

**STATE OF TEXAS  
COUNTY OF DENTON  
CITY OF CORINTH**

On this the 21st day of April, 2016 the City Council of the City of Corinth, Texas met in a Regular Session at the Corinth City Hall at 7:16 PM, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Present: Bill Heidemann, Mayor  
Joe Harrison, Mayor Pro-Tem  
Sam Burke, Council Member  
Lowell Johnson, Council Member

Absent: Scott Garber, Council Member  
Don Glockel, Council Member

Staff Members Present: Lee Ann Bunselmeyer, Finance Director  
Kim Pence, City Secretary  
Jason Alexander, Economic Development Director  
Fred Gibbs, Planning and Development Director  
Caryn Riggs, Assistant Finance Director  
Cody Collier, Public Works/Operations Manager  
Alan Upchurch, Interim Engineer  
Elaine Herzog, Business Manager  
Andy Messer, City Attorney  
Debra Drayovitch, City Attorney  
Mack Reinwand, City Attorney

Attendees: Leroy Grawunder, McCall, Parkhurst, & Horton L.L.P  
Marti Shew, Hilltop Securities

**CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE:**

Mayor Heidemann called the meeting to order at 7:16 P.M.

**PROCLAMATION:**

**Mayor Heidemann proclaimed May 2016 as Motorcycle Safety and Awareness Month.**

**PRESENTATION:**

1. Receive an update by Lance Hendrik regarding Keep Corinth Beautiful Committee activities.

**Lance Hendrik, Chairman of Keep Corinth Beautiful Committee** - under Keep Corinth Beautiful we also handle some of the trails and every now and then we get involved with some of the parks. Year-to-date we have 237 volunteer hours and have collected well over 170 bags of trash and several hundred pounds of other objects. We have been able to keep our trails clean and maintain up to 8 miles of trail in the City. I would like to thank Cody Collier and Jason Cao for their support. Some of the issues we are running into the erosion on Lynchburg Creek and they have been able to help us band aid that. We are starting to see some vandalism in some of the parks, mainly at the community park after hours and KCB will be discussing that and figure out some options there.

The last thing to report on is the Pinnell land. With the road, Katie Trail ties into our trail, there is some land back there that is landlocked and keeping us from doing some of the things we need to do. With the finish of Interstate 35 we are going to see growth in our green spaces and I would like to suggest the Mayor and Council to look at that to see if there is any options.

**Councilmember Harrison** - Can you describe what the Pinnell property is so everyone can understand?

**Lance Hendrik, Chairman, Keep Corinth Beautiful** - a long time ago before we grew the Pinnell family owned a lot of property in Corinth. There was some swapping of land and changes in the Ordinances, some handshake agreements. We have always had a hand shake lease of the property right behind City Hall and also along Lynchburg Creek. The Pinnell family sold that land but some of the land that was purchased did not include land in the floodplain area like the assisted living center next door and a stretch of land further down through Corinth Parkway that some of our trail runs on, they own that also. I was hoping we could look at that because it will keep us from ever developing that to tie into the Denton Katie Trail.

2. Receive a presentation and hold a discussion on the Community Waste Disposal Annual Review.

Presentation canceled upon Community Waste Disposal request.

#### **CONSENT AGENDA**

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

3. Consider and act on Minutes from the March 3, 2016 Workshop Session.
4. Consider and act on Minutes from the March 3, 2016 Regular Session.
5. Consider and act on Minutes from the March 17, 2016 Workshop Session.
6. Consider and act on Minutes from the March 17, 2016 Regular Session.
7. Consider and act on a Professional Services Agreement between the City of Corinth and Messer, Rockefeller & Fort Law Firm, PLLC for City Attorney Services.
8. Consider and Act on a contract with DataBank IMX, LLC. to bulk scan documents for Planning and Zoning and Public Works.
9. Consider and act on an ordinance approving a rate increase for the collection of Solid Waste in the master fee schedule and providing an effective date.

**Councilmember Johnson** - pulled item #9 from the Consent Agenda for discussion. Would like the City Manager to go over the solid waste increase, what is based on and what the affect is?

**Lee Ann Bunselmeyer, Acting City Manager** - in 2012 the City Council entered into an agreement with Community Waste Disposal (CWD) for solid waste services. The provisions of the contract state that every year on April 1st they can ask for an annual market adjustment. The contract stipulates that the rate request be based upon the change in the Consumer Price Index (CPI) each March (U.S. City Average, All Urban Consumers, Not Seasonally Adjusted, All Items Less Food and Energy) from March 1 of the previous year.

On March 24, 2016 Community Waste Disposal submitted a request for a 1.6% market adjustment effective October 1, 2016. The table below reflects a sample of the adjustment for Corinth's customer base. The rates below include the City's franchise fee of 7.5%, which equates to \$0.66 for residential and \$0.58 for Senior Residential. A comprehensive list of solid waste collection rates is included in the ordinance attached.

Rate Description	Current Rate	Proposed Rate	Increase
Residential Rate	\$9.34	\$9.50	\$0.16
Senior Residential Rate	\$8.23	\$8.36	\$0.13

**Councilmember Johnson** - this is separate from the other portion of the contract that has to deal with their fuel cost because I understand there is some type of adjustment involved with that also?

**Lee Ann Bunselmeyer, Acting City Manager** - I think it is. There is a provision that says they can do that. I think since we have been under contract with them they have only come to us once requesting that increase cost in the fuel.

**Councilmember Johnson** - I also remember in the contract that they are providing rebate to us so-to-speak on our recycling collection, do we get a report on that?

**Lee Ann Bunselmeyer, Acting City Manager** - we do.

**Councilmember Johnson** - that is something that would be good to post it out there so we can see where we are on how much we are getting recycled and see a recycled number percentage wise.

**Lee Ann Bunselmeyer, Acting City Manager** - I would have to go back and check but I do not believe we have actually gotten a rebate back since we enter our recycle amount. It has not been up to the amount that was quoted into the contract of qualifying for the rebate.

**Councilmember Burke** - my understanding is that the contract actually provides for this cost adjustment and this is the formal process by which we have approved it so that we can change our budget.

**Lee Ann Bunselmyer, Acting City Manager** - correct. We do not make changes in our system unless it is approved by the Council. If Council does not want to increase the rate you could deny it and then we would go back to CWD.

**Debra Drayovitch, City Attorney** - I dont think it is mandatory that we approve it. It is at Council's discretion.

**Councilmember Burke** - did they provide any information that their cost have gone up?

**Lee Ann Bunselmeyer, Acting City Manager** - no.

**MOTION** made by Councilmember Burke to approve the Ordinance approving the rate increase for the collection of solid waste. Seconded by Councilmember Johnson.

AYE: Mayor Pro-Tem Joe Harrison

NAY: Council Member Sam Burke, Council Member Lowell Johnson

MOTION FAILED

10. Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the Tree Mitigation Fund for the purchase of trees for the Shady Rest Lane project and the Community Park Soccer Complex.
11. Consider and act on approval of project budget adjustments for the Capital Improvement Program (CIP).

**MOTION** made by Councilmember Harrison to approve items 1-8, 10 and 11 of the Consent Agenda as presented. Seconded by Councilmember Burke.

AYE: Mayor Pro-Tem Joe Harrison, Council Member Sam Burke, Council Member Lowell Johnson

MOTION CARRIED

#### **CITIZENS COMMENTS**

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof.\* Section 30.041B Code of Ordinance of the City of Corinth.

**Bill Watson, 3033 Meadowview Drive** - several months ago in 2015 I submitted an application for a building permit to build a parking lot on the east side of our worship center that would essentially be a copy of the existing lot that is already there and doubling the available parking at our main entrance to our worship center. After about a month we were told that the City would need a set of plans drawn up and our contractor gave us information that he said would be sufficient and after some period of time we found out it was not sufficient because our plans called for more than 20 new spaces in the parking lot.

I would like to request the Council to consider what we are trying to do. Our project is just a simple parking lot of about 40 spaces that would be 10 X 20 according to the code. The lot would be next to very similar to the one we already have and would allow us to add more handicap spaces closer to the entrance and allow us to put in grassy items that would dress it up a little bit. No current trees or shrubs would be disturbed. It will be built with curbing according to code and replace the mud pit that has been caused by high schoolers leaving the school and drive through the middle of the yard and has torn up the grass considerable. It will also allow us to remove the gravel lot which is in the back of the building on the south side and seed that area so the whole south end of the property would be a grass lot. At some point we envision planting trees along the perimeter to create a yard looking effect.

We are asking that the City consider waiving the provision of the building code requiring parking lots of more than 20 spaces to need a site plan drawn up and to meet approval by the Planning and Zoning Commission. We are asking that you consider letting us pay the previous building permit of \$25.00 which was the amount that was in place when we first began our application.

**Virginia Holt, 3500 Buckingham Drive** - a park is planned off of FM 2181 near Post Oak in a highly

dangerous location. There is a blind curve and is very dangerous and I am speaking against vehicle access to the park.. I have no objection to pedestrian access. If people are entering and exiting it is just not safe.

## BUSINESS AGENDA

12. Consider adoption of an ordinance authorizing the issuance and sale of City of Corinth, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2016; levying an annual ad valorem tax and providing for the security for and payment of said certificates; approving the official statement; providing an effective date; an enacting other provisions relating to the subject.

**Lee Ann Bunselmeyer, Acting City Manager** - On February 4, 2016, the City Council approved a Intent to Sell resolution to issue certificates of obligation for Capital Projects. The notice was published on February 11 and February 18, 2016 in the Denton Record Chronicle. The certificates are being sold for 1) Constructing and improving streets and roads, 2) City Hall facilities and equipment, and 3) Public Safety facilities, equipment and furniture and will include the costs of issuance.

Bond proceeds from the 2016 Certificates of Obligation will fund the following projects:  
Public Safety Joint Facility and Fire Station No. 3 - \$12 million  
Lake Sharon Road Extension - \$2.5 million  
Facility Renovations/Improvements to City Hall and Fire Station No.2 - \$500,000

In front of you tonight we do have updated Ordinances, complete with the information from the sell.

**Marti Shew, Hilltop Securities, Financial Advisor** - there is two series of bonds that are being issued for your approval tonight. Certificates of Obligation and General Obligation Refunding Bonds, the final true interest cost or (TIC) of the Certificates of Obligations is a 2.91%. That is a third party index that is used to track municipal market conditions over time they released a current rate and that is 3.30% so your bond actually came in below that.

The true interest cost of a Refunding Bond is a 1.27% and that is a much shorter issue. Your Certificates of Obligation are 20 year bonds and your Refunding is only a 4 year which is why it has such a lower rate. We are seeing some of the lowest rates that we have seen in the last 3 years. The interest rates are better than what we presented to you previously, significantly so, in fact I think you are down about \$1 million dollars from what we first illustrated back in our planning session.

As far as this bond issue both readings of Standard and Poor's Rating Services affirmed your ratings "AA" and "Aa2" from there is only two more notches that you can actually get to. Congratulations to that because both of these reports reflects positive things going on with the City of Corinth and they highlight strong budgetary flexibility, strong equity and an overall strong management of the City.

By adopting the Ordinances tonight you are accepting the repayment terms and locking these rates into place.

**Mayor Heidemann** - I would like to thank you for all your hard work to get us where we are at and also would like to thank our Acting City Manager for all her efforts. I don't think people realize how much work goes into issuing these bonds and all the leg work that has to be done ahead of time This reflects the quality of the staff that we have in this City and what they have done over the last several years in terms of taking the sincere interest of every citizen in this community to make sure that we spend the money wisely and are accounting for everything that we do.

**Councilmember Harrison** - would like the City Manager to explain what these bonds are for?

**Lee Ann Bunselmeyer, Acting City Manager** - the \$15 million dollars on the Certificates of Obligation will be used for the purchase and building a joint public safety facility for police admin and fire admin additional it will be for the construction of our new fire station in the City of Corinth on the western part of town. A small portion of it, about \$500,000 will be to do some renovations to City Hall and replace the air conditioning unit and so forth in the building. We have \$2.5 million that will go for the extension of Lake Sharon road.

**Councilmember Johnson** - this also includes the renovation of Fire Station 2?

**Lee Ann Bunselmeyer, Acting City Manager** - just a small portion of it, we actually allocated \$500,000 that will take care of some small renovations out to the fire station #2 and then replacing the HVAC units in the City Hall building.

**MOTION** made by Council Member Lowell Johnson to adopt the Ordinance authorizing the issuance and sale of the City of Corinth, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2016; levying an annual ad valorem tax and providing for the security for and payment of said certificates; approving the official statement; providing an effective date of April 21, 2016. Seconded by Mayor Pro-Tem Joe Harrison

AYE: Council Member Sam Burke, Council Member Lowell Johnson, Mayor Pro-Tem Joe Harrison  
MOTION CARRIED

13. Consider adoption of an ordinance authorizing the issuance and sale of City of Corinth, Texas General Obligation Refunding Bonds, Series 2016; levying an annual ad valorem and providing for the security for an payment of said bonds; approving the official statement; providing an effective date; and enacting other provisions relating to the subject.

**MOTION** made by Council Member Sam Burke to approve the adoption of the Ordinance authorizing the issuance and sale of the City of the Corinth, Texas General Obligation Refunding Bonds, Series 2016; levying an annual ad valorem and providing for the security for an payment of said bonds; approving the official statement, providing an effective date; and enacting other provisions relating to the subject. Seconded by Mayor Pro-Tem Joe Harrison

AYE: Council Member Sam Burke, Council Member Lowell Johnson, Mayor Pro-Tem Joe Harrison  
MOTION CARRIED

14. Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the Water Impact Fee Fund, the Wastewater Impact Fee Fund, and the Roadway Impact Fee Fund for the Water and Wastewater Master Plan Update and the Water, Wastewater, and Roadway Impact Fee Update.

**Fred Gibbs, Planning and Development Director** - earlier this evening we had a brief workshop with a presentation from Kimley-Horn & Associates to go over the water/wastewater master plan and the impact fee update. By state law we are required to do the impact fee update every 5 years and we have reached that time-frame. Along with that we are also doing our water and wastewater master plan update and this has not been done in about 10 years. We have done a lot of CIP projects in the past and it is time we update and see where we are today and what other projects we made need to facilitate future growth.

This item is a budget amendment to transfer money in order for us to do those plans. We currently budget about \$180,000 in last years budget but in order to facilitate both projects the total cost is \$285,400, so we would need to move approximately \$105,400 to facilitate both the master plans and the impact fee

update.

Also, part of that presentation this evening there was some extra services that we requested as part of the contract, one being the financial analysis, one being a worksheet for the staff and developers and the other one for the wastewater flow analysis. We would ask to leave those things in there until the time of the financial analysis at a later date and this amount would cover that complete contract with those extra services.

**Councilmember Johnson** - this contract where you are looking for the \$105,400 is it not to exceed?

**Fred Gibbs, Planning and Development Director** - yes.

**Councilmember Harrison** - City Manager can you explain these funds and how we are paying for them?

**Lee Ann Bunselmeyer, Acting City Manager** - as part of development, on new properties they have to pay impact fees and those impact fees go into a restricted fund and only projects that are eligible that those funds can be used for. One of things these funds can be used for other than road projects or water wastewater projects is for studies such as for the master plan and impact fee update that needs to be done on a 5 year basis. To pay for these updates, these funds are coming from the water impact fee fund, water/ wastewater impact fee fund and also the roadway impact fee fund,

**MOTION** made by Council Member Lowell Johnson to amend the Fiscal Year 2015-16 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the Water Impact Fee Fund, the Wastewater Impact Fee Fund, and the Roadway Impact Fee Fund for the Water and Wastewater Master Plan Update and the Water, Wastewater, and Roadway Impact Fee Update not to exceed \$105,400.00., Seconded by Mayor Pro-Tem Joe Harrison

AYE: Council Member Sam Burke, Council Member Lowell Johnson, Mayor Pro-Tem Joe Harrison  
MOTION CARRIED

15. Consider and Act on a contract with Kimley-Horn and Associates, Inc. to update the City's Water and Wastewater Master Plans and to update the Water, Wastewater and Roadway Studies with the associated Impact Fees.

**Fred Gibbs, Planning and Development Director** - basically this is the contract to execute to conduct the scope of services that are outlined in the for water/wastewater master plan and the water, wastewater and roadway studies with the associated impact fees.

**Councilmember Johnson** - tell us the difference between what we approved the \$105,400 for and what is this \$285,400 for so everybody understands the actual cost of the contract because Kimley-Horn is doing both.

**Fred Gibbs, Planning and Development Director** - every five years we have to update our impact fee ordinance. We are at that point now, the last time we did this was back in 2011. As part of that process we have to go back re-evaluate, re-analyze where we are for the impact fee update based of future growth patterns. This will re-establish what those impact fees need to be set at which Council at that time will set that cost and what the collection rate we will assess. if you go above 50% you have to go do a specific financial analysis which we can talk about later down the road in the process. If we stay below 50% then you don't need to do that analysis.

The impact fees are fees that are passed on to the developer so anytime a developer wants to come in here and develop in the community they pay a fee based off the water and wastewater, roadway impact fee that is set by Council. That fee then goes into the impact fee account that you just amended tonight. You can use those fees to build future projects.

The master plan is a little different, it is smart to do them at the same time because they both play off each other. You want to make sure you asses what type of system you need to future grow your community based off land use assumptions. We will do the land use assumption and you look at that and say ok, how big of a water line it is going to take to facilitate these land uses? How much wastewater it is going to take to facilitate these land uses? Making those plans will help you develop you Capital Improvement Program (CIP) along with simultaneously is the rehab and re-development of some of your older systems and you take that component and this component and you will have a master CIP list in which you will be able to plan and program within your budget.

**Councilmember Johnson** - the CIP along the way can change even after the plan is developed correct?

**Fred Gibbs, Planning and Development Director** - correct, it is dictated by growth.

**MOTION** made by Mayor Pro-Tem Joe Harrison to approve the contract with Kimley-Horn & Associates, Inc. to update the City's Water and Wastewater Master Plans and to update the Water, Wastewater and Roadway Studies and the associated Impact Fees in the amount of \$285,400., Seconded by Council Member Sam Burke

AYE: Council Member Sam Burke, Council Member Lowell Johnson, Mayor Pro-Tem Joe Harrison  
MOTION CARRIED

16. Consider and act on a Resolution of the City Council of the City of Corinth amending Resolution No. 11-03-03-06 which provides procedures and rules for recruiting and appointment of members to serve on city boards, commissions, and committees; providing for severability; and providing an effective date.

**MOTION** made by Council Member Harrison to Approve the Resolution No. 11-03-03-06, procedures and rules for recruiting and appointment of members to serve on city boards, commissions, and committees.

Council Member Johnson made a Friendly Amendment to correct the Resolution we are to approve tonight as Resolution No. 16-04-21-09. Seconded by Council Member Burke

AYE: Mayor Pro-Tem Joe Harrison, Council Member Sam Burke, Council Member Lowell Johnson

**MOTION CARRIED AS AMENDED**

17. Consider and act on a Resolution authorizing the Mayor or his designated representative to execute a contract of sale by and between the City of Corinth, Texas and Denton Electric Cooperative, Inc. to acquire fee simple title to the eastern two acres of Lot 1R-2, Block One, Pinnell Addition to the City of Corinth. Denton County, Texas (The Contract) for the purchase price of \$444,980 and authorizing the expenditure of funds as prescribed in the contract.

**Item #17 was pulled from the agenda.**

#### **COUNCIL COMMENTS & FUTURE AGENDA ITEMS**

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

**Councilmember Johnson** - would like everyone to remember April 21 is the day Texas won their independence and became a nation and is something we should all be proud of.

**Mayor Heidemann** - thanked Lance Hendrik and his group for a good job they did on Keep Corinth Beautiful clean up day. My knees are finally recovered and thank you for all your work and effort.

Council recessed into Executive Session at 8:10 P.M. \*See Executive Session.

**CLOSED SESSION**

The City Council will convene in such executive (closed session) to consider any matters regarding any of the above listed agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code:

**Section 551.071.** (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

**a.Consultation with the City Attorney regarding legal issues associated with the matter listed under Section 551.071**

**Section 551.072.** To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

**a.Receive information and discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property located in Corinth on the west side of I-35 and abutting Cliff Oaks Drive.**

**b.Receive information and discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property located in Corinth along the west side of I-35 on FM 2181.**

**Section 551.074.** To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

**a.Consider appointment, duties, employment, evaluation, reassignment, discipline, or dismissal of the City Manager.**

**Section 551.087.** To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

**Council met in Executive Session from 8:15 P.M. until 9:00 P.M.**

After discussion of any matters in executive session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE SESSION ITEMS.

**ADJOURN:**

Mayor Heidemann adjourned the Regular Session at 9:05 P.M.

AYE: All

Meeting adjourned.

Approved by Council on 19 day of May, 2016.

Kimberly Pence  
Kimberly Pence, City Secretary  
City of Corinth, Texas.