

City Council
May 15, 2017

A regular meeting of the Mayor and City Council of the City of Waxahachie, Texas was held in the Council Chamber at City Hall, 401 S. Rogers on Monday, May 15, 2017 at 7:00 p.m.

Council Members Present: Kevin Strength, Mayor
Mark Singleton, Mayor Pro Tem
David Hill, Councilmember

Council Members Absent: Chuck Beatty, Councilmember
Mary Lou Shipley, Councilmember

Others Present: Paul Stevens, City Manager
Michael Scott, Assistant City Manager
Steve Chapman, City Attorney
Lori Saunders, City Secretary
Darren Groth, Director of Planning

Mayor Kevin Strength called the meeting to order and Assistant City Manager Michael Scott gave the invocation and led the Pledge of Allegiance and the Texas Pledge of Allegiance.

Mayor Strength announced Oaths of Office will be administered at the next Council meeting.

Mayor Strength announced City Council will re-organization at the next Council meeting.

CONSENT AGENDA:

- a. Minutes of the regular City Council meeting of May 1, 2017
- b. Minutes of the regular Planning and Zoning Commission meeting of May 9, 2017
- c. Minutes of the Waxahachie Community Development Corporation meeting of May 9, 2017
- d. Minutes of the TIRZ Board meeting of May 10, 2017
- e. Minutes of the Firemen's Relief and Retirement Fund meeting of May 8, 2017
- f. Minutes of the Park Board meetings of May 4, 2017 and May 8, 2017
- g. Minutes of the Cemetery Board meeting of May 4, 2017
- h. Minutes of the Heritage Preservation Commission meeting of April 13, 2017
- i. Monthly Building Report for March 2017
- j. Monthly Code Enforcement Report for April 2017
- k. Monthly Crime Report for April 2017
- l. Monthly Fire and EMS Report for April 2017
- m. Monthly Violation Activity Statistics for April 2017
- n. Approve funding for repairs to the Ellis County Museum
- o. Approve application for special seasonal vendor permit
- p. Approve application for special seasonal vendor permit
- q. Approve wedding to be held at Chautauqua Auditorium June 25, 2017

Councilmember David Hill moved to approve items a. through q. on the Consent Agenda.
Mayor Pro Tem Mark Singleton seconded, **All Ayes.**

Mayor Strength announced the Honorary Councilmember was not able to attend.

Mayor Strength read a Proclamation proclaiming June 4, 2017 – July 4, 2017 as “Crape Myrtle Month” and presented it to the Crepe Myrtle Committee.

Mayor Strength read a Proclamation proclaiming May 2017 as “National Preservation Month” and presented it to the members of the Heritage Preservation Commission.

Ms. Anita Brown, Director of Downtown Development, presented an update on activities of the Heritage Preservation Commission. She reported in May 626 Heritage Preservation coloring books will be giving to the WISD second graders. This year, the Commission received 200 applications for historic property tax exemption and approved 193 giving the applicants a 25% tax incentive. They approved four properties for a 50% tax incentive. The Commission approved plans for ten new townhomes to be built on Franklin and Monroe streets and they are in the process of updating the Preservation Ordinance which will bring them more in line with what they actually do and hopefully increase the incentives for property owners. Ms. Brown thanked the Commission for their service and thanked Council for appointing good people to serve.

Mr. Alan Hernandez, Atmos Energy, presented Ordinance No. 2939 approving negotiated settlement of Atmos Energy rate request. He reported the monthly bill impact for the typical residential customer consuming 46.8 Ccf will be an increase of \$2.04, or about 3.87%. The typical commercial customer will see an increase of \$6.27, or 2.37%. Rates will be effective for bills rendered on or after June 1, 2017.

ORDINANCE NO. 2939

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WAXAHACHIE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2017 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING RECONCILIATION AND RATE ADJUSTMENTS IF FEDERAL INCOME TAX RATES CHANGE; TERMINATING THE RRM PROCESS FOR 2018 PENDING RENEGOTIATION OF RRM TERMS AND CONDITIONS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

Councilmember David Hill moved to approve Ordinance No. 2939 as presented. Mayor Kevin Strength seconded, **All Ayes.**

Mayor Strength opened the Public Hearing to consider a Resolution nominating James Hardie Building Products, Inc. for the Texas Enterprise Zone Program.

Mr. Loyd Carter, Plant Manager, James Hardie Building Products, Inc., reported historic, the company has spent approximately \$8 million in salaries. He stated they have a significant amount of investments that continue to roll into the plant and are well positioned in Waxahachie from both the customer base and material base. Mr. Carter reported recently James Hardie purchased the lease property for an investment of \$60.1 million and has added approximately 30 more positions to the plant.

There being no others to speak for or against Resolution nominating James Hardie Building Products, Inc. for the Texas Enterprise Zone Program, Mayor Strength closed the Public Hearing.

City Attorney Steve Chapman presented Resolution No. 1226 nominating James Hardie Building Products, Inc. for the Texas Enterprise Zone Program:

RESOLUTION NO. 1226

A RESOLUTION APPROVING AND AUTHORIZING THE NOMINATION OF JAMES HARDIE BUILDING PRODUCTS, INC. TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT AND TOURISM THROUGH THE ECONOMIC DEVELOPMENT BANK AS A TEXAS STATE ENTERPRISE PROJECT.

WHEREAS, the City of Waxahachie ("City") has previously passed Ordinance No. 2784, approved March 2, 2015, electing to participate in the Texas Enterprise Zone Program, and the local incentives offered under this resolution are the same on this date as were outlined in City Ordinance No. 2784; and

WHEREAS, the Office of the Governor Economic Development and Tourism, through the Economic Development Bank, will consider James Hardie Building Products, Inc. (James Hardie) as an enterprise project pursuant to a nomination and an application made by the City; and

WHEREAS, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment to residents of enterprise zones, veterans and to economically disadvantaged individuals; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code (the "Act"), James Hardie has applied to the City for designation as an enterprise project; and

WHEREAS, the City finds that James Hardie meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

a) James Hardie is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction, located outside of an enterprise zone and at least thirty-five percent (35%) of the business' new employees will be residents of an enterprise zone, veterans, or economically disadvantaged individuals; and

b) There has been and will continue to be a high level of cooperation between public, private and neighborhood entities within the area; and

c) The designation of James Hardie as a Texas Enterprise Project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

WHEREAS, the City finds that James Hardie meets the criteria for tax relief and other incentives adopted by the City and nominates James Hardie for enterprise project status on the grounds that this enterprise project will be located at the qualified business site, will create a higher level of employment, economic activity and stability in the area; and

WHEREAS, the City finds that it is in the best interest of the City to nominate James Hardie as an enterprise project pursuant to the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WAXAHACIE, TEXAS THAT:

SECTION 1. That the findings of the City and its actions approving this Resolution taken at the council meeting are hereby approved and adopted.

SECTION 2. That James Hardie is a "qualified business" as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Chapter 2303, Subchapter F of the Act.

SECTION 3. The Enterprise Project shall take effect on the date of designation of the enterprise project by OOGEDT and terminate five years from the date of designation.

SECTION 4. That this Resolution shall take effect immediately upon its passage and approval.

PASSED AND APPROVED this 15th day of May, 2017.

Mayor Pro Tem Mark Singleton moved to approve Resolution No. 1226 as presented.
Councilmember David Hill seconded, **All Ayes.**

Mayor Strength opened the Public Hearing on a request by Charles Ray for a Specific Use Permit (SUP) to allow an Accessory Building (Residential) greater or equal to 700 square feet use within a Single Family-1 (SF1) zoning district, located at 119 Fairway Drive, being LOT 9 BLK 1 KATY LAKE ON THE GREENS PH 1 0.37 AC - Owner: RAY CHARLES & DEBORAH (SU-17-0045).

Mr. Darren Groth, Director of Planning, presented a drawing depicting the location of the accessory building noting the applicant chose to brick the entire building versus using hardi board illustrated in the drawing. Mr. Groth recommended approval.

There being no others to speak for or against SU-17-0045, Mayor Strength closed the Public Hearing.

City Attorney Steve Chapman presented Ordinance No. 2940:

ORDINANCE NO. 2940

AN ORDINANCE AUTHORIZING A SPECIFIC USE PERMIT (SUP) FOR AN ACCESSORY BUILDING (RESIDENTIAL) GREATER OR EQUAL TO 700 S.F. LOCATED AT 119 FAIRWAY DRIVE, IN THE CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, BEING KNOWN AS LOT 9, BLOCK 1 OF THE KATY LAKE ON THE GREENS PHASE 1 SUBDIVISION, AND ORDERING THE CHANGING OF THE ZONING MAP THEREOF IN ACCORDANCE WITH SAID CHANGE.

Mayor Pro Tem Mark Singleton moved to approve Ordinance No. 2940 as presented. Mayor Kevin Strength seconded, **All Ayes.**

Mr. Groth presented Preliminary Plat of Phase 1 Tilson Home Addition for 1 commercial lot, being a 2.295-acre addition in the John Fifer Survey, Abstract Number 351 – Owner: TILSON HOME CORPORATION (PP-17-0042). He reported the intended use is for a design center and model home noting staff worked with applicant to get staff comments addressed. Mr. Groth recommended approval per staff comments.

Mayor Pro Tem Mark Singleton moved to approve Preliminary Plat of Phase 1 Tilson Home Addition for 1 commercial lot, being a 2.295-acre addition in the John Fifer Survey, Abstract Number 351 – Owner: TILSON HOME CORPORATION (PP-17-0042), per staff comments. Councilmember David Hill seconded, **All Ayes.**

Mr. Groth presented the Landscape Plan for Phase 1 Tilson Home Addition as a companion to PP-17-0042 – Owner: TILSON HOME CORPORATION. He stated it complies with the landscape ordinance and recommended approval.

Councilmember David Hill moved to approve the Landscape Plan for Phase 1 Tilson Home Addition as a companion to PP-17-0042 – Owner: TILSON HOME CORPORATION. Mayor Pro Tem Mark Singleton seconded, **All Ayes.**

Mr. Groth presented Preliminary Plat of Ridge Crossing for 183 residential lots and 6 common areas, being 119.912 acres out of the William C. Tunnell Survey, Abstract Number 1080 – Owner: SHEPHERD PLACE HOMES INC (PP-17-0047). He reported the plat depicts a north/south connection which is on the Thoroughfare Plan noting it will provide connectivity between Ovilla Road and where Highway 287 and Business 287 come in. Mr. Groth stated a lake is just west of the proposed development. He stated the applicant originally indicated to pay park dedication fees and amended their request to find an area in the development to dedicate park land.

Mayor Pro Tem Mark Singleton expressed concern with the north/south connector versus the east/west connector per the Capital Improvement Plan (CIP). He stated he is one of the landowners and is concerned that changing the CIP will cause one owner to have under developed property. He noted, as a member of the CIP committee, they looked at the needs of the entire property as it develops.

Mr. Michael Scott, Assistant City Manager, stated the east/west connection is north of this plat noting retail will front the bypass and TxDot has driveways all on that frontage road, which will allow for easements of alternative access. He stated after review by the engineers it was determined what is actually feasible. He explained the idea is to put it further north and not make it cross a major bridge structure.

Mr. Groth clarified on the thoroughfare plan that east/west from Ovilla was going to the north/south thoroughfare. He stated that north/south is shown on the presented plat and depicted in the middle of the image. The north/south that was connecting Highway 287 and the Bypass 287, is not shown on the west side of the lake; it's actually shown in the image on the east side. That would eliminate the need to go over that crossing in order to get back to Ovilla. The middle road depicted on the image actually goes from Ovilla to that north/south thoroughfare. It switched from the west side of that lake to the east side of the lake. The east/west connection is going to that point.

Mr. Jeff Chambers, Director of Public Works, stated this avoids commercial traffic through this residential subdivision.

After further discussion, Mayor Pro Tem Mark Singleton moved to table Preliminary Plat of Ridge Crossing for 183 residential lots and 6 common areas, being 119.912 acres out of the William C. Tunnell Survey, Abstract Number 1080 – Owner: SHEPHERD PLACE HOMES INC (PP-17-0047). Councilmember David Hill seconded, **All Ayes.**

Mr. Jeff Chambers, Director of Public Works, reported bids and opened at 2:00 p.m., Tuesday, April 25, 2017 for the Stadium Drive Paving and Utility Reconstruction project. He reported McMahon Contracting, L.P., 3019 Roy Orr Blvd., Grand Prairie, Texas, submitted the low total bid as follows:

- Total Base Bid \$882,576.67
- Additive Alternate No. 1 \$71,624.20
- Total (base bid + alternate) \$954,200.87

Mr. Chambers reported Alternate No. 1 will be paid by Waxahachie Independent School District. He recommended awarding bid to McMahon Contracting, L.P. as presented.

Mayor Pro Tem Mark Singleton move to award the Stadium Drive Paving and Utility Reconstruction project to McMahon Contracting, L.P. for a total amount of \$954,200.87. Councilmember David Hill seconded, **All Ayes.**

Mr. Charles Harris, Director of Finance, presented the Waxahachie Community Development Corporation Financial Report for year ended September 30, 2016. He reported He reported total revenues were \$4,616,461 and of that \$3,883,779 is sales tax. Total expenses were \$4,207,193, including depreciation. Total fund balance was \$9,440,020, up \$5,740,878 which was more than the prior year increase of \$479,723. The net position increased by \$409,268 with approximately \$300,000 of that being sales tax. Unassigned fund balance for the General Fund was \$2,741,360.

Mayor Pro Tem Mark Singleton moved to accept the Waxahachie Community Development Corporation Financial Report for year ended September 30, 2016, as presented. Councilmember David Hill seconded, **All Ayes.**

Mr. Charles Harris, Director of Finance, presented the Robert W. Sokoll Treatment Plant Financial Report for year ended September 30, 2016. He reviewed the income statement noting it was a different year than vision and doesn't resemble what was projected. Revenues and expenses were less and explained the Sokoll Plant is ordained to break even every year and we'll charge such rates to offset expenses and it did that, but early in the physical year Rockett Water came in and said they want to buy their water and now reflects on their financials and not on ours. At the end of the year they do a true up and each entity looks and allocates based on percentages. These financials are on accrual bases.

Mayor Pro Tem Mark Singleton moved to accept the Robert W. Sokoll Treatment Plant Financial Report for year ended September 30, 2016, as presented. Councilmember David Hill seconded, **All Ayes.**

Mr. Darren Groth, Director of Planning, discussed the Discharge of Firearms in the City Limits Ordinance to "allow an exception for approved gun ranges". He reported a request was brought in for a gun range and there are no proper zoning, regulations, land use, etc. Mr. Groth stated the request is in an industrial area and there might be a way to make it an exception to allow for a gun range, but at some time Council may need to look at gun range request for Specific Use Permit consideration.

Discussion was held and Council charged Mr. Groth to prepare language pertaining to gun ranges and bring back for consideration.

No action taken

Citizens' Petitions and Requests

Audience member Mr. Kevin Ivy supported an indoor gun range. He referenced outdoor gun range and asked Council to consider the perimeter and take livestock into consideration.

Comments by Mayor, City Council, City Attorney and City Manager

Mayor Strength asked for prayers for Councilmember Chuck Beatty.

Mayor Pro Tem Mark Singleton stated as preparation of the financials, he found out that there is \$2.8 million of unfunded liability in the TMRS pension. He stated in a workshop prior to the Council meeting our net liability did increase from last year and the result is the retirement fund earned 0.6 returns hoping it will be 6.0 returns. He stated the money will have to come out of the General Fund or the benefits for our retirees receive will be less. Mayor Pro Tem Singleton stated it's a perplexing time and has to change at the city, state and national level because you don't have to accept it.

Councilmember David Hill stated as a board member of the Waxahachie Firemen's Relief and Retirement they have had the same conversations look at the actuaries. He stated we do need to have these conversations and appreciates Mark sincerity.

There being no further business, the meeting adjourned at 8:41 p.m.

MAYOR

ATTEST:

CITY SECRETARY