

DRAFT

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL

September 14, 2021

**7:00 p.m. Work Session
7:30 p.m. Regular Meeting**

**Addison TreeHouse
14681 Midway Rd., Suite 200
Addison, TX 75001**

The Addison City Council conducted its Regular Council Meeting on Tuesday, September 14, 2021, 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 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

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

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

Pledge of Allegiance: Mayor Chow led the Pledge of Allegiance

WORK SESSION

1. Present and Discuss the Format for the Town Meeting on October 18, 2021.

Mary Rosenbleeth, Director of Public Communications, advised the Council that Monday, October 18th is the date of the Town Meeting. The Renaissance Hotel is the location of the in-person Meeting. The meeting will also be live streamed on the Town website. Ms. Rosenbleeth reviewed

a list of topics for the Council Members to discuss. Council determined the following subjects and assignments:

COUNCIL MEMBER	TOPIC
Mayor Chow	FY2022 Annual Budget, Financial Matters
Mayor Pro-Tempore Quintanilla	Sam's Club Special Area Study
Deputy Mayor Pro-Tempore Walden	Public Works Update
Council Member Braun	Transit Oriented Development/Silver Line
Council Member Ward	Economic Update
Council Member Wheeler	Airport Development Update
Council Member Willesen	Athletic Club/Parks Update

REGULAR MEETING

Announcements and Acknowledgements regarding Town and Council Events and Activities

City Manager Wes Pierson introduced the new President of the Metrocrest Chamber of Commerce Hayden Austin. Mr. Austin offered brief comments regarding his appointment.

Discussion of Events/Meetings

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.*

City Secretary Parker advised that no citizens had requested to address the City Council via telephonic means.

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.*

- Consider Action on the Minutes from the August 4, 2021, Special City Council Meeting to Review and Discuss the Fiscal Year 2022 Proposed Budget.**
 - Consider Action on the Minutes from the August 5, 2021, Special City Council Meeting Originally Scheduled to Review and Discuss the Fiscal Year 2022 Proposed Budget Which was Cancelled.**
 - Consider Action on the Minutes from the August 24, 2021, City Council Regular Meeting.**
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5. **Consider Action on a Resolution Approving a Negotiated Settlement Between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division Regarding the Company's 2021 Rate Review Mechanism Filing.**

Mayor Chow asked if there were any requests to remove an item from the Consent Agenda for separate discussion.

Council Member Willesen requested Item 2 be removed and discussed separately.

MOTION: Council Member Braun moved to approve Consent Agenda Items 3, 4, and 5 as submitted. Council Member Willesen seconded the motion. Motion carried unanimously.

***** Consent Item 2 *****

Council Member Willesen suggested correction to the last line of paragraph 4 on page 16 of the August 4, 2021. Council Member Willesen presented the following correction to the minutes:

“Council Member Willesen asked if this was the time to discuss how much each organization would be awarded? He questioned the city manager’s proposal to grant \$5,000 to Metrocare Services. After reviewing their proposal and the number of people served from Addison, he recommended changing the funding amount to \$2,500. Deputy Mayor Pro-Tempore Walden Council concurred.”

MOTION: Council Member Willesen moved to approve Consent Agenda Item 2 as amended. Council Member Wheeler seconded the motion. Motion carried unanimously.

Regular Items

6. **Hold a Public Hearing, Present, Discuss, and Consider Action on an Ordinance of the Town of Addison, Texas Approving and Adopting the Annual Budget for the Fiscal Year Beginning October 1, 2021 and Ending September 30, 2022, and Making Appropriations for Each Office, Department, Agency and Project of the Town, Providing that Expenditures for Said Fiscal Year Shall be Made in Accordance with the Adopted Budget, Unless Otherwise Authorized by an Ordinance Adopted by the City Council; Providing for Emergency Expenditures and Expenditures as Otherwise Allowed by Law.**

Steven Glickman, Chief Financial Officer, presented this item. He advised this is the second and final public hearing on the proposed FY 2022 Annual Budget. He provided an overview of the

Town’s staffing and provided a 10-year history. He advised that one additional staff person over the previous year is included in the proposed budget.

Mr. Glickman provided an overview of the General Fund. He advised that Revenues are budgeted at \$40.8 million, and Expenditures are budgeted at \$40.7 million.

Mr. Glickman provided a review of the Self-Funded Projects list, and summaries of Revenues and Expenditures for the Hotel Fund, Economic Development Fund, Utility Operating Fund, and Airport Operating Fund. In addition, Mr. Glickman presented a review and history residential water and sewer rates and the Stormwater Operating Fund.

Mr. Glickman provided a list of Capital Improvement Projects planned over the next five years. The total amount of all projects is \$47.2 million.

Mayor Chow opened and closed the public hearing with no one wishing to speak.

Mr. Glickman advised the City Council must conduct a roll call vote to adopt the annual budget.

MOTION: Council Member Walden moved to approve. Council Member Braun seconded the motion. City Secretary Parker conducted the roll call vote as noted below. Motion carried unanimously.

Council Member	Yay	Nay	Present not Voting	Absent
Mayor Joe Chow	X			
Mayor Pro-Tempore Guillermo Quintanilla	X			
Deputy Mayor Pro-Tempore Paul Walden	X			
Council Member Lori Ward	X			
Council Member Kathryn Wheeler	X			
Council Member Marlin Willesen	X			

Ordinance No. O21-30: Approving and Adopting the Annual Budget for the Fiscal Year Beginning October 1, 2021 and Ending September 30, 2022.

7. Hold a Public Hearing, Present, Discuss, and Consider Action on an Ordinance to Levy Taxes for the Town of Addison, Texas, and to Fix and Adopt the Tax Rate of \$0.614660 for the Town on All Taxable Property for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022.

Steven Glickman, Chief Financial Officer, presented this item. He advised this is the second public hearing for the property tax rate. He reviewed the process involved with adopting the tax rate.

Mr. Glickman advised that the Certified Taxable Value for FY 2022 is \$5.08 billion, compared to the FY 2021 Certified Taxable Value of \$4.93 billion. The Current Property Tax Rate for FY 2021 is \$.608676, and the proposed Property Tax Rate for FY 2022 is \$.614660. He advised the increase is related to the General Obligation Bonds issued in August.

Mr. Glickman provided information regarding the property tax rates for the categories of No-New-Revenue, Voter-Approval, and the Adopted/Proposed rate. He clarified the differences compared to the previous year. Mr. Glickman advised the higher No-New-Revenue rate for FY 2021 was due to the Appraisal District being unable to certify the tax roll last year by July 25th, so an estimate was provided. For FY 2022, the No-New-Revenue rate is lower due to properties that are still in dispute as to the value. Those property owners' estimated values were used.

Mr. Glickman reviewed the distribution of property tax revenue was used for the General Fund, Economic Development Fund, Infrastructure Development Fund, and Debt Service Fund. Charts presented by Mr. Glickman showed a ten-year history of the Town's property tax rates, as well as a comparison to other cities. Mr. Glickman provided an example of the impact on property owners because of this year's proposed tax rate. The combined total tax rate is \$2.517596 and includes rates for the Town of Addison, Dallas Independent School District, Dallas County Schools, Dallas County, Dallas County Community College District, and Parkland Hospital.

Mr. Glickman advised that the motion for adopting the tax rate requires specific language and requires a roll call vote.

Mayor Chow opened and closed the public hearing with no one wishing to speak.

MOTION: Council Member Ward “*moved that the property tax rate be increased by the adoption of a tax rate of \$0.614660 per \$100 valuation, which is effectively a 12.04 percent increase in the tax rate.*” Council Member Walden seconded the motion. City Secretary Parker conducted a roll call as noted below. Motion carried unanimously.

Council Member	Yay	Nay	Present not Voting	Absent
Mayor Joe Chow	X			
Mayor Pro-Tempore Guillermo Quintanilla	X			
Deputy Mayor Pro-Tempore Paul Walden	X			
Council Member Lori Ward	X			
Council Member Kathryn Wheeler	X			
Council Member Marlin Willesen	X			

Ordinance No. O21-31: Fix and Adopt the Tax Rate of \$0.614660 for the Town on All Taxable Property for the Fiscal Year Beginning October 1, 2021 and Ending September 30, 2022.

8. Present, Discuss and Consider Action on the Fiscal Year 2021-22 Property Tax Revenue Ratification Ordinance.

Steven Glickman, Chief Financial Officer, presented this item. He advised this item is to ratify the property tax increase associated with the adopted budget and tax rate. Mr. Glickman advised the Tax Code requires action to ratify the revenue if there is an increase in property tax revenue.

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

Ordinance No. O21-32: Ratify Fiscal Year 2021-22 Property Tax Revenue Increase Reflected in the Adopted Budget

9. **Present, Discuss and Consider Action on an Ordinance Amending Chapter 82 (Utilities), Section 82-76 and Section 82-77 of the Code of Ordinances of the Town by Amending Sewer Rates and Water Rates for All Customer Classifications; Providing that the Changes to the Sewer Rates and Water Rates Made Herein Shall be Applied to Monthly Customer Bills Beginning with the November 2021 Billing Cycle.**

Steven Glickman, Chief Financial Officer, presented this item. He advised this item is to approve a 2.5 percent rate increase for all customer classes for water and sewer. He added that in 2018 the Council adopted a five-year utility plan, the adopted budget includes those utility rate increases. Mayor Chow advised there was a study done in 2018 for a five-year phase in of rate increases and this is the last year for the increases based on that study.

MOTION: Council Member Willesen moved to approve. Mayor Pro Tempore Quintanilla seconded the motion. Motion carried unanimously.

City Manager Pierson expressed his appreciation to the Council for their support during the budget process, and to the staff and others involved in the budget process. Mayor Chow expressed his appreciation to City Manager Pierson as well. Council Member Ward stated that Strategic Planning is what guides the budget process. Deputy Mayor Pro Tempore Walden expressed his appreciation and sentiments to the staff and Council. Mayor Pro Tempore Quintanilla congratulated Mr. Pierson on the budget. Council Member Willesen commented on the smooth process involved in preparing for the budget.

Ordinance No. O21-33: Amending Chapter 82 (Utilities), Section 82-76 and Section 82-77 of the Code Increasing Sewer Rates and Water Rates for All Customer Classifications

10. **Hold a Public Hearing, Present, Discuss, and Consider Action on an Ordinance Changing the Zoning on a 1.24 Acre Property Located at 14999 Montfort Drive, from Local Retail (LR) to a Planned Development (PD) District with modified LR District Standards, and Approving a Special Use Permit for a Restaurant with the Sale of Alcoholic Beverages for On-Premises Consumption Only. Case 1832-Z/Loro Asian Smokehouse.**

Ken Schmidt, Director of Development Services, presented this item. He advised this is a request to rezone the 1.42-acre property at 14999 Montfort Drive from Local Retail (LR) to Planned Development with Modified Local Retail (LR) standards. The proposed usage will be for a restaurant with on-premises alcohol consumption. Mr. Schmidt advised the location is the former site of the Flying Saucer Draught Emporium. Mr. Schmidt added the building will be demolished and a new building constructed.

Mr. Schmidt reviewed the proposed parking, landscaping, buffer areas, and outside storage area requested. He advised the proposed restaurant will have a total 7,764 square foot service area that includes outdoor patio and bar service areas. The proposed exterior façade will be a mix of board and batten siding, masonry, CMU block and concrete.

Mr. Schmidt advised the seven surrounding property owners received notices of this public hearing and no responses were received. He advised that at their August meeting the Planning and Zoning Commission voted unanimously to recommend approval with conditions. Those conditions include that there shall be no terms or depictions that relate to alcoholic beverages in any exterior signage, and repeal of previously approved Ordinances Nos. 430 and O95-032. Mr. Schmidt added that staff is recommending approval of the request. Mr. Ray Barnett representing the applicant spoke on behalf of the project.

Mayor Chow opened and closed the public hearing with no one wishing to speak.

Council Member Braun inquired as to how the newly enacted state law on alcohol sales will affect the Town's ordinances regarding on-premises consumption. Mr. Schmidt responded that the law conflicts with Addison's regulations and after the Town adopts a new Unified Development Code, Addison's regulations will require updating. City Manager Pierson explained that during the pandemic, a suspension of state law allowed for alcohol "take-out." A new law took effect September 1, 2021, now allows for take-out of alcoholic beverages.

MOTION: Council Member Braun moved to approve with the conditions as stated. Council Member Willesen seconded the motion. Motion carried unanimously.

Ordinance No. O21-34: Zoning change for 14999 Montfort Drive to a Planned Development (PD) District with modified LR District Standards, Case 1832-Z/Loro Asian Smokehouse.

11. Present, Discuss and Consider Action on a Resolution to Nominate a Suburban Cities' Representative to the Dallas Central Appraisal District Board of Directors.

City Secretary Irma Parker informed the Council that Mr. Michael Hurtt has served on the Dallas Central Appraisal District Board of Directors for the past two terms and has expressed interest in being reappointed. Staff has prepared a resolution nominating Mr. Hurtt to serve another term. Mayor Chow provided a summary of Mr. Hurtt's experience and service. Additionally, Mayor Chow explained the Board of Director membership which includes a representative appointed by Dallas County, Dallas Independent School District, and the City of Dallas. The remaining position represents Dallas County cities currently held by Mr. Hurtt.

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

Resolution No. R21-048: Nominate Michael Hurtt as Suburban Cities Representative to the Dallas Central Appraisal District Board of Directors

12. **Present, Discuss and Consider Action on a Resolution Confirming the Town's Intent to Participate in the 2021 National Fitness Grant Program; and Authorizing the City Manager to Execute Such Documents as May Be Necessary to Confirm the Town's Participation in the Program.**
13. **Present, Discuss and Consider Action on a Resolution Approving the Purchase of Outdoor Fitness Court Equipment from National Fitness Campaign LLC In Connection with the City's Participation in the 2021 National Grant Program; and Authorizing the City Manager to Execute a Grant Match in the Form of a Purchase Order for the Fitness Equipment in an amount not to exceed \$124,265.00**

Jana Tidwell, Director of Parks and Recreation, presented Item 12 and Item 13 collectively. She advised that the Parks and Recreation Master Plan approved by the City Council in 2018 included a shaded outdoor fitness area at Les Lacs Park. As a result of this recommendation, Proposition C of the 2019 Bond Election included an outdoor fitness station adjacent to Les Lacs Park and was approved by voters.

Ms. Tidwell advised that after the selection process for new fitness equipment began, staff became aware of and applied for a \$25,000 National Fitness Grant facilitated by the National Fitness Campaign (NFC) and Texas Recreation and Park Society (TRAPS). The grant funds must provide funding for the purchase of NFC outdoor fitness court. The Town was one of twenty cities approved to receive the grant.

Regarding Agenda Item 13 Ms. Tidwell advised that staff reviewed three vendor proposals for outdoor fitness equipment with National Fitness Campaign (NFC) Fitness Court selected as the preferred equipment due to its durability in addition to providing the most fitness opportunities. The NFC court offers a system built around seven movements in 7 minutes and for people of all abilities. Court users may also download an Application (App) that offers free workouts created by trainers.

Ms. Tidwell reported the NFC equipment offers a base fitness court that has one color scheme and a standard graphic. Distinct color schemes and graphics are available for an additional cost. Staff provided Addison residents four color/graphic options as listed below:

- Option 1 - Base Course & Standard Graphic (no additional Cost)
- Option 2 - Green Color & Standard Graphic (+\$5,000)
- Option 3 - Standard Color & Custom Photo Graphic (+8,500)
- Option 4 - Custom Color & Custom Graphic (+13,500)

During a public input meeting held on August 25, 2021, Staff presented the color/graphic options. During this meeting, residents voted for their preferred option. Residents that did not attend the meeting had the opportunity to provide their preference through an online survey. Option 1 was the most selected preference of residents that participated in the survey. The price in the resolution is an amount not to exceed the equipment and color scheme included in option 4. The price also reflects the National Fitness Grant which reduces the price of the equipment by \$25,000. The costs

for the fitness court are consistent with estimates staff provided the Bond Election Committee. The NFC outdoor fitness court is a patented system and purchased as a sole source item.

City Manager Pierson advised the Council that the grant received is for the current year and the equipment is available now for purchase. He noted this request is for the equipment only and there will be additional costs in the future. Ms. Tidwell plans to store the equipment until such time as the equipment can be installed. A site at Les Lacs Park near the playground and with two shade trees has been identified as the location for installation of this equipment.

Item #12:

MOTION: Council Member Ward moved to approve. Council Member Braun seconded the motion. Motion carried unanimously.

Resolution No. R21-050: Resolution Confirming the Town's Intent to Participate in the 2021 National Fitness Grant Program

Item #13:

MOTION: Council Member Ward moved to approve. Council Member Wheeler seconded the motion. Motion carried unanimously.

Resolution No. R21-051: Resolution Approving the Purchase of Outdoor Fitness Court Equipment from National Fitness Campaign LLC in an amount not to exceed \$124,265.00

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