

**SPECIAL TOWN COUNCIL
MEETING MINUTES
MONDAY, AUGUST 21, 2017**

The Town Council met in special session on Monday, August 21, 2017 at 6:00 p.m. in Fairview Town Hall located at 372 Town Place, Fairview, Texas. Those present were Mayor Darion Culbertson; Councilmembers Bill Nicol, Henry Lessner, Pam Little, Paul Hendricks and Renee Powell; Town Manager, Julie Couch; Assistant to the Town Manager, Adam Wilbourn; Chief Financial Officer, Jason Weeks; Town Engineer, James Chancellor; Economic Development Manager, Ray Dunlap; Fire Chief, Jeff Bell; and Town Secretary, Elizabeth Cappon. Mayor Pro Tem John Adler was absent.

Mayor Culbertson called the meeting to order at 6:01 p.m. and declared a quorum was present.

CONSENT AGENDA: All items listed under the Consent Agenda are considered routine and are acted on by one motion, with no separate discussion of these items. If discussion is desired, an item may be removed from the consent agenda and be considered separately. A) Approve a resolution authorizing representatives with TexPool/TexPool Prime for investment services. B) Approve amendments to ordinances pertaining to management and use of public right-of-way.

Councilmember Lessner made a motion to approve the consent agenda. Councilmember Hendricks seconded the motion and the motion was unanimously approved.

PUBLIC HEARING: PROPOSED FY 2017-18 PROPOSED PROPERTY TAX RATE

Conduct the second public hearing regarding the Fiscal Year 2017-18 proposed property tax rate.

Mr. Weeks stated that while the property tax and rollback rate remains the same at \$0.359999 per \$100 of assessed valuation, property tax revenue increased due to growth and increased property values, raising the effective tax rate. Mr. Weeks stated that \$0.231409 of the \$0.359999 is for maintenance and operations (M&O) and \$0.128690 is for interest and sinking (I&S).

Mr. Weeks stated that the effective tax rate, which would provide the Town with the same amount of revenue as the prior year, is \$0.340066, raising the M&O effective rate by 8 percent, which would raise taxes on a \$100,000 home by \$3.55. Mr. Weeks stated that the assessed valuations for Fiscal Year 2016-17 totaled \$1.76 billion, an 11 percent increase from \$1.58b in FY 2015-16, mostly due to \$49 million in new property.

Mr. Weeks stated that because the Town exceeded the effective rate, the state code requires that the Council hold two public hearings on the tax rate and this was the second of the two hearings. Mr. Weeks added that the tax rate cannot be adopted at the same meeting as either of these hearings and would be ratified and adopted by ordinance at the regular September 2017 Town Council meeting. Mr. Weeks stated that the appropriate legal notices were published in the Allen American and on the Town website.

Mayor Culbertson opened the public hearing.

John Harkens, 411 Oakridge Drive, River Oaks II, stated his dissatisfaction with the meeting start time of 6 p.m. rather than 7:30 p.m.

Councilmember Lessner stated that 6 p.m. is the usual start time for regular Council meetings as executive session is typically held before the public portion of the meeting.

Mayor Culbertson closed the public hearing and announced that action would be taken on Tuesday, September 5, 2017 at 7:30 p.m. in the Town Hall Council Chambers.

PROPOSED FY 2017-18 BUDGET: Discuss the proposed Fiscal Year 2017-18 budget and take any necessary action.

Mr. Weeks gave a presentation regarding the Fiscal Year 2017-18 proposed budget. Mr. Weeks stated that although the Council has already held their annual budget work session on July 31, 2017, the Town is also required to hold one public hearing on the budget on a different date from when it will be adopted.

Councilmember Little asked to clarify the Hotel/Motel Occupancy Tax (HOT) versus other taxes. Mr. Weeks stated that the Town still receives property taxes as well as the HOT tax. Mr. Dunlap stated that the Town's HOT tax rate is 7 percent but that the Marriot and Home2Suites both had incentive agreements where they receive a percentage of the funds back for 11 and 5 years, respectively. Ms. Couch added that HOT funds could not be used as general revenue; the funds are designated by the State for tourism related marketing exclusively. Mr. Dunlap added that sales tax raised by the hotels would be negligible, as neither has a full service restaurant.

Mayor Culbertson stated that action would be taken regarding ratification of the budget at the regular September Council meeting.

TOWN FACILITIES PLANNING: Ms. Couch lead a discussion on agenda item 5, planning for future town facilities, the Capital Improvements Plan, the November bond election and other recent related work session items with town consultants and staff including funding, pricing and design of projects, and take any necessary action.

Ms. Couch stated that the final not-to-exceed amount on the bond would be \$25.5 million, including issuance costs. Ms. Couch reviewed the items removed from the original bond package when the amount was higher including site grading changes and removing the public works truck wash. Ms. Couch stated that the consultants from Byrne Construction and Brinkley Sargent Architects were available at the meeting to them for questions.

Councilmember Hendricks stated his support for the project as the Town is growing. Councilmember Hendricks also stated that he agreed with Ms. Couch that underestimating the cost of the project is the worst thing the Council could do.

Councilmember Little stated her support for the project as the construction costs had already increased from \$19 million to \$25.5 million in her time on the Council. Councilmember Little stated that while she was dissatisfied with the cost, the project would only become more expensive over time.

Councilmember Nicol stated his support for the project as the Town has an obligation to protect its employees, particular first responders that stay in the facilities.

Mike VanNatta, 5141 Stream Crest Way, stated his support for the bond initiative. Mr. VanNatta stated that the current facilities are unsafe, do not allow Public Works the ability to clean up and could cause decreased response times. Mr. VanNatta stated the new building would save money in the end, as the Public Works crew will have a covered location to store equipment and parts stocked in bulk. Mr. VanNatta stated that construction prices are increasing. Mr. VanNatta explained the negative impact to commercial growth in the CPDD if the building is not replaced.

John Harkens, 411 Oakridge Drive, River Oaks II, described his tour of Fire Station 1 and suggested the Town just replace the roof, walls and foundation of the current building rather than replacing it. Mr. Harkens described residents' issues with increasing appraisals and taxes.

Ms. Couch described the condition assessment study that was conducted on the building and stated that it would not make fiscal sense to repair it rather than replace it as its outlived its usefulness. Ms. Couch added that the current Fire facilities are undersized for the future and there is very little space for Public Works currently. Mayor Culbertson added that the Council did consider repairing the building but through their research found that it was not feasible.

Mr. Harkens suggested using the third floor of Town Hall for Fire Administration. Ms. Couch stated that while the Town explored that option, it would have a lot of cost for a short-term use as Town Hall has already been planned out for future Police and Town Administration uses.

BOND ELECTION RESOLUTION: Ms. Couch gave a presentation on agenda item 6, a resolution calling the November 7, 2017, bond election in the amount of \$25.5 million.

Ms. Couch stated that Jeff Gulbas, the Town's bond counsel was available for questions. Ms. Couch stated that there is one proposition for a municipal complex rather than three separate bond initiatives as the components are a connected facility in order to save on costs. Ms. Couch stated that the not exceed amount would be for \$25.5 million over 30 years.

Councilmember Powell made a motion to approve a resolution ordering a bond election for Capital Improvements to be held on November 7, 2017; providing for the conduct and the giving notice of the election; providing an effective date and enacting other provisions relating to the subject. Councilmember Little seconded the motion and the motion was unanimously approved.

COLLIN COUNTY AGREEMENT ELECTION SERVICES: Ms. Couch gave a presentation on agenda item 7, authorizing the Town Manager to execute a joint agreement with Collin County for election services. Ms. Couch stated the agreement is consistent with prior election agreements.

Councilmember Hendricks asked about other ballot initiatives and polling places. Ms. Cappon stated there would be state constitutional amendments. Ms. Couch stated that Town Hall would be a polling place on Election Day only. Ms. Cappon added that as Collin County uses Vote Centers, residents are able to vote at any open voting center within the County.

Councilmember Lessner made a motion to authorize the Town Manager to execute a joint agreement with Collin County for election services. Councilmember Hendricks seconded the motion and the motion was unanimously approved.

Ms. Couch and the Council followed up on agenda item 5 regarding the bond election process. Ms. Couch asked the Council to submit their calendars for September and October for Town Hall Meetings. Ms. Couch stated that Staff would be asking the Councilmembers to review the communications pieces for the public regarding the bond. Ms. Couch suggested holding Town Halls at Heritage Ranch, Puster Elementary and Sloan Creek Intermediate. Councilmember Lessner suggested holding Fire Station #1 tours.

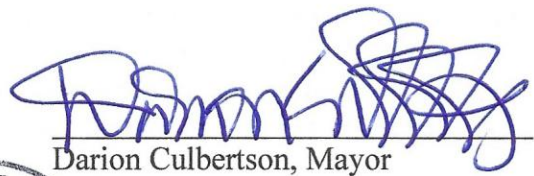
Councilmember Hendricks suggested utilizing the condition assessment report in the communications. Ms. Couch stated the full report would be posted to the Town website. Councilmember Hendricks also suggested a cost-benefit analysis.

Mayor Culbertson suggested holding a work session with the 2017 CIP Committee, possibly on a Saturday due to the lack of time before the election. Ms. Couch stated that Staff would work on setting up a work session where the communications pieces would be reviewed as well. Mayor Culbertson also suggested communicating in layman's terms to the Town how the Council has utilized its increased revenue earned over the last five years without a tax increase.

Councilmember Nicol suggested stressing that it is a Municipal Campus versus just a Fire Station. Mayor Culbertson agreed.

Mayor Culbertson adjourned the meeting at 6:53 p.m.


Elizabeth Cappon, Town Secretary


Darion Culbertson, Mayor

