

MINUTES**LANCASTER CITY COUNCIL MEETING OF AUGUST 22, 2011**

The City Council of the City of Lancaster, Texas, met in Regular session in the Council Chambers of City Hall on August 22, 2011 at 7:00 p.m. with a quorum present to-wit:

Councilmembers Present:

Mayor Marcus E. Knight
Walter Weaver
Stanley Jaglowski
Marco Mejia
James Daniels
Deputy Mayor Pro Tem Nina Morris

Councilmember Absent:

Mayor Pro Tem Clyde Hairston

City Staff Present:

Opal Mauldin Robertson, City Manager
Alicia Oyedele, Assistant to the City Manager
Sheree Haynes, Finance Director
Dori Lee, Human Resources Director
Clovia English, Public Works Director
Wes Blair, Interim Police Chief
Thomas Griffith, Fire Chief
Cami Loucks, Library Director
Robert E. Hager, City Attorney
Dolle Downe, City Secretary

Call to Order:

Mayor Knight called the meeting to order at 7:00 p.m. on August 22, 2011.

Invocation:

Reverend Gordon Butler gave the invocation.

Pledge of Allegiance:

Deputy Mayor Pro Tem Nina Morris led the Pledge of Allegiance.

Citizens Comments:

James Adams, 2003 Hash, asked Council to do their homework about the proposed annexation commenting that initially it might have been a good idea to control development around Loop 9, but now there is no activity regarding Loop 9 and the Dallas Inland Port is bankrupt; stated that both TxDOT and the North Central Texas Council of Governments say there are no plans for Loop 9; stated that services in the area to be annexed are already being provided by Dallas County and that Lancaster cannot afford to take on the cost of providing services to the area to be annexed; further commented that if the City has to sale eight million in bonds to pay for a water tower, then they certainly cannot afford services and maintenance to the area proposed for annexation; urged Council to study the matter and be prepared.

Consent Agenda:

City Secretary Downe read the consent agenda.

- 1C. **Consider approval of minutes from the City Council Regular Meeting held August 8, 2011.**
- 2C. **Consider Resolution 2011-08-70 of the City Council of the City of Lancaster, Texas, awarding Bid No. 2011-58 to Aetna for employee health and dental administration; Discovery Benefits for flexible spending administration; continuation of Cigna for life and long term disability administration; continuation of Conexis for Cobra administration; and continuation of Alliance Work Partners for Employee Assistance Program (EAP) administration; authorizing the City Manager to negotiate and execute a contract upon legal review; providing a repealing clause, providing a severability clause; and providing an effective date.**
- 3C. **Consider an ordinance of the City of Lancaster, Texas, approving a negotiated resolution between the Atmos Cities Steering Committee ("ACSC" or "Steering Committee") and Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company") regarding the Company's Fourth Annual Rate Review Mechanism ("RRM") filing in all cities exercising original jurisdiction; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement and finding the rates to be set by the attached tariffs to be just and reasonable; requiring the Company to reimburse cities' reasonable ratemaking expenses; repealing conflicting resolutions or ordinances; determining that this ordinance as passed in accordance with requirement of the Texas Open Meetings Act; adopting savings clause; declaring an effective date; and requiring delivery of this ordinance to the Company and the Steering Committee's legal counsel.**

MOTION: Councilmember Daniels made a motion, seconded by Councilmember Mejia, to approve consent items 1C - 3C. The vote was cast 6 for, 0 against [Hairston absent].

4. **Conduct a Public Hearing and discuss an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with the Lancaster Boardwalk Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and an effective date.**

City Manager Mauldin Robertson stated that this is a public hearing for the Lancaster Boardwalk Public Improvement District with a proposed assessment of \$0.276 per \$100 assessed value.

Mayor Knight opened the public hearing.

There were no requests to speak.

MOTION: Councilmember Weaver made a motion, seconded by Deputy Mayor Pro Tem Morris, to close the public hearing. The vote was cast 6 for, 0 against [Hairston absent].

City Council Meeting
 August 22, 2011
 Page 3 of 7

5. **Conduct a Public Hearing and discuss an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with the Millbrook East Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and an effective date.**

City Manager Mauldin Robertson stated that this is a public hearing for the Millbrook East Public Improvement District with a proposed assessment of \$0.2653 per \$100 assessed value.

Mayor Knight opened the public hearing.

Richard and Elnita Jones, 1914 Palma Pita Street, did not wish to speak but asked their opposition be noted in the record.

There were no other requests to speak.

MOTION: Deputy Mayor Pro Tem Morris made a motion, seconded by Councilmember Mejia, to close the public hearing. The vote was cast 6 for, 0 against [Hairston absent].

6. **Conduct a Public Hearing and discuss an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with the Meadowview Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and an effective date.**

City Manager Mauldin Robertson stated that this is a public hearing for the Meadowview Public Improvement District with a proposed assessment of \$0.10 per \$100 assessed value.

Mayor Knight opened the public hearing.

Speaking regarding the Meadowview Public Improvement District were:

Dura Janneh, 1428 Gentle Rain Drive, stated he had received a letter regarding the PID and had several questions; stated that 5 years is too long of a period and asked what happens if the service was not good; asked if there was contract.

Mayor Knight requested Mr. Janneh speak with the Assistant to the City Manager, Ms. Oyedele, available at the back of the Chambers.

There were no other requests to speak.

MOTION: Deputy Mayor Pro Tem Morris made a motion, seconded by Councilmember Jaglowski, to close the public hearing. The vote was cast 6 for, 0 against [Hairston absent].

Mayor Knight announced that consideration of the ordinance adopting the budgets for Lancaster Boardwalk, Millbrook East and Meadowview Public Improvement Districts will be at the September 12, 2011 Council meeting.

7. **Conduct a Public Hearing on the proposed Fiscal Year 2011-2012 budget and discuss an ordinance of the City of Lancaster, Texas, approving and adopting a budget for the fiscal year beginning October 1, 2011 and ending September 30, 2012; providing that expenditures for said fiscal year shall be in accordance with said budget; providing for the repeal of all ordinances in conflict; providing a severability clause; and providing an effective date.**

City Manager Mauldin Robertson noted that Council had met in work sessions on August 1 and 15, 2011 and reviewed the proposed budget and that three Town Hall meetings were conducted to receive citizen input. The proposed budget keeps the tax rate the same at \$0.8675 per \$100 assessed valuation. City Manager Mauldin Robertson stated that the proposed budget will decrease the maintenance and operation apportionment of the tax rate from \$0.6502 to \$0.6002 and will increase the interest and sinking fund requirement from \$0.2173 to \$0.2673.

Mayor Knight opened the public hearing.

There were no requests to speak.

MOTION: Councilmember Mejia made a motion, seconded by Deputy Mayor Pro Tem Morris, to close the public hearing. The vote was cast 6 for, 0 against [Hairston absent].

Mayor Knight announced the final public hearing and consideration of the proposed FY 2011-2012 budget will be held on Monday, September 12, 2011 at 7 p.m. in the Council Chambers.

8. **Discuss and consider an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with the Lancaster Mills Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and effective date.**

City Manager Mauldin Robertson stated a public hearing was conducted on August 8, 2011. Because there are no homes in the PID, the proposed assessment is \$0.00 per \$100 assessed value.

MOTION: Deputy Mayor Pro Tem Morris made a motion, seconded by Councilmember Jaglowski, to approve an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Lancaster Mills Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, and establishing a method of payment and assessment due. The vote was cast 6 for, 0 against [Hairston absent].

City Council Meeting
 August 22, 2011
 Page 5 of 7

9. **Discuss and consider an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with Rolling Meadows Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and effective date.**

City Manager Mauldin Robertson stated a public hearing was conducted on August 8, 2011. The proposed assessment is \$0.23 per \$100 assessed value.

MOTION: Councilmember Daniels made a motion, seconded by Councilmember Mejia, to approve an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with Rolling Meadows Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, and establishing a method of payment and assessment due. The vote was cast 6 for, 0 against [Hairston absent].

10. **Discuss and consider an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with Tribute at Mills Branch and Tribute East at Mills Branch Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and an effective date.**

City Manager Mauldin Robertson stated a public hearing was conducted on August 8, 2011. The proposed assessment is \$0.30 per \$100 assessed value for lots with homes and \$0.80 per \$100 assessed value for lots without homes.

MOTION: Councilmember Daniels made a motion, seconded by Councilmember Mejia, to approve an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with Tribute at Mills Branch and Tribute East at Mills Branch Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, and establishing a method of payment and assessment due. The vote was cast 6 for, 0 against [Hairston absent].

11. **Discuss and consider an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with the Glendover Estates Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and an effective date.**

City Manager Mauldin Robertson stated a public hearing was conducted on August 8, 2011. The proposed assessment is \$0.22 per \$100 assessed value.

MOTION: Councilmember Mejia made a motion, seconded by Councilmember Weaver, to approve an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Glendover Estates Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, and establishing a method of payment and assessment due. The vote was cast 6 for, 0 against [Hairston absent].

12. **Discuss and consider an ordinance of the City of Lancaster, Texas, making certain findings in connection with the proposed supplemental services ordered in connection with the Beltline Ashmoore Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, establishing a method of payment, assessment due, and providing clauses for conflict, severability and an effective date.**

City Manager Mauldin Robertson stated a public hearing was conducted on August 8, 2011. The proposed assessment is \$0.15 per \$100 assessed value.

MOTION: Councilmember Daniels made a motion, seconded by Councilmember Mejia, to approve an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Beltline Ashmoore Public Improvement District; providing for: findings of benefits accrued, accepting five year service plan, recording final assessment onto tax roll, setting the assessment levy, and establishing a method of payment and assessment due. The vote was cast 6 for, 0 against [Hairston absent].

13. **Receive a presentation from First Southwest Company on funding options; discuss and consider Resolution 2011-08-71 of the City Council of the City of Lancaster, Texas, approving and authorizing publication of a Notice of Intention to Issue Certificates of Obligation in an amount not to exceed \$8,000,000; providing for the repeal of any and all resolutions in conflict; providing for severability clause; and providing an effective date.**

Finance Director Haynes commented on the need for the City to construct an elevated water storage tank in response to a violation cited by the Texas Commission on Environmental Quality (TCEQ). To become compliant, it is necessary for the project to be completed by October, 2013. Finance Director Haynes introduced Nick Bulaich with First Southwest to provide an overview of the funding options available.

Mr. Bulaich made a presentation outlining funding options including Revenue Bonds and Certificates of Obligation, noting that First Southwest recommends Certificates of Obligation since they are the least expensive source of funding, the City can make payments from water and sewer revenues and no debt service reserve fund is required. Mr. Bulaich noted the proposed timeline for sale of the Certificates of Obligation with the required Public Notices to be

City Council Meeting
August 22, 2011
Page 7 of 7

published on August 26 and September 2, 2011; Council to approve the sale and adopt the bond ordinance on September 26, 2011; and bond closing scheduled for October 27, 2011.

MOTION: Councilmember Daniels made a motion, seconded by Councilmember Jaglowski, to approve Resolution 2011-08-71 approving and authorizing publication of a Notice of Intention to Issue Certificates of Obligation in an amount not to exceed \$8,000,000. The vote was cast 5 for, 1 against [Mejia] [Hairston absent].

14. Discuss and consider appointment of council liaisons to City Boards and Commissions.

Mayor Knight commented that with Mayor Pro Tem Hairston absent, Council may desire to table consideration of council liaisons to boards and commissions.

MOTION: Deputy Mayor Pro Tem Morris made a motion, seconded by Councilmember Jaglowski, to table consideration of council liaisons to boards and commissions until the September 12, 2011 meeting. The vote was cast 6 for, 0 against [Hairston absent].

MOTION: Deputy Mayor Pro Tem Morris made a motion, seconded by Councilmember Mejia, to adjourn. The vote was cast 6 for, 0 against [Hairston absent].

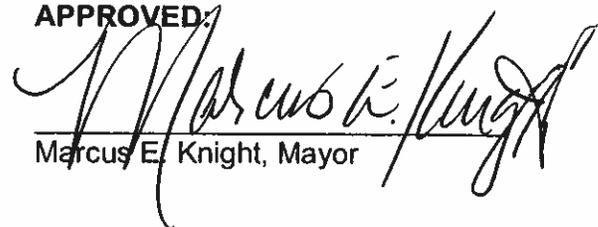
The meeting was adjourned at 7:35 p.m.

ATTEST:



Dolle K. Downe, City Secretary

APPROVED:



Marcus E. Knight, Mayor