

**CARROLLTON CITY COUNCIL
REGULAR MEETING AND WORKSESSION
AUGUST 20, 2019**

The City Council of the City of Carrollton, Texas convened in a Regular Meeting and Worksession on Tuesday, August 20, 2019 at 5:45 pm with the following members present; Mayor Kevin Falconer, Mayor Pro Tem Young Sung, Deputy Mayor Pro Tem Frances Cruz, Councilmembers John Sutter, Glen Blanscet, Mike Hennefer, Pat Cochran and Steve Babick. Also present were City Manager Erin Rinehart, Assistant City Managers Marc Guy, Bob Scott and Chrystal Davis, City Attorney Meredith Ladd and City Secretary/Admin Services Director Laurie Garber.

5:45 P.M. – COUNCIL BRIEFING ROOM

***** PRE-MEETING / EXECUTIVE SESSION *****

Mayor Falconer convened the meeting at 5:46 pm.

- 1. Receive information and discuss Agenda.**

*****WORKSESSION*****

- 4. Discuss Fiscal Year 2020 Proposed Budget.**

Assistant City Manager Bob Scott referred to updated information. He also explained that Amerisource Bergen met the 3-year goal for staffing levels in one year which requires the City to make a payment that was not planned for 2 more years and he explained that the payment reduces the amount of the one-time funding.

Mayor Falconer stated that Council would begin making decisions and expressed the goal to have decisions on the recurring funding and a very firm idea about where the Council wants to be regarding the tax rate. He also felt the Council needs to begin looking at non-recurring items and he talked about sales tax revenue noting the 6% decrease from the year before. Scott talked about the uncertainty and complexity regarding sales tax revenue and stated there seemed to be a slowing down of sales tax statewide.

With regard to recurring funds of \$780,000, Mayor Falconer stated that they would not be able to fund everything on the list because it totals to \$1.2M. He asked the City Manager to talk about the staffing positions. City Manager Erin Rinehart stated that the first four pages were items she included in the budget because she felt they are necessary this year. With regard to the next pages of Decision Points, she stated that she vetted the list and removed everything that she did not think was necessary. With regard to the staffing items, she stated that while they would be beneficial, she wouldn't define it as necessary this year. She noted that the fourth officer to complete the new beat was coming and there is value in funding it this year, as well as the SRO for LISD which is an equity issue in terms of what CFBISD has.

Decision Points - Recurring:

Compensation – fund \$575,000

SRO – fund (school funds ½ the cost of the officer – not the vehicle)

Fourth Officer for new beat – fund

EMS Captain – don't fund

Emergency Management Specialist – don't fund

Senior Library Technician – don't fund

Wi-Fi at McInnish and R.E. Good - \$6,000 – fund
Cultural Center – develop an ad hoc committee or work group – don't fund
Administrative IT items – Zoom and Clarity – don't fund

5. ~~Discuss Processes and Funding for Community Partnerships and Special Events.~~

Mayor Falconer recessed the Worksession at 7:05 pm to convene in Regular Meeting.

*****REGULAR MEETING 7:00 PM*****

Mayor Falconer convened the Regular Meeting at 7:15 pm.

INVOCATION – Councilmember Pat Cochran

PLEDGE OF ALLEGIANCE – Councilmember Mike Hennefer

CONSENT AGENDA

*(*All items marked with a single asterisk are part of a Consent Agenda and require no deliberation by the Council. Each Council member has the prerogative of removing an item from this agenda so that it may be considered separately. Contracts and agreements are available in the City Secretary's Office.)*

Councilmember Blanscet moved approval of Consent Agenda Items 7-18; second by Deputy Mayor Pro Tem Cruz and the motion was approved with a unanimous 7-0 vote,

MINUTES

***7. Consider Approval Of The August 6, 2019 Regular Meeting Minutes.**

BIDS & PURCHASES

***8. Consider Approval Of The Purchase And Installation Of Cardio And Weight Equipment From Comm-Fit For The Rosemeade Recreation Center, Crosby Recreation Center And Senior Center Through An Inter-Local Agreement With Buy-Board In An Amount Not To Exceed \$57,385.00.**

***9. Consider Approval Of The Purchase And Installation Of Cardio Equipment From Fit Supply For The Crosby Recreation Center And Carrollton Senior Center Through An Inter-Local Agreement With Buy-Board In An Amount Not To Exceed \$83,260.00.**

***10. Consider Approval Of The Purchase And Installation Of Cardio Equipment From Marathon Fitness For The Rosemeade Recreation Center, Crosby Recreation Center And Carrollton Senior Center Through An Inter-Local Agreement With Buy-Board In An Amount Not To Exceed \$128,025.00.**

***11. Consider Approval Of The Purchase Of Travel Services For The Carrollton Senior Center From Premier World Discovery In An Amount Not To Exceed \$105,600.00.**

RESOLUTIONS

***12. Consider A Resolution Creating The Industrial Rehabilitation Grant Incentive Program.**

***13. Consider A Resolution Authorizing The City Manager To Enter Into A Single-Family Rehabilitation Grant Incentive Agreement On An Eligible Property Located Within A Neighborhood Empowerment Zone, In A Total Grant Amount Not To Exceed \$2,283.75.**

***14. Consider A Resolution Authorizing The City Manager To Amend The Individuals Authorized To Invest Funds And Make Withdrawals From The Public Funds Investment Pool Known As “TexPool,” On Behalf Of The City.**

***15. Consider A Resolution Authorizing The City Manager To Enter Into Agreements With Cigna, Superior Vision and Standard Insurance In An Amount Not To Exceed \$629,000.00.**

***16. Consider A Resolution Authorizing The City Manager To Negotiate And Execute A Professional Services Contract With Nouveau Construction And Technology Services, LP, For Architectural And Engineering Design Services For The City Hall Remodel Project In An Amount Not To Exceed \$80,000.00.**

***17. Consider A Resolution Acknowledging Receipt Of The Carrollton Castle Hills Public Improvement District No. 1 Annual Service Plan Update.**

***18. Consider A Resolution Acknowledging Receipt Of The Carrollton Castle Hills Public Improvement District No. 2 Annual Service Plan Update.**

PUBLIC HEARING - INDIVIDUAL CONSIDERATION

19. Conduct A Public Hearing On The Proposed 2019 Property Tax Rate And Proposed Operating And Capital Budget For The Fiscal Year October 1, 2019 Through September 30, 2020.

Assistant City Manager Bob Scott stated that Carrollton has benefited from the growth in the area and the City with an 8.44% increase in assessed valuation and the Council is proposing to keep the property tax rate at the same rate which is \$0.594970 per \$100 of valuation. All property types had increased values with residential at 7.77% and commercial/business personal property at 9.00%. He advised that the average homestead in Carrollton has grown to \$282,260 and would produce revenue of \$1,305 at the proposed property tax rate. He stated there would be no increase in solid waste collection rates for residential or apartments. The water and sewer rates are projected to increase just over 21% over the next three years with 7.3% effective January 1, 2020. He added that the increase would be reevaluated after FY 2019 is finalized which could reflect a lower rate increase. He reviewed a sales tax graph which showed a 6% decrease this year and was projected to be flat for 2020. He provided graphs showing Carrollton's per capita standing regarding sales tax revenues, municipal tax assessed value and the cost of services per household. With regard to the cost of services, he stated that Carrollton maintained its status as the third least expensive city behind the cities of Lewisville and Plano. The proposed General Fund budget includes \$792,923 of recurring funds; Capital projects with over \$74 million in new programs and \$11.9 million for new non-recurring initiatives and Strategic Community Reinvestment Projects. He used pie charts to illustrate the General Fund recurring sources and uses of funds, pointing out that the vast majority of the General Fund expenditures are for public safety. With regard to Capital Projects he provided the following information:

- Bond issue in 2020 of \$24,000,000
- Community Development Block Grant funding of \$828,463

- Pay-as-you-go funding:
 - o Neighborhood Partnership Tax - \$5,437,701
 - o Street Rehabilitation/TOD Dedicated Tax - \$6,347-841
 - o Alley Rehabilitation - \$1,351,245
 - o Water and Sewer System - \$3,100,000

Mayor Falconer noted that as the Council continues its discussions and deliberations regarding the budget, the proposed tax rate could be decreased but will not be increased. He opened the Public Hearing and invited speakers to the address the Council.

Rhonda Miller, 3822 Holloway, Carrollton, spoke in favor of funding a Cultural Center and programming for the City. She recommended that the Council create an Art and Cultural Commission to create a vision and plan and recommended they provide \$50,000 in funding to develop the plan. She felt creating a commission tells the community that it is a priority.

Austin Stroh, 2119 Via Estrada, addressed the need to increase employee compensation to accommodate other out-of-pocket increase to the employees. He also felt that more than a 10% increase was needed to assist the community members who are homeless or near homeless.

PUBLIC FORUM

20. Hearing of any citizen/visitor on items not listed on the regular meeting agenda. Citizens wishing to address the Council regarding items on the posted agenda will be called to speak during the Council's consideration of such items.

Citizens/visitors should complete an appearance card located on the table at the entrance to the City Council Chambers. Speakers must address their comments to the presiding officer rather than to individual Council members or staff; Stand at the podium, speak clearly into the microphone and state your name and address prior to beginning your remarks; Speakers will be allowed between 2 and 5 minutes for testimony; Speakers making personal, impertinent, profane or slanderous remarks may be removed from the room; Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations will not be permitted; No placards, banners or signs will be permitted in the Chambers or in any other room in which the Council is meeting. In accordance with the State Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

Lane Burtz, 2505 Mosswood Drive, President of the Creekside Addition HOA, addressed the Council about flooding concerns in the neighborhood, specifically a creek that runs from the Plano boarder through the townhouse development and through the neighborhood. He stated that they have experienced flooding with each rain since the townhouses have been developed and there are more being built. He stated that they are seeing severe erosion of the creek bed that is beginning to endanger some of the homeowners' property; siltation of the pond; and encroachment of flood waters on homeowners' property. He stated that the HOA has spent \$150,000+ over the last 1½ years to control the erosion and dig out the pond and stated it is becoming financial strain. He spoke in favor of a program proposed by the Engineering Department to address neighborhood flooding and stated their neighborhood would like to be on the list if approved.

Mayor Falconer adjourned the Regular Meeting at 7:40 pm and announced that the Council would reconvene in Worksession.

*****WORKSESSION*****

Mayor Falconer reconvened the Worksession at 7:49 pm.

5. Discuss **Fiscal Year 2020 Preliminary Budget - continued**

Decision Points – Recurring – continued

Contract positions – fund

New positions not funded to be considered next year.

Tax Rate

Scott addressed the options regarding reduction of the debt service portion of the property tax rate and stated a ½ cent decrease was doable. A consensus was reached in favor of decreasing the property tax rate to \$0.5897. Scott stated that staff would re-work the proposed debt service for next year to recognize less debt service requirements for the current 2020 year and adjust it accordingly; may draw down the fund balance a little this year, but not very much.

Mayor Falconer recessed the Worksession at 8:08 pm to convene in Executive Session.

*****EXECUTIVE SESSION*****

2. Council convened in **Executive Session at 8:09 pm** pursuant to Texas Government Code:
 - **Section 551.071** for private consultation with the City Attorney to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the City Attorney has a duty under the Texas Rules of Discipline and Professional Conduct regarding confidential communication with the City Council.
 - **Section 551.072** to discuss certain matters regarding real property
3. Council **reconvened in Open session at 8:35 pm** to consider action, if any, on matters discussed in the Executive Session. No action taken.

*****WORKSESSION*****

Mayor Falconer reconvened the Worksession at 8:36 pm.

5. Discuss **Fiscal Year 2020 Preliminary Budget - continued**

Decision Points – Non-recurring – \$11,290,000:

Mayor Falconer opened the discussion noting that the list includes projects and items totaling \$123 million and stressed the need to be strategic. He suggested that the Council try to reach agreement on some of the important items that should be funded and the ones that shouldn't be funded as well as identify those that need more information. Discussion was also held about the Trinity Mills infrastructure project projected at \$13 million that would be ready to start in the next 18 to 24 months and would begin Phase 1 initiative working with developers that could begin in the next year.

1. Carrollton Difference One Time Performance Incentive – fund at 1%
2. Community Service Funding – talk about at next meeting – built into budget
3. Fund the next two items because the non-recurring was funded
4. Updates to Oak Creek Tennis Center; overlay 4 courts and lighting – \$735,000 – fund
5. Historic structure strategic plan - \$63,000 – fund
6. Museum exterior restroom – fund
7. Harold Bessire playground - \$225,000 – fund
8. Josey Ranch shade structure - \$105,000 – wait
9. Graphic murals at recreation centers – wait

10. Wi-Fi – fund
11. Street lights on Rosemeade – fund
12. Dudley Branch trail extension design – wait
13. Entry monument signs – fund
14. Cotton Belt trail extension (not on list) – wait
15. Localized drainage program; not tied to major drainage channel – \$500,000 – fund
16. Bridge retrofit, Phase 4 – fund
17. Screening wall, Phase 2 – fund
18. Way finding and Downtown entry identification – wait
19. Industrial Rehabilitation Incentive Grant seed money – \$250,000 – fund
20. Class A office space incentive funding – fund
21. Cultural Center – \$25,000 fund
22. Replacement of Parks Contingency Fund – fund
23. Historic Railroad – amount needed unknown – provide more information to Council
24. Revitalize underutilized City assets such as amphitheatre – staff work through priorities and take more information to Council throughout year
25. IT contract services - \$509,000 – fund

Mayor Falconer agreed that the non-recurring would be discussed again.

6. Mayor and Council reports and information sharing.

ADJOURNMENT - Mayor Falconer adjourned the meeting at 9:39 pm.

ATTEST:

Laurie Garber, City Secretary

Kevin W. Falconer, Mayor