



**NOTICE OF A SPECIAL COUNCIL MEETING  
FAIRVIEW TOWN COUNCIL  
TOWN HALL COUNCIL CHAMBERS  
372 TOWN PLACE  
FAIRVIEW, TX  
MONDAY, AUGUST 28, 2023  
6:00 P.M.  
AGENDA**

**NOTICE IS HEREBY GIVEN** the Town of Fairview Town Council will conduct a Special Meeting scheduled at 6:00 p.m. on Monday, August 28, 2023, located at Fairview Town Hall, 372 Town Place, Fairview, TX 75069. A meeting can be held with a member participating by videoconference provided that there is a quorum of members physically present at the location that is open to the public. One or more Council members may attend the meeting via video conference.

This notice and meeting agenda will be posted online at [fairviewtexas.org](http://fairviewtexas.org).

The public will be permitted to offer public comments as provided by the agenda and as permitted by the presiding officer during the meeting.

1. Call to Order
2. Citizen's Comment  
*At this time, any person may address the Council regarding an item on this meeting agenda that is not scheduled for public hearing. Also, at this time, any person may address the Council regarding an item that is not on this meeting agenda. Each person will have up to five minutes. No discussion or action may be taken at this meeting on items not listed on this agenda, other than to make statements of specific factual information in response to a citizen's inquiry or to recite existing policy in response to the inquiry.*
3. Consider, discuss and take any necessary action on an ordinance regarding the proposed 2023-24 ad valorem tax rate.
4. Consider, discuss and take any necessary action on an ordinance approving the proposed 2023-24 fiscal year budget.
5. Consider, discuss and take any necessary action on an ordinance ratifying the 2023-24 property tax revenue increase.

6. Consider, discuss and take any necessary action on an ordinance amending the 2022-23 fiscal year budget.
7. Consider, discuss and take any necessary action on an ordinance approving a rate increase related to solid waste service.
8. Consider, discuss and take any necessary action on an ordinance approving a rate increase related to water and wastewater rates.
9. Consider, discuss and take any necessary action on a resolution suspending the effective date of CoServ Gas, Ltd's requested rate change.
10. Consider, discuss and take any necessary action on a memorandum of understanding with Lovejoy Independent School District relating to traffic control services.
11. Adjourn

I, Adam Wilbourn, Alternate Town Secretary, hereby certify that notice of the above-named meeting was posted on the bulletin board of the Town Hall of the Town of Fairview, Texas, a place readily accessible to the public at all times, on the 25<sup>th</sup> day of August, 2023 at or before 5:00 p.m. and will remain continuously posted for at least 72 hours immediately preceding said meeting.

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Adam Wilbourn, Alternate Town Secretary

**NOTICE OF ASSISTANCE AT THE PUBLIC MEETINGS:**

The Town of Fairview Council Chambers is wheelchair accessible. Access to the building and special parking is available at the primary southwest and northwest entrance into the Town Hall parking lot. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, or readers, are requested to contact the Town Secretary's office at 972-562-0522, Ext 4234 or by fax at 972-886-4203.



## *Memorandum*

### *August 28, 2023*

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TO: Mayor & Council

FROM: Julie Couch, Town Manager  
Steven Ventura, Chief Financial Officer

SUBJECT: **AD VALOREM TAX RATE ADOPTION FOR FISCAL YEAR 2023-2024**

BACKGROUND: The Town published the required proposed property tax rate notice in the Allen American on August 6, 2023, and has provided access to the notice via the Town's website since August 11, 2023. The proposed fiscal year 2023-24 ad valorem tax rate exceeds the No-New Revenue Tax Rate and the Voter Approval Tax Rate; therefore, a public hearing on the tax rate was required and held on Thursday August 22, 2023. A record vote on the proposed tax rate was taken at the August 1<sup>st</sup> Town Council meeting.

STATUS OF ISSUE: Now that the Town has met all requirements; posting notices, taking a record vote, and holding a public hearing, the Town council can formally adopt the ad valorem tax rate for fiscal year 2023-24. This Ordinance sets the ad valorem tax rate for fiscal year 2023-24 at \$0.311683 per \$100 of assessed valuation, to be distributed as follows: \$0.234200 for Maintenance & Operations (M&O) and \$0.077483 for Interest & Sinking (I&S) related to general obligation debt. The following statement is required by law when adopting the tax rate by ordinance. It compares the taxes raised on a \$100,000 home, by percentage and dollar amount, using the current year's M&O rate and the proposed M&O rate. It does not impact anything that Council has addressed during the budget process.

**THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR.**

**THE TAX RATE WILL EFFECTIVELY BE RAISED BY 8.49 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-4.21.**

**BUDGET:** Due to the new improvements placed on the tax roll and increased assessments, approximately 10.55% in additional ad valorem taxes will be collected in fiscal year 2023-24 for maintenance and operations as compared to what was collected in fiscal year 2022-23.

**RECOMMENDATION:** Adopt the attached ordinance approving the 2023-2024 ad valorem tax rate of \$0.311683 on each one hundred dollars (\$100.00) of assessed value of taxable property.



## *Memorandum*

### *August 28, 2023*

TO: Mayor & Council

FROM: Julie Couch, Town Manager  
Steven Ventura, Chief Financial Officer

**SUBJECT: ADOPTION OF THE PROPOSED FISCAL YEAR (FY) 2023-24 ANNUAL OPERATION BUDGET**

**BACKGROUND:** The Council has had the opportunity to review the draft budget at the July 27<sup>h</sup> work session, the August 1<sup>st</sup> Council meeting, and the August 22<sup>nd</sup> work session. A record vote on the proposed tax rate - \$0.311683 was taken at the August 1<sup>st</sup> Council meeting. The required public hearings on the budget and tax rate were held on August 22<sup>nd</sup>.

#### **Budget Focus**

This year's goal is to continue to deliver outstanding town services at the greatest possible value. This budget includes small enhancements to current services, expense increases in response to inflation, and other price increases. Continued implementation of the 10-year capital plan, the Town's articulated strategic goals and maintaining our ability to recruit and retain employees remain integral components of the budget.

The Town continues to provide one of the lowest tax rates of any full-service city in Collin County that provides both full time fire and police services as well as other town services.

The annual budget is a policy document that sets the financial course for the Town and defines the service priorities for the community. Adopting the budget is a key role of the Town Council. The budget process allows the Town Council the opportunity to balance the needs of the Town against available resources. The development of the budget requires a significant amount of time from staff and the Council. The departments submit their proposed budgets, those budgets are reviewed and prioritized in a manner that utilizes available resources with fiscal constraints to achieve the Town's goals. The staff, from the department managers to the management team have scrutinized

and reduced expenditures where possible, and only proposed expenditures that are deemed necessary to ensure that services are maintained.

STATUS: **Adoption of the Budget**

Based on the record vote it is assumed that the Council wishes to move forward with the proposed tax rate. The budget, as attached, was prepared with the tax rate of \$0.311683.

The budget as prepared includes a rate increase for water rates of 5%, a 26.59% increase in sewer rates, and 3.5% increase in solid waste rates. (All pass through from providers)

Should the budget be approved as proposed, the following language, along with the record vote and tax rate information must be included on the cover page of the budget.

**THIS BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$883,741, WHICH IS A 10.55% INCREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$193,711.**

BUDGET: The FY 2023-24 tax rate and budget have been developed based upon the attached budget.

RECOMMENDATION: Staff recommends Town Council approve the FY 2023-2024 Budget Ordinance for the Town of Fairview, Texas as submitted. **The vote must be a record vote** and recording of the vote will appear on the Town's final "Budget Cover Page".



## *Memorandum*

### *August 28, 2023*

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TO: Mayor & Council

FROM: Julie Couch, Town Manager  
Steven Ventura, Chief Financial Officer

SUBJECT: **RATIFYING THE 2023-2024 PROPERTY TAX REVENUE INCREASE**

BACKGROUND: The State of Texas Truth-in-Taxation procedures states that when a municipalities property tax levy will raise more revenue from property taxes than in the preceding year, then the governing body must hold a separate vote to ratify the property tax increase reflected in the budget. This vote must be in addition to and separate from the vote to adopt the budget or the vote to set the tax rate. Cities that maintain a website, must post the proposed budget, along with final adopted budget.

STATUS OF ISSUE: The Town has posted the proposed budget on the Town's website and

**THIS BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF 883,741, WHICH IS A 10.55% INCREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$193,711.**

BUDGET: Due to the new improvements placed on the tax roll and increased assessments, approximately 10.55% in additional ad valorem taxes will be collected in fiscal year 2023-2024 for maintenance and operations as compared to what was collected in fiscal year 2022-2023.

RECOMMENDATION: Adopt the attached ordinance ratifying the property tax revenue increase in the fiscal year 2023-2024 budget as the result of the Town receiving more revenues from the property taxes in the fiscal year 2023-2024 budget than in the previous fiscal year.



## *Memorandum*

### *August 28, 2023*

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TO: Mayor and Councilmembers

FROM: Julie Couch, Town Manager  
Steven Ventura, Chief Financial Officer

**SUBJECT: APPROVAL OF BUDGET AMENDMENT, AMENDING THE FY 2022-23 ANNUAL BUDGET**

**BACKGROUND:** The Council held a budget work session on July 27, 2023, and during that work session the elements included in the budget were discussed in some detail. In addition, the Town discussed the budget at the August 1<sup>st</sup> council meeting and held a public hearing on the budget on August 22, 2023. These meetings included reviewing the end-of-year estimates for FY 2022-2023 budget; therefore, the Town's FY 2022-23 Budget Ordinance needs to be amended to reflect changes that have occurred since the adoption of the original FY 2022-2023 Budget on August 25, 2022.

**STATUS OF ISSUE:** The majority of the increases from the adopted budget to the amended fiscal year 2022-23 budget of \$3,239,781 occurred in the General Fund, Utility Fund and Capital Projects Fund. The \$482,411 increase in the General Fund was due to the implementation of new compensation plans, and additional transfers to other funds for various projects. The \$1,066,821 increase in the Utility Fund expenditures was due to additional transfers to other funds for capital replacement and projects. The increase of \$931,500 in the TIF fund was due to transfers to the Road Construction Fund for road projects.

The chart on the next page compares the Town's adopted FY 2022-23 Budget with the FY 2022-23 Amended Budget:



Fund	FY 2022-23	FY 2022-23	Change (\$)	Change (%)
	Adopted Budget	Amended Budget		
General Fund	\$10,597,706	\$11,080,117	\$482,411	4.55 %
Water & Wastewater Fund	8,142,229	9,209,050	1,066,821	13.10 %
Solid Waste Fund	913,725	923,000	9,275	1.02 %
Debt Service Fund	2,322,127	2,322,127	-	n/a
Capital Projects Fund	570,000	245,000	(325,000)	(57.02)%
Utility Construction Fund	-	29,000	29,000	n/a
Roadway Impact Fee Fund	1,000,000	1,238,000	238,000	23.80 %
Street Construction Fund	4,250,000	4,530,500	280,500	6.60 %
Park Construction Fund	450,000	522,500	72,500	16.11%
Utility Impact Fee Fund	400,000	680,000	280,000	70.00%
Vehicle/Capital Replacement	318,600	340,400	21,800	6.84%
Storm Water Fund	366,670	358,944	(7,726)	(2.11)%
EDC Fund	746,700	902,300	155,600	20.84%
CDC Fund	712,400	1,007,700	295,300	41.45 %
Court Fund	27,500	27,500	-	n/a
Technology Fund	183,400	181,000	(2,400)	(1.31) %
Fire Donation Fund	20,500	16,900	(3,600)	(17.56)%
Hotel / Motel	134,200	110,000	(24,200)	(18.03)%
Fairview TIF	75,000	1,006,500	931,500	>100%
Relief Fund	260,000	-	(260,000)	(100.00)%
<b>Town-wide Totals</b>	<b>\$31,490,757</b>	<b>\$34,730,538</b>	<b>\$3,239,781</b>	<b>10.29%</b>

BUDGET: The FY 2022-23 budgeted expenditures will increase by \$3,239,781 or 10.29%.

RECOMMENDATION: Staff recommends Town Council to approve the FY 2022-2023 Budget Amendment Ordinance for the Town of Fairview, Texas as submitted.



## *Memorandum*

### *August 28, 2023*

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TO: Mayor & Town Council  
Julie Couch, Town Manager

FROM: Steven Ventura, Chief Financial Officer

SUBJECT: **SOLIDWASTE RATE INCREASE**

**BACKGROUND:** Residential trash collection services have been provided by Republic Services throughout the Town since 2006. In June of 2021 the Town negotiated a 5-year extension through a consultant-Solid Waste Specialists (SWS).

Currently, the Town provides residential and commercial waste collection and disposal services through Republic. Residential trash collection and recycling services are provided once per week with once per month bulk/brush collection. Currently, by ordinance brush collection is limited to 12 cubic yards (example – 7x7x7 or 6x6x9), while bulk collection is limited to items such as a couch, sofa, chair, dishwasher, dryer, or washer.

**STATUS OF ISSUE:** FY24 rates for services will increase by 3.5% as agreed upon in the contract.

A resident would pay **\$22.16** per month for trash collection services compared to the previous rate of **\$21.47**. The components of this rate are \$12.14 for trash collections, \$2.12 for once per month brush/bulk services, \$1.80 for the Town's administrative costs cover the direct and indirect costs of administering the Republic Services contract and monthly billing services, and \$6.10 for recycling services. The senior resident would pay **\$20.66** per month for trash collection services compared to the previous rate of **\$20.02**. The components of this rate are \$10.64 for trash collections, \$2.12 for once per month brush/bulk services, \$1.80 for the Town's administrative costs cover the direct and indirect costs of administering the Republic Services contract and monthly billing services, and \$6.10 for recycling services.

**BUDGET:** All additional costs related to the annual rate adjustments will be passed along to the Town customers and those increases have been reflected in the fiscal year 2023-24 budget.

RECOMMENDATION: Approve the attached solid waste rate structure ordinance, effective October 1, 2023.

ATTACHMENTS:

- Solid Waste Ordinance



## *Memorandum*

### *August 28, 2023*

TO: Mayor & Council

FROM: Steven Ventura, Chief Financial Officer

SUBJECT: **WATER & WASTEWATER RATE INCREASE**

**BACKGROUND:** In FY21 and FY22 there were no increases in water rates and a 10% increase in wastewater rates in FY22. Due to increases in operating and capital costs, FY23 saw an increase in water and wastewater rates of 13.16% and 20.27% respectively, which were passed on to customers.

There are several factors that are taken into consideration in developing rates and those are to ensure that the Water and Wastewater Fund:

1. Is covering current and future operating costs
2. Is paying for existing and future debt service attributable to the utility system
3. Is meeting all coverage and reserve requirements
4. Is meeting working capital goals and requirements – generally between 60 and 90 days of operating expenses but not less than 60 days per fund balance policy.

These factors as well as the full shift of water and wastewater debt expenses to the Water and Wastewater Fund and future costs of operating the Water & Wastewater Fund impact the ability of the fund to, over time, cover all needed expenses.

**STATUS OF ISSUE:** For FY24, NTMWD continues to experience several inflationary impacts, and labor challenges. The proposed increase in water rates from NTMWD was 8%, staff is recommending a 5% increase, and the proposed increase in sewer rates is 26.59%.

Over the past year, the average residential customer consumed approximately 10,000 gallons of water a month. Currently, a residential customer that averages a monthly water and wastewater usage of 10,000 gallons pays \$73.47 in water fees and \$89.17 in wastewater fees. A water increase

of 5% would equate to a water bill increase to \$77.15 and a wastewater rate increase of 26.59% would equate to a wastewater bill increase, to \$112.88; therefore, a residential customer would experience an increase on average of \$27.38 per month in their water and wastewater bill. Clearly, in months of high water use the impact will be greater.

Staff is recommending an effective date of October 1, 2023, which would mean that residents and businesses would not be affected by the rate changes until their November 2023 bills.

**BUDGET:** The increase in sewer rates will increase revenues in the Water & Wastewater Fund, which expenses have been budgeted based on the revenues generated by the 5% increase in water rates, and the 26.59% increase in sewer rates.

**RECOMMENDATION:** Staff recommends approval of the new water and wastewater fee rate structure ordinance and provide an effective date as October 1, 2023.



# *Memorandum*

## *August 25, 2023*

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TO: Mayor and Councilmembers  
Julie Couch, Town Manager

FROM: Adam Wilbourn, Assistant Town Manager

**SUBJECT: RESOLUTION SUSPENDING EFFECTIVE DATE OF COSERV GAS, LTD'S, REQUESTED RATE CHANGE**

**BACKGROUND:** On July 28, 2023, CoServ Gas, Ltd. ("CoServ" or "Company"), pursuant to Subchapter C of Chapter 104 of the Gas Utility Regulatory Act, filed its Statement of Intent to change gas rates at the Railroad Commission of Texas ("RRC") and in all municipalities exercising original jurisdiction within its service area, effective September 1, 2023.

CoServ is seeking to increase its annual revenues in incorporated areas by \$10,314,726, which is an increase of 7.5% including gas costs, or 27.3% excluding gas costs. CoServ is also requesting: (1) new depreciation rates for distribution and general plant; (2) a prudence determination for capital investment; (3) specification of the factors to be used in any Interim Rate Adjustment Filing the Company makes pursuant to Texas Utilities Code § 104.302; and (4) a surcharge on customer bills to recover the reasonable rate case expenses associated with the filing of this statement of intent.

**STATUS OF ISSUE:** The attached resolution suspends the September 1, 2023 effective date of the Company's rate increase for the maximum period permitted by law to allow the Town, working in conjunction with other similarly situated cities with original jurisdiction served by CoServ, to evaluate the filing, to determine whether the filing complies with the law, and if lawful, to determine what further strategy, including settlement, to pursue.

The law provides that a rate request cannot become effective until at least 35 days following the filing of the application to change rates. The law permits the Town to suspend the rate change for 90 days after the date the rate change would otherwise be effective. If the Town fails to take some action regarding the filing before the effective date, CoServ's rate request is deemed approved.

**Explanation of “Be It Resolved” Sections:**

Section 1. This section incorporates the “whereas” provisions in the preamble into the Resolution.

Section 2. The Town is authorized to suspend the rate change for 90 days after the date that the rate change would otherwise be effective for any legitimate purpose. Time to study and investigate the application is always a legitimate purpose. Please note that the resolution refers to the suspension period as “the maximum period allowed by law” rather than ending by a specific date. This is because the Company controls the effective date and can extend the deadline for final Town action to increase the time that the Town retains jurisdiction if necessary to reach settlement on the case. If the suspension period is not otherwise extended by the Company, the Town must take final action on CoServ’s request to increase rates by September 1, 2023.

Section 3. This provision authorizes the Town to participate in a coalition of cities served by CoServ in order to more efficiently represent the interests of the Town and their citizens. It also authorizes the hiring of Thomas L. Brocato with the law firm of Lloyd Gosselink Rochelle and Townsend to represent the Town in this matter.

Section 4. By law, the Company must reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by cities will present their invoices to cities which will then seek reimbursement from CoServ. The Town will not incur liability for payment of rate case expenses by adopting a suspension resolution.

Section 5. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

Section 6. This section provides that both CoServ’s counsel and counsel for the cities will be notified of the Town’s action by sending a copy of the approved and signed resolution to certain designated individuals.

Section 7. This section identifies the effective date of the Resolution as the time it is adopted.

BUDGET: N/A

RECOMMENDATION: Approve Resolution suspending effective date of CoServ Gas, Ltd.’s, requested rate change.



## *Memorandum*

### *August 25, 2023*

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TO: Mayor and Councilmembers

FROM: Julie Couch, Town Manager

**SUBJECT: LOVEJOY ISD TRAFFIC CONTROL SERVICES**

**BACKGROUND:** The Fairview Police Department provides traffic control services to Lovejoy Independent School District (LISD) at Sloan Creek Intermediate School and Willow Spring Middle School. An officer arrives at each location to provide traffic control services at least 20 minutes prior to the start of school and at least 15 minutes prior to the end of school. These services are provided on all student attendance days as defined by the LISD annual academic calendar.

On-site officers will remain dedicated to the LISD event, and will not be available for other nonemergency calls. For each officer providing traffic control services, the Town will be compensated \$50.00 per morning for student arrival and \$50.00 per afternoon for student dismissal.

**STATUS OF ISSUE:** The previous memorandum of understanding (MOU) entered into by the Town and LISD lapsed and it is necessary that both parties enter into a new MOU. The proposed MOU includes no changes to the arrangement currently in place between the Town and LISD.

**BUDGET:** N/A

**RECOMMENDATION:** Authorize town staff to enter into a memorandum of understanding with Lovejoy Independent School District relating to traffic control services.