



Wylie City Council

Minutes

Regular Meeting

Tuesday, September 11, 2018 – 6:00 p.m.

Wylie Municipal Complex – Council Chambers

300 Country Club Road, Bldg. 100

Wylie, TX 75098

CALL TO ORDER

Announce the presence of a Quorum.

Mayor Eric Hogue called the meeting to order at 6:00 p.m. City Secretary Stephanie Storm took roll call with the following City Council members present: Mayor *pro tem* Keith Stephens, Councilman Matthew Porter, Councilman Jeff Forrester, Councilwoman Candy Arrington, Councilman Timothy Wallis, and Councilman David Dahl.

Staff present included: City Manager Mindy Manson; Assistant City Manager Chris Holsted; Police Chief Anthony Henderson; Fire Chief Brent Parker; Development Services Director Renae Ollie; Project Engineer Wes Lawson; Public Information Officer Craig Kelly; Parks and Recreation Director Robert Diaz; Finance Director Melissa Beard; Human Resources Director Lety Yanez; Public Works Director Tim Porter; Building Official Bret McCullough; WEDC Director Sam Satterwhite; Library Director Rachel Orozco; City Secretary Stephanie Storm, and various support staff.

INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Hogue asked all present to take a moment of silence in respect and honor for those who lost their lives September 11, 2001.

Presentation of colors by the American Legion; Invocation by Chaplain Robert Welch

Chaplain Robert Welch gave the invocation and the American Legion Hale-Combest Post 315 led the Pledge of Allegiance.

PRESENTATIONS

- **Proclamation - American Legion Day**

Mayor Hogue presented a proclamation to the American Legion Hale-Combest Post 315 designating September 16, 2018 as American Legion Day in Wylie, Texas.

CITIZENS COMMENTS ON NON-AGENDA ITEMS

Residents may address Council regarding an item that is not listed on the Agenda. Residents must fill out a non-agenda form prior to the meeting in order to speak. Council requests that comments be limited to three (3) minutes. In addition, Council is not allowed to converse, deliberate, or take action on any matter presented during citizen participation.

No citizens were present wishing to address Council.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- A. Consider, and act upon, approval of the Minutes of August 28, 2018 Regular Meeting and September 4, 2018 Special Called Meeting of the Wylie City Council. (S. Storm, City Secretary)**
- B. Consider, and act upon, approval of a Final Plat for Ladylike Addition, creating a single lot on 1.359 acres. Property generally located on State Highway 78 approximately 1500 feet northeast of the intersection of SH 78 and Brown Street. (R. Ollie, Development Services Director)**
- C. Consider, and act upon, approval of a Final Plat for Inspiration Phase 5A-2 consisting of 30 single-family residential lots and 3 open space lots on 7.753 acres. Property generally located northeast of Inspiration Phase 3A, within the ETJ of City of Wylie. (R. Ollie, Development Services Director)**
- D. Consider, and act upon, approval of a Final Plat for Inspiration, Phase 5B consisting of 39.520 acres to establish single-family residential lots for a master planned development within Wylie's ETJ, generally located north of Parker Road (F.M. 2514) on Inspiration Blvd. (R. Ollie, Development Services Director)**
- E. Consider, and act upon, approval to construct an Accessory Structure in the rear yard for commercial uses (Bold BBQ) on a single lot within the Downtown Historic District, located within the Railroad Addition, Block 18, Lot 14 (114 N. Ballard Ave). (R. Ollie, Development Services Director)**
- F. Consider, and act upon, approval to construct a ramp to a residential structure on a single lot within the Downtown Historic District, located within the Brown and Burns Addition, Block 7, Lot 38A (307 N Jackson Ave). (R. Ollie, Development Services Director)**
- G. Consider, and act upon, approval of a Preliminary Plat of Block A, Lot 1 of Collin College Wylie, creating one Business Government lot on 96.524 acres, generally located on the southwest corner of Brown Street and Country Club Road. (R. Ollie, Development Services Director)**
- H. Consider, and act upon, the approval of the purchase of Law Enforcement Uniforms from Galls LLC in the estimated amount of \$60,000 through a cooperative purchasing contract with the Collin County Governmental Purchasing Forum, and authorizing the City Manager to execute any necessary documents. (G. Hayes, Purchasing Manager)**

Council Action

A motion was made by Mayor *pro tem* Stephens, seconded by Councilman Dahl, to approve the Consent Agenda as presented. A vote was taken and the motion passed 7-0.

RECESS CITY COUNCIL

Mayor Hogue recessed the City Council at 6:12 p.m.

CALL TO ORDER THE WYLIE PARKS & RECREATION FACILITIES DEVELOPMENT CORPORATION (4B)

Chair Mayor Eric Hogue called the Wylie Parks and Recreation Facilities Development Corporation (4B) meeting to order at 6:13 p.m. The following members were present: Chair Eric Hogue, board members Mayor *pro tem* Keith Stephens, Councilman David Dahl, and Councilman Matthew Porter. Board members not present were Daniel Chesnut, Emmett Jones, and Phillip Gilbert.

- 1. (4B) Consider, and act upon, approval of the Minutes from the September 12, 2017 Special Called Meeting of the Wylie Parks and Recreation Facilities Development Corporation (4B).** (*S. Storm, City Secretary*)

4B Board Action

A motion was made by board member Stephens, seconded by board member Dahl to approve the September 12, 2017 Wylie Parks and Recreation Facilities Development Corporation (4B) minutes as presented. A vote was taken and the motion passed 4-0 with board members Chesnut, Jones, and Gilbert absent.

- 2. (4B) Consider, and act upon, approval of the FY 2018-2019 4B Budget and authorize expenditures for the FY 2018-2019 Community Services Facilities Capital Improvement Plan.** (*M. Beard, Finance Director*)

4B Board Action

A motion was made by board member Stephens, seconded by board member Dahl to approve the FY 2018-2019 4B Budget and authorize expenditures for the FY 2018-2019 Community Services Facilities Capital Improvement Plan. A vote was taken and the motion passed 4-0 with board members Chesnut, Jones, and Gilbert absent.

- 3. (4B) Consider, and act upon, the appointment and/or reappointment of the Wylie Parks and Recreation Facilities Development Corporation (4B) Officers and appoint a Chair and Vice Chair from its board members for a term beginning January 1, 2019 and ending December 31, 2020.** (*S. Storm, City Secretary*)

4B Board Action

A motion was made by board member Stephens, seconded by board member Dahl to appoint Eric Hogue as Chairman and Dan Chesnut as Vice Chairman; and Mindy Manson as President; Chris Holsted as

Vice-President; Melissa Beard as Treasurer, and Stephanie Storm as Secretary of the Wylie Parks and Recreation Facilities Development Corporation (4B) for a term beginning January 1, 2019 and ending December 31, 2020 (2 year term). A vote was taken and the motion passed 4-0 with board members Chesnut, Jones, and Gilbert absent.

ADJOURN 4B BOARD

With no further business before the board, Chair Hogue adjourned the meeting at 6:17 p.m. Consensus of the board was to adjourn.

RECONVENE INTO OPEN SESSION OF THE WYLIE CITY COUNCIL

Mayor Hogue reconvened the Regular Session of the Wylie City Council at 6:17 p.m.

REGULAR AGENDA

- 1. Consider, and act upon, Ordinance No. 2018-24 adopting a budget and appropriating resources for Fiscal Year 2018-2019, beginning October 1, 2018, and ending September 30, 2019. (M. Beard, Finance Director)**

Staff Comments

Finance Director Beard addressed Council stating the tax rate being proposed for fiscal year 2018-2019 is \$.735848 per \$100 of assessed valuation. The fund summary shows appropriable funds of \$102,472,956 which represents all of the operating and capital funds and includes the budget for the Wylie Economic Development Corporation. The adoption of the fiscal year 2018-2019 tax rate is presented as a separate agenda item.

Citizen Comments

Adam Monk, Lauryl Duncan, and Stephanie Champy addressed Council requesting a decrease in the tax rate.

Council Comments

The Mayor stated if it is Council's desire to decrease to the effective tax rate, then \$426,000 had to be cut from the proposed budget. Mayor *pro tem* Stephens and Councilmen Porter and Wallis presented Council with a list of potential cuts from the expanded level of service requests. Councilwoman Arrington, Councilman Dahl, and Mayor *pro tem* Stephens stated they were in favor of maintaining the effective tax rate plus one cent to continue to plan for the future of the City. Councilwoman Arrington and Forrester both asked for future strategic planning meetings with staff. Councilman Forrester stated he thought the City could maintain its level of service at the effective tax rate. Councilman Wallis stated he would like to come to a conclusion that both meets the needs and wants of the citizens, and serves the needs of the City. Mayor Hogue stated he was in favor of keeping the tax rate at its current rate because of the current demands and needs for the community. Councilman Porter stated he was in favor of the effective rate due to the community's healthy growth. Mayor Hogue stated that approving a tax rate over the effective rate requires five votes from Council; therefore, if there are not five votes to approve the proposed tax rate Council has to determine what to cut. The Council went through the General Fund expanded level of service requests and directed staff on which items to cut.

Mayor Hogue called for a recess at 7:16 p.m. to allow staff to add up the recommended cuts of the expanded level of service requests.

Mayor Hogue reconvened at 7:42 p.m.

Staff provided Council with an updated list of suggestions for cuts identified during the discussion; those items added up to \$176,421. Council went back through the expanded level of service list to determine other items to cut to add up to \$426,000.

Councilman Dahl and Councilwoman Arrington asked if Council could consider the effective rate plus a half of a penny. Mayor Hogue and City Manager Manson replied that if that is Council's desire, then the item would need to be tabled to a different meeting so that staff could draft new documents, and the vote would still require a 60% vote. Councilman Wallis stated he would be interested in considering an effective rate plus a half of a penny.

Mayor Hogue called for a recess at 8:50 p.m. to allow staff to add up the recommended cuts of the expanded level of service requests.

Mayor Hogue reconvened at 9:11 p.m.

Staff provided Council with an updated list of suggestions for cuts identified during the discussion; the items added up to \$428,390. Manson reported that since the items must total exactly \$426,000 staff recommends placing \$2,390 in line item 5181-56040.

Council Action

A motion was made by Councilman Porter, seconded by Councilman Forrester, to approve Ordinance No. 2018-24 adopting the budget and appropriating resources for fiscal year 2018-2019, beginning October 1, 2018, and ending September 30, 2019 with the following amendments: remove the upgrade benefit/recruiting specialist to HR Analyst, remove one school resource officer, remove upgrade Detective to Corporal (CAC), remove upgrade Crew Leader to Streets Supervisor, remove Equipment Operator, remove upgrade Maintenance Worker I to Equipment Operator, remove upgrade Maintenance Worker II to Crew Leader, remove upgrade Reference Assistant to Librarian, remove Cisco WAP – wireless antennas, remove Battalion vehicle replacement (unit 276), remove citywide school zone study, remove intersection improvements McCreary/544, reduce flatbed trailers from two to one, reduce zero turn mower replacements from three to one, and remove print management system and place \$2,390 in line item 5181-56040. A vote was taken and the motion passed 6-1 with Mayor Hogue, Mayor *pro tem* Stephens, Councilman Porter, Councilman Forrester, Councilwoman Arrington, and Councilman Wallis voting for, and Councilman Dahl voting against.

2. **Consider, and act upon, approving the property tax increase reflected in the budget.** (*M. Beard, Finance Director*)

Staff Comments

Finance Director Beard addressed Council stating the tax rate needed to support the newly adopted FY 2018-2019 Proposed Budget is \$0.725848 per \$100 of assessed valuation. This tax rate is the effective tax rate and represents a decrease of \$0.055152 (5.5152 cents) from the tax rate in FY 2017-2018. This agenda item is required by state law because there will be an increase in total tax revenue the City receives due to new property that was added to the tax roll. Section 102.007 of the Texas Local Government Code and Texas HB 3195 require the governing body to hold a separate vote to ratify this increase in property tax revenue that is reflected in the budget.

Citizen Comments

Melvin Fritze and Stephanie Champy, Wylie residents, addressed Council requesting a decrease in the tax rate.

Council Action

A motion was made by Councilman Forrester, seconded by Councilman Porter, to approve the property tax increase reflected in the budget. A vote was taken and the motion passed 7-0.

- 3. Consider, and act upon, Ordinance No. 2018-25 fixing the tax rate/levy for Tax Year 2018 and Budget Year FY 2018-2019 at \$0.735848 per \$100 of assessed valuation. (M. Beard, Finance Director)**

Staff Comments

Finance Director Beard addressed Council stating the tax rate needed to fund the FY 2018-2019 budget is \$0.725848 per \$100 of assessed valuation. The tax rate is broken down with \$0.538206 being used for operations and maintenance and \$0.187642 being used to fund the General Debt Service Fund. This tax ordinance will generate levies of \$22,924,887 for the General Fund and \$7,992,636 for the I & S Fund. The adopted Fiscal Year 2018-2019 budget requires the support of this ordinance for funding. This tax rate is a decrease by 5.5152 cents by last year and is the effective tax rate.

Council Action

A motion was made by Councilman Porter, seconded by Councilman Wallis, to approve Ordinance No. 2018-25 fixing the tax rate/levy for Tax Year 2018 and Budget Year FY 2018-2019 at \$0.725848 per \$100 of assessed valuation. A vote was taken and the motion passed 7-0.

- 4. Consider, and act upon, Resolution No. 2018-33(R) of the City Council of the City of Wylie, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2018 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 attached settlement tariffs to be just and reasonable and in the public interest. (M. Manson, City Manager)**

Staff Comments

City Manager Manson addressed Council stating the City, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division, is a member of the Atmos Cities Steering Committee ("ACSC"). On or about April 1, 2018, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost of service in a test year ending December 31, 2017, entitled it to additional system wide revenues of \$42.0 million. Application of the standards set forth in ACSC's RRM Tariff required Atmos to reduce its request to \$27.4 million. After review of the consultants' report, the Company offered to settle for a system wide increase of \$25.9 million. Following further negotiations, ACSC's Executive Committee agreed to recommend a system wide rate increase of \$24.9 million. The financial impact on residential customers is \$1.06 monthly and a commercial customer is \$3.20 monthly.

Council Action

A motion was made by Mayor *pro tem* Stephens, seconded by Councilman Dahl, to approve Resolution No. 2018-33(R) of the City Council of the City of Wylie, Texas, approving a negotiated settlement between the Atmos cities steering committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2018 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 attached settlement tariffs to be just and reasonable and in the public interest. A vote was taken and the motion passed 7-0.

5. **Consider, and act upon, Ordinance No. 2018-26 amending Wylie's Code of Ordinances, Ordinance No. 2005-07, as amended, Appendix C (Wylie Comprehensive Fee Schedule), Section I (Water and Sewer Fees), Subsection B (Water Rates), and Subsection C (Sewage Collection and Treatment Rates); Section II (Garbage, Trash and Brush Fees), Subsection A (Residential Fee; Deposits), and Subsection B (Commercial Charges).** (*C. Holsted, Asst. City Manager*)

Staff Comments

Assistant City Manager Holsted addressed Council stating in 2016 the City updated the water and sewer rate model and it included various components includes expansion of the Muddy Creek WWTP, water and sewer capital improvements plan (CIP), outstanding debt service, the proposed wholesale water rate increases from the North Texas Municipal Water District, the transfer to the general fund, and future utility fund staffing needs.

Holsted stated the multi-year rate recommendation was implemented by Council in FY 2017 and is based on a consistent rate increase over a five-year period which uses excess fund balance to smooth out the rate impact while also maintaining the required 90 days of operating reserve. The rate model incorporates a water rate increase of 9%, and a wastewater rate increase of 7.5% for all rate types through FY 2021.

Holsted stated Scenario 3 is the current study; a 9% increase for water and 7.5% for wastewater. Scenario 2 is a possible option which is a smaller increase to next year's rate only, an increase of 7.5% for water and 5.5% for wastewater. Staff has not received the predictions from NTMWD on what the wholesale rates will be. Scenario 1 is a 3% increase in both water and wastewater. Going with Scenario 1 would require the City to use \$657,000 of the fund balance to make up the difference. Holsted stated that, as the City does have some recommended debt issue coming up in a couple of years that is to be used to replace the Ballard Avenue Storage Tank, an option would be to leave the rate at the recommended 9% and 7.5% in accordance with the latest study, thereby increasing the fund balance and giving council the opportunity to use more cash for the elevated storage tank and finance less debt or bond for that construction. Staff recommends, given the City does not have the 10-year prediction from the District, leaving the rates at 9% and 7.5%.

The Ordinance also incorporates the recently approved Solid Waste and Recycling fees into the Comprehensive Fee Schedule.

Citizen Comments

Stephanie Champy, Wylie resident, had a few questions regarding her water bill.

Council Action

A motion was made by Mayor *pro tem* Stephens, seconded by Councilwoman Arrington, to approve Ordinance No. 2018-26 amending Wylie's Code of Ordinances, Ordinance No. 2005-07, as amended, Appendix C (Wylie Comprehensive Fee Schedule), Section I (Water and Sewer Fees), Subsection B (Water Rates), and Subsection C (Sewage Collection and Treatment Rates); Section II (Garbage, Trash and Brush Fees), Subsection A (Residential Fee; Deposits), and Subsection B (Commercial Charges). A vote was taken and the motion passed 6-1 with Councilman Porter voting against.

READING OF ORDINANCE

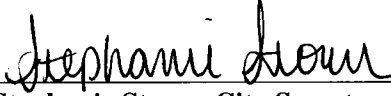
City Secretary Storm read the caption to Ordinance Nos. 2018-24, 2018-25, and 2018-26 into the official record.

ADJOURNMENT

A motion was made by Councilman Dahl, seconded by Mayor *pro tem* Stephens, to adjourn the meeting at 9:44 p.m. A vote was taken and the motion passed 7-0.


Eric Hogue, Mayor

ATTEST:


Stephanie Storm, City Secretary

