

# DRAFT

## OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL REGULAR MEETING & EXECUTIVE SESSION

September 22, 2020

Addison TreeHouse  
14681 Midway Rd., Addison, TX 75001  
6:30 p.m. Executive Session  
7:30 p.m. Regular Meeting

The Addison City Council conducted its Regular Council Meeting on Tuesday, September 22, 2020 at the Addison TreeHouse with a quorum of the City Council physically present. Limited seating for members of the public was available using CDC recommended social distancing measures. The Town utilized telephone and videoconferencing to facilitate participation in the meeting. Interested parties were able to make public comments and address the Council via emailed comments submitted to the City Secretary at [iparker@addisontx.gov](mailto:iparker@addisontx.gov) by 3:00 pm on the meeting day. Members of the public were also entitled to participate remotely via Toll-Free Dial-in Number: 877.853.5247; Meeting ID: 409.327.0683 Participant ID: #. Detailed instructions on how to participate in this meeting were available on the Town's website on the Agenda Page. The meeting was live streamed on Addison's website at [www.addisontexas.net](http://www.addisontexas.net)

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

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

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**Pledge of Allegiance:** Mayor Chow led the Pledge of Allegiance

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### EXECUTIVE SESSION

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**Closed (Executive) Session of the Addison City Council 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

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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.

Mayor Chow closed the Open Session to convene the City Council into Closed Executive Session at 6:33 p.m.

**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 Open Session at 7:18 p.m. No action was taken.

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## REGULAR MEETING

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### Announcements and Acknowledgements regarding Town and Council Events and Activities

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#### Discussion of Events/Meetings

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**Public Comment:** *The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to public hearings will be heard when the specific hearing starts. Citizen comments are limited to **three (3) minutes**, unless otherwise required by law. To address the Council, please fill out a **City Council Appearance Card** and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.*

Speakers in Person: Jason Travis, 4026 Morman Lane, new resident offered to volunteer his services to the Town; Bob Jacobi, 4016 Rive Lane, recommended the Town prepare in the event of civil unrest.

Speaker by Telephone: Nellie Garcia, 4009 Azure Lane, addressed Town's Facebook posts being made by elected officials she opines are inappropriate.

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**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.*

1. **Consider Action to Approve the Minutes from the September 1, 2020 Special Meeting and September 8, 2020 Regular Meeting.**

2. **Consider Action to Approve the Purchase of Replacement Self-Contained Breathing Apparatus and Necessary Accessories from CASCO Industries in an Amount Not to Exceed \$267,573.15.**
3. **Consider Action on a Resolution to Name Three Parks in the Addison Grove Development and Provide an Effective Date.**
4. **Consider Action on a Resolution to Approve a Contract with Lumar Corporation D/B/A Palm Springs Pool Service for Annual Fountain Maintenance and Repairs and Authorize the City Manager to Execute the Contract in an Amount Not to Exceed \$126,888.**
5. **Consider Action on a Resolution to Approve a Negotiated Settlement Between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division Regarding the Company's 2020 Rate Review Mechanism.**

Mayor Chow asked if there were any requests to remove an item from the Consent Agenda for separate discussion. Council Member Willesen requested to pull Item 1 and Item 3.

**MOTION:** Mayor Pro Tempore Ward moved to approve Consent Agenda Items 2, 4, and 5 as submitted. Council Member Willesen seconded the motion. Motion carried unanimously.

**\*\*\*\*\* Consent Item 1 \*\*\*\*\***

Council Member Willesen requested a correction (bold addition/strike-through deleted) to the September 1, 2020 minutes, Item 1, paragraph 1 as follows: “*Council Member Willesen inquired whether the process could begin ~~earlier~~ **later** in the future.*”

Council Member Willesen requested a correction (bold addition/strike-through deleted) to the September 8, 2020 minutes as follows:

- Item 7, paragraph 1 - “*Council Member Willesen stated that a 30-year lease extension had been done previously and questioned why **it makes sense to approve** a six-year extension ~~is being requested.~~*”
- Item 11, last paragraph - “*He referenced ~~other cities~~ **the cities of Frisco and Plano** to the north of Addison along the Dallas North Tollway that have a lower rate.*”

**MOTION:** Council Member Willesen moved to approve Consent Item No. 1 as corrected. Council Member Hughes seconded the motion. Motion carried unanimously.

**\*\*\*\*\* Consent Item No. 3 \*\*\*\*\***

Council Member Willesen spoke in reference to a marketing flyer with a map he obtained from InTown Homes and questioned whether some green space identified on the map as land dedicated to the Town would be considered for a named park. City Manager Wes Pierson responded that this land would not be named as a park.

**MOTION:** Council Member Willesen moved to approve Consent Item No. 3. Council Member Hughes seconded the motion. Motion carried unanimously.

**Resolution No. R20-069:** Addison Grove Development's park names – The Commons, The Grove, The Plaza

**Resolution No. R20-070:** Lumar Corporation Contract - annual Fountain Maintenance/Repairs

**Resolution No. R20-071:** Approve Settlement Between the Atmos Cities Steering Committee and Atmos Energy Corp., 2020 Rate Review Mechanism

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## Regular Items

6. **Present, Discuss, and Consider Action on a Resolution Approving a Contract with Community Waste Disposal for Residential Refuse and Recycling Services in an Amount Not to Exceed \$301,440 and for Town Facilities in an Amount Not to Exceed \$66,428 and Authorize the City Manager to Execute the Agreement.**

Shannon Hicks, Director of Public Works and Engineering Services, presented this item. He advised that in response to a Request for Proposals (RFP) for residential and the Town's refuse and recycling services was issued on June 8, 2020. A total of four Proposals were received with only three meeting requirements for consideration. At the August 11, 2020 Council work session this proposal was reviewed with a consensus to approve proposal from Community Waste Disposal (CWD) for a five-year contract without alternates.

Council Member Willesen advised that the Town's ordinance states that one-way plastic garbage bags are required to be utilized to dispose of trash, adding that not everyone is doing that. He asked that staff provide some information on requirements to residents through the newsletter. He advised that use of one-way garbage bags will result in cleaner streets after garbage collection. City Manager Wes Pierson questioned whether garbage bags inside the cans is required. Mr. Hicks responded that he would check the ordinance wording regarding the requirements. Council Member Quintanilla voiced his appreciation for receiving additional information on CWD and spoke in favor of the contract.

**MOTION:** Council Member Walden moved to approve as presented. Mayor Pro Tempore Ward seconded the motion. Motion carried unanimously.

**Resolution No. R20-072:** Community Waste Disposal 5-year residential refuse/recycling contract.

7. **Present, Discuss, and Consider Action on an Ordinance to Amend the Code of Ordinances by Amending Chapter 66 (Solid Waste) Article II (Collection And Disposal), Division 2 (Service Charge) Section 66-52 to Increase the Mandatory Monthly Fee for Garbage Collection Hauling and Disposal (Curbside Pickup) from each Single Dwelling Unit within the Town from \$12.51 to \$12.56; Providing that such**

**Increased Rate Shall be Effective October 1, 2020, and Reflected in the November 2020 Billing Cycle.**

Steven Glickman, Chief Financial Officer, presented this item. He advised that this ordinance is necessary based on the City Council approval of Item 6 presented earlier. He reviewed that the Town has contracted with Community Waste Disposal (CWD) for the residential garbage and recycling collections for all single-family homes in Addison for the past five years. The services were rebid in 2020 with CWD being recommended to remain the service provider. The new contract results in a monthly garbage and recycling rate increase from \$12.51 to \$12.56, per single-family resident in the first year of the contract. The increase will take effect October 1, 2020 and be reflected on the November 2020 utility bill.

**MOTION:** Council Member Hughes moved to approve as presented. Council Member Willesen seconded the motion. Motion carried unanimously.

**Ordinance No. O20-45:** Amend Code of Ordinances, Chapter 66, Article II, Section 66.52 Regarding Single Family Refuse and Recycling Collection Fees

8. **Present, Discuss, and Consider Action on a Resolution Authorizing the City Manager to Enter into a Commercial Real Estate Broker and Advisory Services Agreement with Cushman & Wakefield, U.S. Inc. for Services Related to the Finding and Selection of a Master Developer and the Real Estate Transaction Services for Properties Located Adjacent to the CottonBelt/Silver Line Rail Corridor and Future Rail Station.**

Ashley Mitchell, Deputy City Manager presented this item. She reviewed a map showing the location of acreage that the Town owns adjacent to the CottonBelt/Silver Line Rail Corridor and Future Rail Station. She explained that as part of the Town's ongoing efforts to create a transit oriented development on this acreage and based on the vision established in the Addison Circle Special Area Study, the next step is the selection of a real estate broker to provide the Town with real estate advisory services and represent the Town in an upcoming master developer solicitation for the properties around the future Silver Line Rail Station. Ms. Mitchell advised that Cushman and Wakefield (C&W) was selected through a Request for Proposals process to provide these services for the Town. She advised C&W and their local team have extensive experience representing many government organizations locally and throughout Texas, including recently representing DART on the 11-acre Mockingbird Station East development.

City Manager Wes Pierson added that three responses to the RFP were received and all three were interviewed by a staff panel before selecting Cushman & Wakefield.

Ms. Mitchell advised that C&W's scope will include:

- Strategic Planning and Project Underwriting
- Create & Approve Marketing Materials
- C&W will develop a detailed Request for Proposals (RFP) and associated marketing collateral.

- Phase 1 Solicitation of Initial Proposals & Pre-Bid Conference
- Initial Proposal Analysis & Phase 2 Solicitation of Formal Proposals
- Formal Proposal Evaluation & Master Developer Selection
- Contract Negotiation & Execution

The estimated completion date of Cushman and Wakefield's contract would be December 31, 2021 but could be extended with four additional one-year terms. Cushman and Wakefield would be compensated based on the following:

- Monthly Consulting Fee – A monthly consultant fee of \$10,000 per month will be accrued beginning on the effective date of the agreement and would be due at the end of the contract. This consulting fee would be credited towards any transaction fee at the end of the process.
- Marketing Expenses – C&W will have a marketing budget not to exceed \$25,000. This will be used for signage, aerial and ground photography, printing materials, renderings, etc. The marketing expenses will also be credited towards any transaction fee at the end of the process.
- Transaction Fee - If the solicitation results in a ground lease structure, then C&W will be paid 4% of the ground lease rent for the first 10 years of the lease. If the properties are sold, then C&W will be paid a tiered commission for each transaction based on the gross sale price of each property.
- Success Fee – To further incentivize C&W to push developers to achieve the highest and best use of the property in accordance with the adopted vision, a success fee is being proposed. The success fee would apply if the proposed certified construction costs of the project exceeds an agreed upon baseline improvement value. The base line improvement value assumes a development with a value of \$216,000,000 could easily be constructed. The success fee will be based on 30 basis points of the value created above the baseline improvement value.

Ms. Mitchell introduced Chris Harden with Cushman and Wakefield who explained their approach for selecting a master developer, reviewed the timeline, and explained the process for proposal solicitation. He noted that once a master developer is selected by Council, a Development Agreement would be required. It was noted that it is possible that another property specific developer could be selected if the master developer needs more expertise for a certain property development. Council Member Quintanilla inquired how far along DART should be by January 2022. Mr. Pierson responded that he expects DART to have rail service in operation by March 2023.

Ms. Mitchell advised that C&W will work with staff and the Council to develop the criteria for the real estate developer proposals and the method for selection. She reviewed the community involvement that has previously occurred. Mr. Pierson advised that the community would have opportunities for further input at future Council meetings and Planning and Zoning meetings.

David Leininger, Leininger Analytics, who is serving as an advisor to the Town spoke concerning the compensation portion of the agreement. He explained the commission and fee structures are based on future land values and uses. He added that he feels the stated fees are appropriate.

Mayor Chow expressed that he is concerned that C&W has structured their baseline fees on four-story multi-family buildings and expressed that it was intended that the buildings should have more than four stories. Council Member Hughes questioned the Success Fees, asking if they are appropriate. Council Members Hughes, Braun, and Ward spoke in favor of proceeding with the agreement. Mayor Chow stated he would like to table the item until the next meeting to give staff time to further negotiate the fee structure, and to address the building heights. Council Members Quintanilla and Willeesen spoke in favor of tabling the item.

Council Member Walden moved to approve this item. Council Member Hughes seconded the motion. Discussion continued.

Mayor Chow stated that this is a large, important project and that the Town should re-negotiate, saying that the baseline is too low, and four-story buildings is not correct. He questioned whether 30 Basis Points is customary.

After further discussion, Council Member Hughes withdrew his second to the motion, stating he would like all Council to agree.

Council Member Braun seconded Council Member Walden's original motion to approve the item. Discussion continued.

Chris Harden advised that the agreement presented is the eighth or ninth version, and that the baseline is based on certified construction costs and no soft costs. He said the assessed property values should be significantly higher. He added that payments would occur over many years and that tax revenues should surpass the fee amounts paid to C&W.

Prior to the vote, Council Member Hughes expressed that he would vote in favor of the motion to approve, however would prefer to table the item.

**MOTION:** Council Member Walden moved to approve this item as presented. Council Member Braun seconded the motion. Motion carried 4 to 3 with Mayor Chow, Deputy Mayor Pro-Tempore Quintanilla, and Council Member Willeesen voting against.

**Resolution No. R20-073:** Cushman & Wakefield, U.S. Inc. Agreement for Real Estate Services

**\*\*\* Recess called \*\*\***

**9. Present, Discuss, and Consider Action on an Ordinance to Amend the Town's Annual Budget for the Fiscal Year Ending September 30, 2020.**

Steven Glickman, Chief Financial Officer presented this item. He reviewed the budget amendment process and the Town's budget amendment policy. He said that these proposed amendments are outside the authority of the City Manager and reviewed the details as follows:

**General Fund:** An amendment is needed for the Fire Department in the General Fund. Health Insurance expenditures in FY 2020 were budgeted using a fixed amount per employee regardless

of actual benefit elections. The Fire Department has a higher percentage (than other departments) of employees that elect family health insurance coverage resulting in a lack of appropriation in that department. The amendment adds funding to cover the cost of actual employee health insurance elections in the amount of \$100,000. These additional expenditures are offset by increased Building Permit Fees of \$100,000 resulting in a net impact of \$0.

Capital Improvements Program: This amendment adds funding for the construction of the Airport Customs and Border Protection Facility. In the 2018 Airport Certificates of Obligation Fund the original budget included an appropriation of \$5,068,176. This budget amendment proposes to appropriate the remaining bonds funds in the amount of \$1,912,415 in order to exhaust them prior to utilizing operating reserves. The appropriation is partially offset by interest income in the amount of \$87,261.

- 1) This amendment adds funding for the Belt Line Utility Relocation Project and Belt Line Road 1.5 Project from residual 2014 General Obligation bond funds in the amount of \$800,000. The appropriation is partially offset by interest income in the amount of \$35,857.
- 2) This amendment adds funding for Basin I Sewer improvements from residual 2014 Utility Certificates of Obligation bond funds rather than operating funds in the amount of \$40,000. The appropriation is partially offset by interest income in the amount of \$22,632.

Debt Service Fund: An amendment is needed in the Debt Service Fund to recognize the bond proceeds and refunding cost associated with the 2020 General Obligation Taxable Refunding Bonds in the amount of \$13,205,000. The transaction created approximately \$2 million in interest savings over the remaining life of the debt. The net impact to the fund is \$0.

Grant Fund: An amendment is needed in the Grant Fund to recognize revenue and associated expenditures associated with CARES Act funding received from Dallas County in the amount of \$894,465. The net impact to the fund is \$0.

**MOTION:** Council Member Hughes moved to approve as presented. Mayor Pro Tempore Ward seconded the motion. Motion carried unanimously.

**Ordinance No. O20-46:** Amend FY2020 Budget

**10. Present, Discuss, and Consider Action on a Resolution to Approve an Interlocal Agreement with The City of Farmers Branch and Dallas County Community College District for the Construction of the Alpha Road Connector Project/Bella Lane Extension and Authorize the City Manager to Execute the Agreement.**

Shannon Hicks, Director of Public Works and Engineering Services presented this item. He advised this is an interlocal agreement (ILA) between the Town of Addison, Dallas County Community College (DCCCD) and City of Farmers Branch to facilitate the construction of the Bella Lane extension from the Vitruvian Development through Brookhaven College in Farmers Branch to Alpha Road, as well as a detention pond.

Mr. Hicks added that all right-of-way and easements required for the construction of the roadway and detention pond will be granted by Brookhaven College at no cost. He advised that the project will be paid for with funds set aside for the Vitruvian Development.

**MOTION:** Council Member Walden moved to approve as presented. Council Member Braun seconded the motion. Motion carried unanimously

**Resolution No. R20-074:** Interlocal Agreement with Farmers Branch and Dallas County for Construction of Alpha Road Connector Project/Bella Lane Extension

**11. Present, Discuss, and Consider Action on a Resolution to Approve a Professional Services Agreement with Kimley-Horn and Associates to Perform Professional Services and Engineering Design of the Bella Lane Extension to Alpha Road in the City of Farmers Branch and Authorize the City Manager to Execute the Agreement in an Amount Not to Exceed \$499,600.**

Shannon Hicks, Director of Public Works and Engineering Services presented this item. He advised this agreement includes the design of a new roadway connecting the Vitruvian Park development with Alpha Road and Brookhaven College and a regional detention pond. Mr. Hicks advised the consultant will also provide development of construction documents, bidding services and construction administration support to the Town during construction the phase. The design is expected to take approximately six months to complete and will be paid for with funds set aside for the Vitruvian Development.

**MOTION:** Mayor Pro Tempore Ward moved to approve this item as presented. Council Member Hughes seconded the motion. Motion carried unanimously.

**Resolution No. R20-075:** Professional Services Agreement with Kimley-Horn for Engineering for Bella Lane Extension

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**Adjourn Meeting**

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

**TOWN OF ADDISON, TEXAS**

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Joe Chow, Mayor

**ATTEST:**

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Irma G. Parker, City Secretary