

DRAFT

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL REGULAR MEETING AND WORK SESSION

September 27, 2022

Addison Treehouse
14681 Midway Rd., Ste 200, Addison, TX 75001
6:30 PM Executive Session & Work Session
7:30 PM Regular Meeting

A Regular Meeting was held by the City Council of the Town of Addison, Texas on September 27, 2022, with an Executive Session and Work Session beginning at 6:30 p.m. followed by the Regular Session at 7:30 p.m. in the Addison Treehouse, 14681 Midway Road, Suite 200, Addison, Texas. The following members were present to-wit:

Present: Mayor Joe Chow; Mayor Pro-Tempore Kathryn Wheeler; Council Member Tom Braun; Council Member Darren Gardner; Council Member Guillermo Quintanilla; Council Member Eileen Resnik

Absent: Deputy Mayor Pro-Tempore Lori Ward

Call Meeting to Order: Mayor Joe Chow called the meeting to order at 6:30 PM.

Pledge of Allegiance: Mayor Joe Chow led the Pledge of Allegiance.

EXECUTIVE SESSION

Prior to entering into Closed Session, City Attorney Wyatt requested Mayor Chow add Item #1 to this Session.

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 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:

- *G J Seeding, LLC v. FNH Construction, LLC and Hudson Insurance Company*, Cause No. DC-20-11409, 134th Judicial District, Dallas County, Texas; and
- Residential Screening Walls in Addison.

Mayor Chow closed the Open Meeting to go into Closed Executive Session at 6:32 PM.

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 7:22 PM.

Mayor Chow called for any motion to be made as a result of Closed Executive Session.

MOTION: Council Member Quintanilla moved to approve settlement in the *G J Seeding, LLC v. FNH Construction, LLC and Hudson Insurance Company*, Cause No. DC-20-11409, 134th Judicial District, Dallas County, Texas, to resolve all claims with FNH Construction, LLC, G.J. Seeding, LLC, and Hudson Insurance Company pursuant to the terms presented by legal counsel in Executive session to authorize the Interim City Manager to execute documents to effectuate the settlement. Council Member Braun seconded the motion. Motion carried unanimously.

WORK SESSION – 7:22 PM

1. **Present and Discuss Maintenance of Residential Screening Walls in Addison.** [*Janna Tidwell, Director of Parks & Recreation*]

The Parks Department maintains some, but not all of the masonry residential screening walls in Addison. Typically, the walls that the Parks Department maintains are identified on plats or surveys by easements for wall maintenance.

Over the last few months, several single-family residential neighborhoods have reached out to staff requesting that repairs be made to their perimeter screening walls. The requested repairs are associated with walls that have not been historically maintained by the Parks Department, nor is there a record of a wall maintenance easement on the plat and the walls are located on private property. The neighborhoods that have reached out indicated that previous Town staff committed to maintaining all single-family residential perimeter screening walls to provide a different level of service to Addison residents. In one instance, the Homeowner's Association (HOA) for a neighborhood provided recent e-mail correspondence with a former Town employee that did substantiate this. However, staff cannot find a legal record or documentation of this direction and is requesting Council's direction regarding the maintenance of single-family residential masonry perimeter screening walls.

Directive: Staff was directed to engage a private company to conduct a title search of all properties

with residential masonry perimeter screening walls to pin down the exact history of these properties including utility/maintenance easements, contracts, and other information related to the property as needed to perform inventory and determine Town maintenance responsibilities, if any. Staff will report findings at a future meeting.

REGULAR MEETING – 7:34 PM

Announcements and Acknowledgments Regarding Town and Council Events and Activities

- **Present the 2022 Addison Foodservice Safety and Sanitation Awards** [Sandra Long, Environmental Health Manager; Ken Schmidt, Director of Development Services]
 - Shake Shack, 5290 Belt Line #122A
 - Chick-Fil-A, 3781 Belt Line
 - Dunn Bros, 3725 Belt Line
 - Olive Garden, 4240 Belt Line
- **Discussion of Meetings / Events** [Hamid Khaleghipour, Interim City Manager]

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.*

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.*

2. **Consider Action on the Minutes from the September 13, 2022 City Council Meeting.**
3. **Consider Action on a Resolution Approving an Economic Development Program Grant Agreement with Firehawk Aerospace, Inc., and Authorizing the City Manager to Execute the Agreement.**
4. **Consider Action on a Resolution Approving the Creation of a Trust Under Internal Revenue Code Section 115 For the Purpose of Pre-Funding Other Post-Employment Benefits (OPEB) Related to the City's Post Employment Health Plan for Retirees; Appointing the City Manager as Trustee; And Providing an Effective Date.**

MOTION: Council Member Braun moved to approve Consent Agenda Items 2 – 4. Mayor Pro-Tempore Wheeler seconded the motion. Motion carried unanimously.

Resolution No. R22-059: Firehawk Aerospace, Inc. ED Program Grant Award

Resolution No. R22-060: Create Trust IRS Code §115 OPEB for Retirees

Regular Items

5. **Present, Discuss, and Consider Action on an Ordinance to Amend the Town's Annual Budget for the Fiscal Year Ending September 30, 2022.** [*Steven Glickman, Chief Financial Officer*]

The Fiscal Year (FY) 2022 budget was adopted by Council on September 14, 2021. This is the second amendment for the FY2022 Town of Addison annual budget. Each year, the Finance Department reviews the budget to determine which items should be recognized with formal budget amendments. When budget variances occur that are outside of the authority of the City Manager, these adjustments are presented to the Council in the form of a budget amendment. Major items include:

General Fund: An amendment is needed for the Council Special Projects, City Manager's Office, General Services, Fire, Parks, and Emergency Communications Departments in the General Fund.

- On June 22, 2021 the Council approved additional funding of up to \$72,000 to Metrocrest Services to respond to the COVID-19 pandemic, but not all was spent in Fiscal Year 2021. This amendment appropriates the remaining \$10,000 in the Council Special Projects Department.
- Holiday in the Park (\$55,000), advertising (\$15,000), and miscellaneous expenditures (\$20,000) in the Council Special Projects Department.
- \$30,000 in the City Manager's Office to provide funding for the payout of accrued vacation to the prior City Manager.
- \$14,000 for Emergency Communications due to communications expenditures slightly exceeding the original budget.
- \$535,000 in the General Services Department to provide funding to the Facility Maintenance Fund (\$500,000) that was created in Fiscal Year 2021 as well as for temporary employment services (\$35,000).
- \$100,000 in the Fire Department to provide funding for retirement vacation payouts and overfill positions.
- \$190,000 in the Parks Department for additional water usage due to the hot and dry spring and summer experienced in 2022 as well as \$40,000 to replace a bus shelter that was damaged by a motorist.

These additional appropriations are offset by increased Sales Tax Revenue of \$969,000 resulting in a net impact of \$0 to the General Fund. Additionally, this budget amendment authorizes the City Manager to transfer unexpended appropriations and excess revenue from the Fiscal Year 2021-2022 budget to the Self-Funded Special Projects Fund. The amount of this transfer (if applicable) will be known in late November 2022 after the Town has recorded all revenues and expenditures for Fiscal Year 2021-2022. The Fiscal Year 2021-2022 estimate included in the Fiscal Year 2022-2023 budget included an estimated transfer amount of \$1,400,000.

Streets Self-Funded Projects Fund:

- An additional appropriation of \$900,000 is needed in the Streets Self-Funded Projects Fund to appropriate funding authorized in Change Order #3 with Jim Bowman Construction Company, LP that was approved by Council on June 14, 2022.
- \$900,000 in reimbursement revenue making the net impact to the Streets Self-Funded Projects Fund \$0.
- \$253,000 for the relocation of a transformer at the Police Department in the amount of \$135,000 and unanticipated facility repairs in the amount of \$118,000.

Utility Fund:

- \$400,000 is needed in the Utility Fund to provide funding for higher than anticipated wholesale water purchases (\$250,000) due to a hotter and dryer spring and summer than anticipated as well as (\$150,000) for water main repairs.
- These additional appropriations are offset by corresponding increased water sales revenue of \$400,000 due to a hotter and dryer spring and summer than anticipated resulting in a net impact to the Utility Fund of \$0.

FUND	IMPACT ON BUDGETED EXPENDITURES	IMPACT ON BUDGETED REVENUES	IMPACT ON FUND BALANCE
General Fund	\$969,000	\$969,000	\$0
Streets Self-Funded Projects Fund	\$900,000	\$900,000	\$0
Utility Fund	\$400,000	\$400,000	\$0
Self-funded Special Projects Fund	\$253,000	\$0	(\$253,000)
TOTAL	\$2,522,000	\$2,269,000	(\$253,000)

MOTION: Council Member Resnik moved to approve as submitted. Council Member Gardner seconded the motion. Motion carried unanimously.

Ordinance No. O22-34: Approve amendment to FY2022 Annual Budget.

Adjourn Meeting

There being no further business to come before the City Council, Mayor Chow adjourned the meeting at 7:51 pm.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

Irma G. Parker, City Secretary