



City of Rowlett

Meeting Minutes

City Council

4000 Main Street
Rowlett, TX 75088
www.rowlett.com

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Tuesday, September 4, 2012

6:30 P.M.

Municipal Building – 4000 Main Street

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

The City of Rowlett reserves the right to reconvene, recess or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

Present: Mayor Gottel, Mayor Pro Tem Phillips, Deputy Mayor Pro Tem Gallops, Councilmember Davis, Councilmember Pankratz, Councilmember Miller and Councilmember Kilgore

1. CALL TO ORDER

Mayor Gottel called the meeting to order at 6:30 p.m.

CONVENE INTO EXECUTIVE SESSION

There were no Executive Session items.

2. EXECUTIVE SESSION

RECONVENE INTO OPEN SESSION

Convened into the Work Session at 6:30 p.m.

3. WORK SESSION ITEMS (6:30 P.M.)

- 3A.** Discussion regarding vacating the City's fifty foot (50') right-of-way easement on property located on the northwest corner of President George Bush Turnpike and Miller Road owned by Rowlett Miller Partners, L.P. (10 minutes)

Staff spoke regarding the right-of-way easement. Stated Atmos Gas is relocating portions of its gas line throughout the City; the existing gas line bisects the property and limits commercial development potential. The property owner approached the City and requested the City vacate the right-of-way easement. Staff stated the easement is no longer necessary.

3B. Update on the Rowlett Community Centre Sustainability Plan. (30 minutes)

Staff gave a brief update regarding the Rowlett Community Centre Sustainability Five-Year Plan. Staff spoke as to what has worked during the first year of the Plan including: program discounts with Membership Pass; new membership fees including monthly membership options; extended Community Centre hours; SOAR 2012 (Summer Youth Program); and benefit based memberships. Spoke regarding increasing revenues for FY2013 – FY2016.

Staff stated the City has much to offer and will be marketed. Stated a marketing package will be fashioned to include economic development and tourism to embrace Paddle Point Park.

A member of Council questioned staff regarding the decline in expenses from FY13-FY15.

Staff stated the decline in expenses is the goal for the Five-Year Plan.

3C. Second Quarter Investment Report for June 30, 2012. (10 minutes)

Stated the City's portfolio continues to have a strong emphasis on liquid investments, and all securities held by the City are of high credit quality. The Long-Term Portfolio's quarterly total return underperformed the benchmark of 0.19% by 0.05%. This slight underperformance is due to the Portfolio's duration being 71% of the benchmark's duration. Stated the City will continue to follow the prudent investment strategies that have safely provided the City with favorable long-term performance and preservation of principal, while seeking opportunities to add value by remaining flexible and responding to changes in interest rates, economic data, market outlook or specific opportunities that arise.

4. DISCUSS CONSENT AGENDA ITEMS

No items were removed from the Consent Agenda to be considered individually.

CONVENE INTO THE COUNCIL CHAMBERS (7:30 P.M.)

Convened into the Council Chambers at 7:30 p.m.

INVOCATION

The invocation was led by Mayor Gottel.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Gottel.

TEXAS PLEDGE OF ALLEGIANCE

The Texas Pledge of Allegiance was led by Councilmember Kilgore.

5. PRESENTATIONS AND PROCLAMATIONS

- 5A.** Proclamation honoring Kristiana Barbosa for her heroic actions on July 4, 2012, which saved the life of a choking Whataburger customer.

Mayor Gottel presented Kristiana Barbosa with a proclamation acknowledging her heroic actions.

Item 5C followed this item.

- 5B.** Presentation of the Texas Amateur Athletic Federation – Proclamation to the Rowlett Predators Swim Team and Rowlett Xtreme Speed Track Team in recognition of the TAAF “Games of Texas” qualifiers.

This item followed Item 5C.

Deputy Mayor Pro Tem Gallops presented each team member with a proclamation recognizing their achievement.

- 5C.** Proclamation recognizing September 11, 2012, as Patriot Day, a day to remember and observe the 11th anniversary of the ruthless terrorist attacks on our country.

This item followed Item 5A.

Mayor Pro Tem Phillips presented Fire Chief Harris and Police Chief Brodnax with a proclamation recognizing Patriot Day.

Item 5B followed this item.

5D. Update from the City Council and Management: Financial Position, Major Projects, Operational Issues, Upcoming Dates of Interest and Items of Community Interests.

Members of Council and Management gave a brief update to the Council on the various activities in the City including the City being named Playful City USA! for the third time; the deadline to receive applications for Boards or Commissions is Thursday, September 6th; the Low Cost Animal Vaccination Clinic will be held at the Animal Shelter on September 8th and 22nd beginning at 12:30 p.m.; Fall registration has begun for Parks and Recreation classes and programs; the Rowlett Community Centre will host the Movies on Main Events on September 7th, 14th and 21st beginning at 6:30 p.m. in the upstairs gym; the Rowlett Library will host All About Australia on September 12th beginning at 7:00 p.m., Ballet Folklorico on September 15th beginning at 2:00 p.m. at the Rowlett Community Centre, Tax Seminar on September 20th beginning at 6:00 p.m., and Talk Like a Pirate on September 22nd beginning at 2:00 p.m.; beginning the week of October 1st, Waste Management will begin solid waste collection services for the City; the last day to register to vote for the November 6th Election is Tuesday, October 9th; and the Rowlett Police Department will participate in the National Takeback Day Program on Saturday, September 29th beginning at 10:00 a.m. at the Rowlett Community Centre.

6. CITIZENS' INPUT

No one spoke during Citizens' Input.

7. CONSENT AGENDA

No items were removed from the Consent Agenda to be individually considered.

The Interim City Secretary read the items into the record.

7A. Consider approving minutes from the August 16, 2012 City Council Special Work Session, the August 20, 2012 City Council Emergency Meeting, and the August 21, 2012 City Council Regular Meeting.

This item was approved on the Consent Agenda.

7B. Consider action to approve a resolution authorizing the City Manager to enter into a Texas Traffic Safety Program eGrant Agreement with the State of Texas to receive a grant from the STEP Comprehensive eGrant Program for Fiscal Year 2013.

This item was approved as RES-087-12 on the Consent Agenda.

- 7C. Consider action to approve a resolution authorizing the City Manager to enter into an Interlocal Agreement with the City of Coppell for the cooperative purchase of goods and materials.

This item was approved as RES-088-12 on the Consent Agenda.

- 7D. Consider action to approve an ordinance closing, vacating, and abandoning the City's fifty foot (50') right-of-way easement on property located on the northwest corner of President George Bush Turnpike and Miller Road owned by Rowlett Miller Partners, L.P.

This item was approved as ORD-021-12 on the Consent Agenda.

Passed The Consent Agenda

A motion was made by Mayor Pro Tem Phillips, seconded by Councilmember Davis, including all the preceding items marked as having been approved on the Consent Agenda. The motion carried by the following vote:

Ayes: 7 Mayor Gottel, Mayor Pro Tem Phillips, Deputy Mayor Pro Tem Gallops, Councilmember Davis, Councilmember Pankratz, Councilmember Miller and Councilmember Kilgore

8. ITEMS FOR INDIVIDUAL CONSIDERATION

- 8A. Consider action approving an ordinance amending the Fiscal Year 2012 Budget.

This item followed Item 8E.

Staff gave a brief history of this item. Stated there are several capital project budgets that need to be adjusted to either recognize additional revenues, providing funding for projects, or to reallocate dollars between projects.

A motion was made by Deputy Mayor Pro Tem Gallops, seconded by Councilmember Davis, to approve the item as read. This item was adopted as ORD-022-12. The motion carried by the following vote:

Ayes: 7 Mayor Gottel, Mayor Pro Tem Phillips, Deputy Mayor Pro Tem Gallops, Councilmember Davis, Councilmember Pankratz, Councilmember Miller and Councilmember Kilgore

- 8B. Conduct a public hearing (2nd) on the ad valorem tax rate for Fiscal Year 2012-2013.

Staff gave a brief presentation on this item. Stated the calculated 2013 Rollback Tax Rate is 0.808908 and the 2013 Effective Tax Rate is 0.758891. The City proposes to keep the same tax rate of 0.747173.

The public hearing opened and closed at 8:01 p.m. with no one speaking.

8C. Conduct a public hearing (2nd) on the proposed budget for Fiscal Year 2012-2013.

Staff gave a brief presentation on this item. Stated the property tax rate will remain unchanged for the 8th straight year.

The public hearing opened and closed at 8:06 p.m. with no one speaking.

8D. Conduct a public hearing on the water rate increase for Fiscal Year 2012-2013.

Staff stated effective October 1, 2012, the water and sewer rates will increase \$11.95 per customer per month. Staff showed a video regarding the reasons for the rate increases. Spoke as to the reasons for the current situation:

- New growth
 - Added 6,133 or 75% homes between 1990-2000
 - What were the City's standards then?
- Drought
 - City has experienced two droughts in 2006 and 2011
 - Exacerbated ground conditions and accelerated system decline
- Cash CIP
 - Transferred \$5.2M to streets and alleys between 2008-2011
 - During the same period, City transferred only \$1.8M for water and sewer

Staff spoke concerning Capital Maintenance. Stated three reasons why the City needs to increase the fixed rate versus the volume rate. First, Rowlett is required to buy 3.2 billion gallons of water but only sells about 80% of what it is required to buy. Second, Rowlett is 95% residential; therefore, Rowlett has a very consistent average usage by customer. Lastly, the City will remain in water restrictions until the end of FY2013, further reducing the ability to recover the cost through the volume rate.

Spoke as to why the City does not buy its water from some other source.

- Contract Obligation
 - The City is locked into a contract until 2024
 - The City would still need to annually pay \$5.0M+, even if we don't use any of the water
- Infrastructure
 - The City does not have the infrastructure to get water from anyone else

- To build the transmission lines, storage facilities and other infrastructure could cost \$100M to \$200M
- Take of Pay
 - The North Texas Municipal Water District (NTMWD) uses a City's maximum usage in any one year to set the minimum allotment
 - Dallas, however, uses a City's maximum usage on a daily basis to set the minimum allotment

Staff spoke as to how the utility system is funded; changes in the taxable assessed value in FY2010-FY2013 and the declining residential taxable values. Stated it is no longer prudent to postpone increasing rates in hopes the system does not get any worse. Additional funding for annual maintenance is now required to protect the system and the City's ability to provide the citizens' basic water and sewer service.

Mike Rickman, North Texas Municipal Water District representative, gave a brief presentation. Stated the NTMWD is in a unique position as water cannot be transmitted from Lake Texoma due to invasive species. Spoke concerning zebra mussels and the damage they can cause to infrastructure. Spoke regarding the water supply sources for NTMWD, the Oklahoma/Texas boundary dispute, the Lacey Act, Federal legislation, the Lake Texoma Pipeline Extension and the customer water rates.

Members of Council acknowledged the rate increase will be painful, but it is necessary. Stated the Public Works employees perform miracles on a system that is limping along. Stated the increase is necessary as it is a result of failure of priorities from 10 years ago. The public hearing opened at 9:22 p.m. and closed at 9:28 p.m. with one person speaking.

1. Letha Johnson, 8406 Luna Drive, Rowlett – Spoke against the rate increase.

- 8E. Consider a resolution for alternative building materials for an accessory structure in the Institutional Urban (IU) zoning district. The subject property is located at 4309 Main Street being a 4.664 acre portion of Tract 12 of the Thomas Payne Abstract 1165, Page 360, Dallas County Texas (CUP12-605).

This item followed the Consent Agenda.

Staff gave a brief background of this item. On August 28, 2012, the Planning and Zoning Commission voted 4-2 to approve the Conditional Use Permit and recommended the alternative building materials to City Council with the conditions that:

- The Conditional Use Permit expires and be reevaluated in 5 years;
- The shipping container be painted a neutral color; and
- No signage be allowed on the shipping container.

A motion was made by Mayor Pro Tem Phillips, seconded by Deputy Mayor Pro Tem Gallops, to approve the item as read with the stipulation the container must be painted a

neutral color. This item was adopted as RES-089-12. The motion carried by the following vote:

Ayes: 7 Mayor Gottel, Mayor Pro Tem Phillips, Deputy Mayor Pro Tem Gallops, Councilmember Davis, Councilmember Pankratz, Councilmember Miller and Councilmember Kilgore

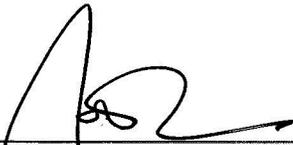
Item 8A followed this item.

TAKE ANY NECESSARY OR APPROPRIATE ACTION ON CLOSED/EXECUTIVE SESSION MATTERS

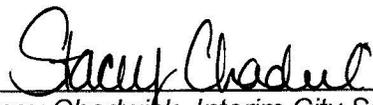
There were no Executive Session items.

9. ADJOURNMENT

Mayor Gottel adjourned the meeting at 9:28 p.m.



Todd W. Gottel, Mayor



Stacey Chadwick, Interim City Secretary

Date Approved: September 18, 2012