversion of 2 racquetball courts to exercise space and new lighting in the gym.

At the July 11, 2017 meeting, Council discussed potential funding uses from the sale of the Belt Line Road properties. During the presentation, Staff indicated that due to consultant error, the estimate for the preferred Athletic Club master plan renovation list was not accurate. Staff reached out to the consultants and received up-to-date numbers for the list of priorities. The new cost for the entire list was estimated to be \$1,574,300, an increase of \$527,300 from the original amount. Council agreed that the two pressing priorities would be the elevator and the HVAC

system overhaul and directed staff to move forward with completing those two improvements for a total of \$1,029,700. At the September 13, 2017 meeting, Council approved the City Manager to execute an agreement with PGAL for professional services related to the Addison Athletic Club Renovations.

At the February 13, 2018, Council meeting, staff presented an extensive review of the history of the HVAC, and the consultant presented the findings from the HVAC evaluation and discussed potential design options with the Council. Council approved a resolution selecting Option 2 for the design of the HVAC system. This option includes:

- The replacement of the undersized packaged units for the expansion with an appropriately sized air-cooled chiller (200 ton); and
- The replacement of high priority air handling units

Bid #18-116 Addison Athletic Club HVAC Improvements was initiated on April 9, 2018, and closed on May 3, 2018. The Town received only one bid in the amount of \$1,589,814 which significantly exceeded the budget presented to Council. Staff presented this information at the May 22, 2018, Council meeting and recommended that Council reject the bid. At that meeting, Council rejected the bid and staff told Council that this item would be brought back to Council before it goes out to bid the second time.

A presentation was provided to update the City Council and discuss the next steps for the project by Jeff Bulla of BRS. Aguirre Roden Representative Gary Roden, who was hired to conduct a third-party peer review, addressed the City Council as did engineer representative Mike Adcock. Staff advised that Aguirre Roden reviewed both the new construction drawings, existing building drawings, and specifications to validate the new mechanical design and to evaluate the drawing scope for possible further cost reductions. The system types and capacities, design choices, and decisions regarding the chilled water HVAC design are all consistent with industry standard and practices for this type of building and occupancy. The mechanical systems are arranged efficiently minimizing installed cost and are sized to meet the building requirements. It is Aguirre Roden's opinion that the design produced by RWB as it is currently presented meets or exceeds accepted standards of good engineering practice and standards of care upon the Engineer of Record. In addition, they did not see any cost savings measures beyond the owner declining the additive alternates as outlined in the MEP documents. Changes to the original plans/specifications were discussed as were Additive Alternates.

The updated timeline included a construction start date after Labor Day. School summer projects will be complete which should allow more contractors to bid. The consultant has begun reaching out to contractors and has identified a list of potential contractors. In addition, the Town will reach out to the potential contractors when the bid goes live along with providing a more relaxed construction. The estimated base bid is \$1,119,293 and estimated Additive Alternate Bid is \$484,025. It was reported that MIINC Contractors, the only bidder, has diligently worked with the design team to find cost savings items as well as define the project scope. MIINC has continued to update cost and provide input to the design team and the City as the scope of work has been modified.

Mayor Pro-Tempore Paul Waldron expressed his dissatisfaction and concern with the services provided by the architectural firm as well as having the additional expenditure of a third-party to

review the process used to estimate this project. City Manager Pierson expressed his concern as well but did provide some insight into the bidding process and the costs associated with supply demands which do drive up associated costs for any project. Presentation and discussion only – no action taken.

17. Present, Discuss, and Consider Action on a Resolution for Appointments to the Development Code Review Special Project Committee.

Assistant Director of Development Services Charles Goff reported that on June 26, 2018, the City Council approved a professional services agreement with Clarion Associates, LLC to facilitate an assessment of our current development regulations and develop a new unified development code. The scope anticipates a robust community engagement program. As part of this process, Clarion recommends that a special project committee be appointed to advise them and staff during the project. The current schedule proposes 8 meetings with the special project committee:

1. An orientation meeting to get early feedback on current development regulations and future goals;
2. A meeting to review Clarion's findings on their assessment of the Town's current development regulations and early public input;
3. A meeting to review proposed zoning districts and permissible uses within each;
4. A meeting to review proposed development and design standards;
5. A meeting to review proposed administration and procedural requirements related to the development code;
6. A meeting to review proposed signage regulations;
7. A meeting to review the draft unified development code; and
8. A meeting to review the final proposed unified development code.

Clarion has suggested that, based on their experience with different sized committees, the size should be limited to 8-10 members. Furthermore, unlike previous committees, the members will need to review materials and discuss concepts that will often involve technical code requirements. Therefore, Clarion recommends that the committee include a significant number of people with a background in zoning, development, and other codes. These may include planners, architects, landscape architects, engineers, developers, attorneys involved in development, signage professions, and others that are accustomed to reading and understanding development regulations and their implications. A proposed make-up of the committee might include two-thirds (6-7 members) with this technical background, while the remaining third (2-3 members) could provide the average citizen's perspective.

Staff requests input and direction from Council on the appointments for this committee. Council Member Hughes asked how other cities have selected or acquired these professionals to assist in the development of a Code review. Mr. Goff stated that larger cities did not normally have a problem with volunteers due to their size; however, the Town is small with a much smaller pool of professionals with these qualifications. Council Member Quintanilla asked if this is the first consultant who has suggested establishing a citizens' committee to address a specific issue or policy. Mr. Goff stated that the use of advisory committees is a relatively new process being used by cities. He added that it is imperative to have the input from our citizens with expertise in

these specific areas or knowledge to assist with amending our current Code.

City Manager Pierson stated that it was necessary to recruit individuals that had the best interest of the Town at heart and not any individual who would benefit from any policy that is approved. Mayor Chow opined that it was necessary to recruit individuals with a deeper knowledge of being involved in a large development(s) but he concurred it will be difficult to get volunteers to commit to this project. Council Member Ward asked what would happen if the City could not get volunteers. Mr. Goff reported he would go back to the Consultant and ask what Plan B would be. Council Member Hughes asked Staff what they proposed to get the word out for help with the project.

Deputy Mayor Pro-Tempore Braun stated he knew several individuals that either live or work in the area that would be great on this Committee. He added that he would like to be considered for this Committee and would be happy to recuse himself from any voting of the Committee. Mayor Chow reiterated that it was essential that citizens be appointed with those specific technical experience and/or knowledge to assist the Town. He requested that each member come up with an individual to appoint and discuss at a future meeting. Mayor Chow mentioned by Council had two members with this type of expertise – Deputy Mayor Pro-Tempore Braun and Council Member Quintanilla. Council to bring forth candidates for appointment at a future council meeting. Presentation and discussion only.

18. Present, Discuss, and Consider Action on a Resolution to Propose a Property Tax Rate of 0.550000 cents per \$100 of Property Valuation for the Town's Fiscal Year Beginning October 1, 2018 and Ending September 30, 2019, and Scheduling Public Hearings regarding the Proposed Tax Rate and Proposed Budget for the 2018-2019 Fiscal Year.

Budget Manager Terri Doby reported the State's Truth-in-Taxation law no longer requires the Council to take a record vote on a not-to-exceed tax rate. However, the law still requires calculation and publication of each taxing entity's effective tax and rollback tax rates. The effective rate, the rate needed to raise the same amount of property tax revenue for the Town from the same properties as in Fiscal Year (FY) 2018, is \$0.527064 per \$100 of valuation. The rollback rate, the highest tax rate that the Town may adopt before voters are entitled to petition for an election to limit the rate to the rollback rate, is \$0.553323 per \$100 of valuation. These rates will be published in the August 17, 2018 edition of the Dallas Morning News and on the Town's website.

The City Manager's proposed budget assumes a property tax rate of \$0.550000, which exceeds the effective tax rate but is lower than the FY2019 rollback rate and remains the same as the FY2018 adopted rate. Should the Council consider a rate higher than the effective rate, the Truth-in-Taxation law requires a vote of record, publication of the result of the vote of record and two public hearings.

The first tax rate public hearing is scheduled for August 28, 2018, at 7:30 pm at a meeting of the Council. The second tax rate public hearing and first budget public hearing is scheduled for September 4, 2018, at 5:00 pm at a meeting of the Council. Both public hearings will be held in Council Chambers. The final vote on the tax rate and adoption of the budget is scheduled for

September 11, 2018, at a meeting of the City Council commencing at 7:30 pm in Council Chambers.

MOTION: Council Member Willesen moved to approve **Resolution No. R18-67**, a Resolution approving the Proposed Property Tax Rate of 0.550000 cents per \$100 of Property Valuation for the Town's Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019, and Scheduling Public Hearings regarding the Proposed Tax Rate and Proposed Budget for the 2018-2019 Fiscal Year as presented. Council Member Hughes seconded the motion. Motion approved unanimously by the Roll call vote taken and shown below.

Name	Yea	Nay	Abstain
Mayor Joe Chow	X		
Mayor Pro-Tempore Paul Walden	X		
Deputy Mayor Pro-Tempore Tom Braun	X		
Council Member Guillermo Quintanilla	X		
Council Member Ivan Hughes	X		
Council Member Lori Ward	X		
Council Member Marlin Willesen	X		

19. Present, Discuss, and Consider Action on a Resolution to Approve an Interlocal Agreement – Addison Cotton Belt Funding Partnership – Between the Town of Addison and the Regional Transportation Council and the North Central Texas Council of Governments and Authorize the City Manager to Execute the Agreement.

City Manager Pierson reminded the City Council that on May 26, 2015, the City Council approved a motion to contribute \$5,000,000 to the Cotton Belt Rail Corridor project contingent upon its completion. Town staff has been working with senior staff at the North Central Texas Council of Governments (NCTCOG) and Dallas Area Rapid Transit (DART) to identify funding options for Addison's commitment. At the July 10, 2018, Council Meeting, staff presented a funding concept whereby the Regional Transportation Council (RTC) at NCTCOG would fund the Town's obligation and the Town would repay the RTC overtime. Council authorized the City Manager to seek funding from the Regional Transportation Council (RTC) to fund the \$5,000,000 obligation to DART with the following parameters:

- A repayment period between 5 and 10 years;
- An interest rate of 1% or less; and
- A claw back provision if the Cotton Belt Rail Corridor Project is not constructed.

At its August 9, 2018 meeting, the RTC unanimously approved a \$5,000,000 loan to Addison for the Cotton Belt Rail Corridor Project. The resolution presented this evening approves an interlocal agreement with the NCTCOG, as RTC's fiscal agent, to fund Addison's commitment for the Cotton Belt Corridor Rail Project with the following terms:

- RTC agrees to program funds in the amount of \$5,000,000 to DART to be available in Fiscal Year 2019 or otherwise directed by DART as Addison's Contribution to the Cotton Belt;
- Addison will repay RTC (NCTCOG) \$5,000,000 in principal with no Net

Present Value adjustments;

- Addison will pay an interest rate of 1.8% for the life of this loan with interest beginning to accrue from the date the Cotton Belt is finished;
- The repayment period is 10 years from the date the Cotton Belt is finished;
- Addison shall make annual payments of the principal and accrued interest beginning 30 days after the date the Cotton Belt is finished;
- There is no prepayment penalty related to repayment of Addison's obligation to RTC;
- Addison is not responsible for any repayment of the loan unless and until the Cotton Belt is finished. If the Cotton Belt fails to materialize, Addison has no obligation to repay the loan.

The proposed interest rate exceeds the negotiation authority the City Council gave City Manager Wes Pierson, as a result, the interlocal agreement is presented to Council for consideration and action. NCTCOG has agreed to accept these terms contingent upon this action from the Addison City Council. The RTC's funding will be transferred to DART only after Addison takes action and the agreement between Addison and the RTC is fully executed. Staff recommends approval.

MOTION: Council Member Hughes moved to approve **Resolution No. R18-68**, a Resolution to Approve an Interlocal Agreement – Addison Cotton Belt Funding Partnership – Between the Town of Addison and the Regional Transportation Council and the North Central Texas Council of Governments and Authorize the City Manager to Execute the Agreement. Motion was seconded by Deputy Mayor Pro-Tempore Braun. Motion carried unanimously.

ADJOURN MEETING

The meeting was adjourned upon a motion duly made and seconded.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

Irma G. Parker, City Secretary