

DRAFT

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL WORK SESSION

Tuesday, August 27, 2019

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

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

1. **Call Meeting To Order:** Mayor Chow called the meeting to order

WORK SESSION

2. **Present and Discuss Non-Profit Organizations that Submitted an Application for Grant Funding from the Town of Addison for Fiscal Year 2020.**

Presentation: Addison Arbor Foundation; Cavanaugh Flight Museum; Cat Lady; Communities in Schools of the Dallas Region Dallas; Metrocrest Chamber of Commerce; Metrocrest Services; Outcry Theatre; Steven A. Cohen Military Family Clinic; The Family Place; WaterTower Theatre; and, Woven Clinic. Non-Profit Organizations that submitted applications for Fiscal Year 2020 grants to the Community Partner's Bureau presented information about their respective organizations to the City Council.

3. **Present and Discuss Legislation Passed During the 86th Session of the Texas Legislature.**

Presentation: Bill Hawley, Assistant to the City Manager. Mr. Hawley discussed Legislation approved during the 86th Session that will impact the Town. This included:

- *State Property Tax Reform* (Senate Bill 2) - The measure requires cities, counties and certain other taxing units to obtain voter approval prior to raising property tax revenue from existing properties in an amount that is 3.5 percent or more compared to the previous year.
- *Sales Tax* (House Bill 1525 & 2153) – These bills establish the framework to collect sales and use taxes from remote and marketplace sellers.
- *Franchise Fees* (Senate Bill 1152) – This measure eliminates the ability of cities to collect franchise fees from telecom providers in certain circumstances.
- *Municipal Court Fees* (Senate Bill 346) – This legislation addresses the consolidation, allocation, classification, and repeal of certain criminal court costs and other court-related costs, fines, and fees. It also makes changes to a determination of a defendant’s ability to pay them.
- *Local Debt* (House Bill 477 & 440, Senate Bill 30) – This legislation expands the public notice requirements before the issuance of certain debt obligations by political subdivisions to include website postings.
- *Open Government* (House Bill 81) – This legislation defines new requirements relating to the disclosure of the expenditure of public funds expended for events under the Public Information Act; (House Bill 305) – This legislation defines the right of a member of the public to address the governing body of a political subdivision at an open meeting of the body; (House Bill 2840) – This legislation relates to various website posting requirements of a municipality.
- *Development* (House Bill 2439) – This legislation provides that a city may not regulate building materials for construction methods beyond nationally-recognized building codes; (House Bill 3167) This legislation made changes to the subdivision plat approval process setting limitation of time provided for review and adoption; (HB 852) This legislation mandated that residential building permit fees may not be based on home value.
- *Public Safety* (Senate Bill 1582) – This legislation defines benefits for peace officers relating to certain diseases or illnesses. (Senate Bill 2551) – This legislation defines liability, payment, and benefits for certain workers' compensation claims. (House Bill 2143) – This legislation expands the definition post-traumatic stress disorder under Workers Compensation.
- *Public Health* (Senate Bill 476) – This legislation provides regulations relating to requirements for and municipal regulation of dogs in an outdoor dining area of a food service establishment.

COUNCIL COMMENTS: Council asked questions regarding the effective dates of the legislation and clarified aspects of the new laws with Staff and the City Attorney.

4. **Present and Discuss the Stainless-Steel Sculpture Proposed to be Located at the Addison Conference & Theatre Center.**

Presentation: Janna Tidwell, Director of Parks & Recreation; Addison Arbor Foundation President Jay Ihrig and Vice President Barbara Pappas; Sculpture Artist Art Fairchild. A

maquette along with drawings of the stainless-steel sculpture designed by the Artist was presented. The sculpture was proposed to be placed in the half circle in front of the Addison Conference Centre and will line up with the entrance to the park from the future DART Silver Line. Funding sources include Town grants from Fiscal Years 2019 and 2020.

COUNCIL COMMENTS: Council asked questions regarding the durability of the material against damage, height of the pedestal, base material, lighting and project timeline. Council asked if the artist has completed work with a similar finish. Council commented positively on the artwork and the proposed location.

5. **Present and Discuss the Powder-Coated Steel and Cable Sculpture Proposed to be Located within the Public Art Easement in the AMLI Development.**

Presentation: Janna Tidwell, Director of Parks & Recreation; Addison Arbor Foundation President Jay Ihrig and Vice President Barbara Pappas. The Scott Shubin creation “Spectra” was proposed in the public art easement located on the southeast corner of the AMLI Development. Funding for the sculpture and installation was provided to the Addison Arbor Foundation from AMLI.

COUNCIL COMMENTS: Council asked for clarification regarding the orientation of the artwork and size. Council asked about the timeline for installation and the anticipated lifespan of the paint finish. Council commented positively on the artwork and the proposed location.

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. Please fill out a City Council Appearance Card and submit it to a city staff member prior to Public Participation. 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.*

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.*

6. **Consider Action to Approve the Minutes from the Following Meetings: 1) the July 8,**

2019 City Council Special Meeting; 2) the July 9, 2019 City Council Work Session and Regular Meeting; 3) the August 15, 2019 City Council Special Meeting and Work Session; and, 4) the August 16, 2019 City Council Special Meeting and Work Session.

7. **Consider Action to Approve a Resolution to Appoint Ivan Hughes, Town of Addison Council Member, as the Primary Representative and Paul Voelker, City of Richardson Council Member, as the Alternate to the Aggregated Position of Representative to the Regional Transportation Council (RTC) of the North Central Texas Council of Governments.**

8. **Consider Action to Approve a Resolution to Adopt the Town of Addison's Strategic Planning Pillars and Milestones for Fiscal Year 2020.**
9. **Consider Action to Approve a Resolution Approving a Contract Agreement Between the Town of Addison and Nu-Way Construction, LLC for Infrastructure and Development Services Related to Addison Airport Fuel Farm Exit Relocation, Perimeter Road Relocation, and Miscellaneous Concrete Repairs and Authorizing the City Manager to Execute the Agreement in an Amount Not to Exceed \$633,907.11.**
10. **Consider Action to Approve the Location of a Stainless-Steel Sculpture in Front of the Addison Conference & Theatre Center.**
11. **Consider Action to Approve the Location for the Powder-Coated Steel and Cable Sculpture Within the Public Art Easement in the AMLI Development and Authorize the City Manager to Execute the Agreement.**
12. **Consider Action to Approve a Resolution Authorizing the City Manager to Execute Easement and Property Acquisition Documents Necessary to Construct Public Improvements Associated with the Rerouting of the Basin I Sanitary Sewer Line Project.**
13. **Consider Action to Approve a Resolution Authorizing the Use of Eminent Domain to Reroute the Town of Addison's Sanitary Sewer Flow, Along Beltway Drive and to Midway Road, into Addison's Sanitary Sewer System, Through the Acquisition of Permanent Utility Easements and Temporary Construction Easements.**
14. **Consider Action to Approve a Resolution Selecting Frost Bank as the Primary Depository Bank for the Town of Addison; Directing the City Manager to Negotiate a Treasury Management Services Agreement and a Security Agreement with the Bank; and, Authorizing the City Manager to Execute the Agreements.**
15. **Consider Action to Approve a Resolution of the City Council of the Town of Addison, Texas Approving the North Dallas County Water Supply Corporation**

Operating Fund Budget for the Fiscal Year Beginning October 1, 2019 and Ending September 30, 2020 and Providing an Effective Date.

Mayor Chow called for any requests to remove any item from the Consent Agenda for separate discussion. City Manager Pierson reported he did not want to remove any item for separate discussion; however, noted that the Agenda Memo #7 incorrectly referred to Richardson Representative Paul Voelker as a council member. Mr. Voelker currently serves as Mayor of Richardson. The Resolution proposed for adoption notes his correct title. Mayor Chow advised that the City of Richardson and Town of Addison have shared representation on the Regional Transportation Council. The City of Richardson's representative served for two-years as the primary representative, and Town of Addison representative served as alternate. Council Member Hughes is proposed as the primary representative for the next two years. There being no further comments, Mayor Chow called for a motion.

MOTION: Deputy Mayor Pro-Tempore Ward moved approval of CONSENT AGENDA Items 6 through 15. Council Member Willesen seconded the motion. Motion carried unanimously.

Resolution No. R19-053: Appoint Regional Transportation Council representatives

Resolution No. R19-054: Adoption of FY 2020 Strategic Planning Pillars & Milestones

Resolution No. R19-055: Agreement with Nu-Way Construction, LLC for airport projects

Resolution No. R19-056: Authorize City Manager to Execute Easement and Property Acquisition documents for Basin 1 Project.

Resolution No. R19-057: Authorize City Manager the use of Eminent Domain for permanent and temporary easements

Resolution No. R19-058: Selection of Frost Bank as Primary Depository Bank

Resolution No. R19-059: Approval of North Dallas County Water Supply Corporation FY 2019-2020 Operating Budget

REGULAR ITEMS

16. **Hold a Public Hearing, Present, and Discuss the Town of Addison's Proposed Property Tax Rate for the Fiscal Year Commencing October 1, 2019 and Ending September 30, 2020.**

Terri Doby, Budget Manager, reviewed the property tax rate approval timeline and Truth-in-Taxation process required to adopt a budget and tax rate. Ms. Doby explained that City Manager Wes Pierson's proposed budget recommends a property tax rate of \$0.591133 per \$100 valuation. This rate is higher than last year's adopted rate of \$0.550000 per \$100 of valuation. Individual taxes may increase or decrease depending on the change in the taxable value of the property. Ms. Doby explained that the tax rate is composed of the following components:

TAX RATE COMPONENT	AMOUNT (PER \$100 OF VALUATION)
Maintenance & Operations: General Fund	\$0.411833
Maintenance & Operations: Economic Development	\$0.023716
Maintenance & Operations: Infrastructure Investment	\$0.006201
Interest & Sinking (Debt)	\$0.149383

Total Proposed Rate for FY 2020	\$0.591133
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In compliance with the State's Truth-in-Taxation law a calculation and publication of the Town's effective tax and rollback tax rate, as shown below, was published in the August 16, 2019 edition of the *Dallas Morning News*, the Town's official newspaper.

Effective Tax Rate	Rate needed to raise the same amount of property tax revenue for the Town from the same properties in 2018	\$0.552371
Rollback Tax Rate	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	\$0.591133

At the August 27, 2019 City Council meeting, the first of two public hearings regarding the proposed tax rate for the Town was conducted. The second public hearing was held on Tuesday, September 3 at 5:00 pm in the Council Chambers. The average home value for the Town of Addison is \$331,280, which would generate a city property tax bill of \$1,958.30 for a home with no exemptions. Last year, the average home value was \$319,582 which generated a city property tax bill of \$1,757.70 for a home with no exemptions. If this budget had been adopted, a taxpayer with an average home value and no exemptions would have paid \$200.60 more in city property taxes than last year.

PUBLIC HEARING: John Price, 4114 Leadville Place; and Robert Jacoby, 4016 Rive Lane spoke against the Tax Rate.

COUNCIL COMMENTS: Council Member Hughes reported a few citizens had contacted him regarding the proposed rate and budget. He added that he was not in favor of the higher tax rate and the addition of full-time parks department employees included in this budget. Deputy Mayor Pro-Tempore Ward and Council Member Guillermo opined that they were in favor of the proposed budget and tax rate as recommended by City Manager Pierson. They both believed that Staff presented a compelling reason why additional employees were requested in the Parks Department. Both stated that they had received only positive comments regarding the tax rate and had not received any calls from citizens opposing the increase. Council Member Walden reminded Council and audience members that residents of Addison had come to expect certain amenities and service from the Town for their taxes. Council Member Walden stated this budget and tax rate do provide residents with the consistent service that they have become accustomed to receiving. A tax rate reduction will result in a reduction of services.

Mayor Chow provided a further breakdown of the tax rate for those individuals who have tax exemptions. An averaged priced home with the 20% Homestead Exemption would see a \$160.48 increase in city property taxes between Fiscal Year 2019 and Fiscal Year 2020. An averaged priced home with the 20% Homestead Exemption and the Over 65 Exemption would only see a \$139.92 increase in city property taxes between Fiscal Year 2019 and Fiscal Year 2020. He added that a property owner's total property tax bill is also impacted by the tax rates and exemptions adopted by other taxing entities such as the Dallas County, the Dallas Independent School District, the Dallas County Community College District, and Parkland Hospital. In closing Mayor Chow encouraged residents to contact the Council or attend the next public hearing to make their views known. The purpose of this item was to hold a public hearing and discuss the Proposed Property Tax Rate. No Council action was taken on this item.

17. **Present, Discuss, and Consider Action on a Resolution Approving a Contract Agreement with JC Commercial Inc., for the Construction of a U.S. Customs and Border Protection Facility Combined with the Addison Airport Administration Offices to be Located on Addison Airport at 4545 Jimmy Doolittle Drive, and Authorizing the City Manager to Execute the Contract in an Amount Not to Exceed \$6,223,949.**

Lisa Pyles, Director of Public Works and Engineering Services provided information regarding the contract for construction of a United States Customs and Border Protection Facility combined with the Addison Airport Administrative Offices. The contractor selection not only submitted the lowest price, but is also the most qualified bidder with experience in constructing this type of facility.

Staff, the consultant and the contractor met to discuss reductions in the cost of the construction, since the bids received exceeded the available budget. After extensive discussion, the contractor's price was reduced to \$6,223,949. After cost reductions and the addition of additional funding, there is a project of deficit of \$110,939. A refund of \$51,260 from the Sunland Group who provided cost estimating services will bring the final deficit for this project to \$59,679. Funds are available in the Airport bond funds and operating fund.

The total project cost is \$9,182,505. Staff will provide updated financial information at a future Council Meeting.

MOTION: Council Member Walden moved to approve. Mayor Pro-Tempore Braun seconded the motion. Motion carried unanimously.

18. **Present, Discuss, and Consider Action on an Ordinance Directing Staff to Process Plats in Accordance with the Procedures Established in House Bill 3167.**

Charles Goff, Director of Development Services, discussed the proposed Ordinance created in response to newly effective legislation establishing timelines for action related to the approval process for plats. HB 3167 requires that a city act on a completed plat within 30 days from submittal. HB 3167 authorizes a plat applicant an unlimited amount of time to respond to any conditions or reasons for denial. If the applicant resubmits a plat that addresses any outstanding issues, the Town must act within 15 days. Since the Planning & Zoning Commission reviews plats and only meets once a month, HB 3167 may require additional meetings of the Commission to address plats within this time constraint. This Ordinance directs the Planning & Zoning Commission, Staff and outside consultants to process, approve, approve with conditions or deny all plats and plans, as defined in HB 3167, in accordance with the provisions and requirements of the HB 3167.

MOTION: Council Member Hughes moved for approval. Mayor Pro-Tempore Braun

seconded the motion. Motion carried unanimously.

19. **Present and Discuss the Operations and Financial Reconciliation for Taste Addison 2019.**

Jasmine Lee, Director of Special Events, and Ashley Boatright, Accounting Supervisor, presented the reconciliation for Taste Addison 2019. Ms. Lee explained that the event was moved to the weekend after Memorial Day in 2019 and times were adjusted to capture the lunch crowd on Friday. Ms. Lee discussed new items for 2019 that included the reduction of adult admission and the addition of a child ticket. The point of sale purchase program implemented this year proved successful as restaurants were able to access funds quicker. Tasty Bucks continued to be honored. Expanded and enhanced entertainment was provided along with specialty areas for children events. Unfortunately, unexpected storms caused a temporary pause of the event on Saturday, June 1st from 5:30 to 8:00pm. Flooding under the Main Stage cut the electrical power for a short-time but the headlining band was still able to play a short acoustic set after the rains. The Bowl Stage was closed due to flooding, but most other areas resumed operations. Attendance was on schedule to exceed expectations until the weather event.

Surveys were conducted and favorable comments were received. Those suggestions have been reviewed with the following changes to be implemented in 2020: (1) continue to hold this event the weekend after Memorial Day and review hours of operation to maximize value for restaurants and attendees; (2) maintain or increase the high-level of musical entertainment and quality of culinary experiences; (3) focus on unique and interactive experiences geared toward the various demographic groups who attend the festival; and (4) redesign of ellipse layout to use the event space.

COUNCIL COMMENTS: Mayor Chow and staff discussed event start and end times. Data from the Point of Sale System will be analyzed and presented to Council to optimize future event times. Deputy Mayor Pro-Tempore Ward commented favorably on the music acts that were booked for this event. This item was for information only. No Council action was taken.

20. **Present and Discuss the Operations and Financial Reconciliation for Addison Kaboom Town! 2019.**

Jasmine Lee, Director of Special Events, and Ashley Boatright, Accounting Supervisor, presented a reconciliation of Kaboom Town! 2019. This one-day celebration is a nationally-recognized event and was the first time Addison utilized point-of-sale software for food and beverage sales. In addition, the fireworks display was enhanced, and new elements were added to the Air Show. Main stage entertainment proved to be successful as did the addition of food vendors to the area immediately outside the park. The event resulted in a loss of \$313,485. Survey results were favorable. Thoughts and enhancements for next year include working with the Airport Staff to identify new potential features for the air show; seek to further enhance the fireworks display and review transportation plan for potential updates for biking and rideshare. This item was for information only. No Council action was taken.

21. **Present and Discuss an Update on Addison Oktoberfest 2019.**

Jasmine Lee, Director of Special Events, presented Oktoberfest 2019 highlights including event dates and times; ticket information; entertainment; expanded games and activities; and an enlarged food court with 20+ food booths featuring wild game, strudel, and brats. Our current point of sale system replaces Tasty Bucks. However, Tasty Bucks will continue to be honored. The sale of event merchandise was brought in-house. Merchandise includes, shirts, pins, steins, and Paulaner Swag. This item was for information only. No Council action was taken.

22. **Present and Discuss the Finance Department Quarterly Financial Report of the Town of Addison for the Fiscal Year 2019 Third Quarter Ended June 30, 2019.**

Terri Doby, Budget Manager, presented the Third Quarter Financial Report to the City Council. The report covered the financial performance for third quarter of Fiscal Year 2019 i.e. April 1, 2019 to June 30, 2019 along with detailed exhibits to demonstrate the current financial position for the following funds: General, Hotel, Airport, Economic Development, Utility and Storm Water.

Chief Financial Officer Olivia Riley presented the Third Quarter Investment Report and advised that the Town's Investment Policy was in line with state regulations and in keeping with the Town's policies. This item was for information only. No Council action was taken.

Adjourn Meeting

There being no further business to come before the Council, Mayor Chow adjourned the meeting.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

Irma G. Parker, City Secretary