

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

On this the 5th day of December 2019 the City Council of the City of Corinth, Texas met in Workshop Session at the Corinth City Hall at 5:45 P.M., 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:

**Members Present:**

Mayor Heidemann  
Sam Burke, Mayor Pro Tem  
Scott Garber, Council Member  
Kelly Pickens, Council Member  
Lowell Johnson, Council Member  
Tina Henderson, Council Member

**Members Absent:**

**Staff Members Present**

Bob Hart, City Manager  
Kim Pence, City Secretary  
Patricia Adams, Rockefeller, & Fort  
Lee Ann Bunselmeyer, Finance, Administration, Communications & Marketing Director  
Cody Collier, Public Works Director  
Jerry Garner, Police Chief  
Michael Ross, Fire Chief  
Helen-Eve Liebman, Planning and Development Director  
Ben Rodriguez, Planning and Development Manager  
George Marshall, City Engineer  
Jason Alexander, Economic Development Corporation Director  
Brenton Copeland, Technology Services Assistant Manager  
Brett Cast, Engineering Services Coordinator

**Others Present:**

Brian Rush, Planning & Zoning Chairman

**CALL TO ORDER:**

Mayor Heidemann called the meeting to order at 5:45 p.m.

**WORKSHOP BUSINESS AGENDA:**

**1. Annual Report from the Planning and Zoning Commission.**

**Bob Hart, City Manager** - Brian Rush is here as your chair and I will turn it over to him.

**Brian Rush – Planning and Zoning Chairman** – Our yearly update on the Planning and Zoning Commission, we have one opening in Place 5 otherwise we are fully staffed with two alternates. The Planning and Zoning Commission conducts public hearings and discusses approvals or makes recommendations to the City Council regarding planned developments, rezoning requests, comprehensive plan amendments, etc. This year we had two preliminary plats, two final plats, one re-plat, three cases of zoning and 10 cases of ordinance amendments. Zoning cases were the trails is Shady Rest, The Millennium, and the Henderson Farms which was withdrawn. Approved plats, CoServ, Lake Sharon – Phase III, Motel 6 and the Public Works facility. We have a lot of ordinance updates: landscaping, fence

and screen regulations, sign regulations and spent quite a bit of time on public notice procedures. We are here to serve and appreciate your support, any questions?

**Mayor Heidemann** - We we truly appreciate your efforts because we count on you to give us good information so that we can make good decisions.

**Tina Henderson, Council Member** - We have two alternates, can we move an alternate to an open slot?

**Brian Rush – Planning and Zoning Chairman** – I believe the council actually makes those decisions.

**Bob Hart, City Manager** - Council has to make those changes and will bring it to you on a future agenda.

2. **Receive a report, hold a discussion and receive direction on the systemwide review of the digital water meter system.**

**Cody Collier, Public Works Director** –We have had significant improvements in the areas our AMI system which is the radio read system. The AMR is down because AMI is up. The manual rate which is the most time consuming has gone from 8% to 3%. They are supposed to be out next week putting up the rest of the collection towers. Hopefully within the next two weeks you we should see these numbers all go away and the AMI ideally should jump up to 100% for the radio.

**Lee Ann Bunselmeyer, Finance, Administration, Communications & Marketing Director**

The field has done a lot of their field reviews and so it has shifted into utility billing for us to analyze all the data. As you know, we did the audit in Kensington and we'll go through the results of that. But when we are analyzing data, we separated all the accounts into three criteria's. We have an adjustment, exception and questionable.

The adjustment is those that have at least a minimum usage of 10,000. Because even if it's 10,000, it's not going to change the outcome, it was exceptionally high for 10,000 based on our rate structure, so if it was on the equipment list, had low consumption for two months and then spiked, and then the spike is greater than 2018. If it meets any one of those criteria, then we're going to look at it and we're going to flag it to the field and we're going to look and see if it warrants an adjustment.

The second criteria is that the consumption has slowed. It hasn't stopped but it's just slowly slow down and that the consumption is less than or equal to the 2018, low average for a minimum of three months and then we have seen a spike that's greater than the 2018 average. So this allows us to cast a broader net to see if these accounts are troubled. Then as we are looking at all the accounts, we also just look at things that just don't look right, maybe some peculiar irregular flow from one month to the other. Then we flag it as questionable and we do a more thorough review on those. When we looked at Kensington, we audited 267 accounts. Last time we were here we talked about the green potted transponders versus the black ones, the black transponders were those that were not working well. We wanted to see how many of those that we had, 90 or 35% of the accounts that were troubled accounts had been switched from black to green, so we knew those were transponder issues. We had three registers that were faulty and Cody will talk about that in a bit but we are seeing a little bit of trend with our registers now. Our transponders, we had 16 that were either defective, had incorrect numbers that were programmed in or were just physically damaged by a mower. Of all the accounts that we audited in Kensington, we only adjusted twenty for \$3,711. So that tells us this was a sampling, we don't think the issue is as big as far as a dollar loss that we are going to see because the majority of accounts are working correctly.

With this next group that we're doing right now, we are reviewing 236 accounts where customers called in, emailed in, submitted online request, and so we feel we need to respond to those individuals pretty quickly. We are reviewing those currently. And then we also identified 170 accounts as high consumption. Now these accounts, what we classify as high consumption are that they have usage that's over 100,000 in one month, or they have an increase of over 25,000 in one month as well. Those that are over 100,000, we have 49. Some of those are commercial and so that may not be an issue but there are some residential accounts that are over 100,000. So those adjustments are going to be pretty big so I think when we come back and review, the adjustment amount will increase but at this point, we don't think it's as big of an issue as we thought it was. This review is scheduled to be completed by December 20 and that is the field audit, the internal review of all the accounts and the adjustments being made and reported to the customers. So this is kind of phase two, and we're just about ready to wrap up these two.

**Cody Collier, Public Works Director** – We've actually had really good success just in the last few weeks. A couple of months ago we were looking at a 38% failure rate with our transponders. It's what transmits the signal. We worked that down to about 3.6% and RG3 has been coming on working really well with us to try to keep everything moving, to take care of us and our customers. The last read on Zone A and B they found out that some of the transponders weren't working, so as we're doing them, they're replacing them. Overall, we've seen a lot of improvement. There are some out there that are going to fail, but the way they're catching them as quickly as they are, it's much better for us and much better for utility billing folks to be able to take care of the bills, because we're catching them so much earlier. We are seeing some of the registers that are blinking, dying on us and that's a concern. We have two things that's going to help us a lot there, one is the AMI system when it goes up because right now we are having to drive and read them. Since we only drive and read them once a month, we don't know necessarily a problem has occurred until we go to read the meter. When the AMI fixed network system is up, it's going to rate every hour. So every hour, it will send out a signal, collect and go to utility billing and if it's not functioning, if it's attempting no flow, or a tamper or malfunction, it'll notify that we're broke, somebody needs to come look at us. That definitely gives us a much bigger advantage.

**Lee Ann Bunselmeyer, Finance, Administration, Communications & Marketing Director** - So when we talk about registers, if the transponder goes, we still have the ability to go and get the reading off the register. So we know that it might not be billed in the right month but we know exactly what their consumption is. Once a register goes, then the consumption is gone with it and so now it's pulling in a region of zero. So within this month, like in the month of November, we're able to catch them within the same billing cycle but there's some that we know, like he says, an irrigation, there was actually no flow, we're able to identify those. But those where in a house that has consistently had usage for several months. Now it's coming in and saying zero consumption and so we have done a procedural change. In the past a lot of municipalities they estimate bills, we have never had an issue where we had to estimate a bill for a resident, it's always been the actual usage that came through. Well, now that these registers are coming up as a zero consumption, it's warrant us to look at our procedures.

We reached out to several cities to see how they handle it and so we came up with some criteria that would be in the benefit or in favor of the resident. What we're going to do, when you estimate a bill, is basically due to adverse weather or for any other reason that we just can't pull the reading, then we're going to look at estimating, and again, we're going to estimate as a last resort because we don't want to do that as it's going to be the exception, not the rule. So when we estimate we will pull the average of the last three years consumption for the month for the premise. So if it's July, we're going to look at the last three years in July and average it so that we can get a good July usage for them, we're also going to get the average for the customer class for the month. So if it's residential, we'll get the average residential usage for that month. And that'll help us so if it's a wet or dry year, then that'll help us kind of eliminate having any big issues or any big discrepancies for our customers. And then the third thing is our system automatically

calculates a historical average for the account. So if it's a three year account, then it'll give us an average of what their monthly usage has been over those three years. The thought is we take those three numbers and then whichever is lowest is the one that we would bill them for that month's utilities. It would be fairer to the residents instead of just pulling one and not taking any consideration, there's a lot of variables when you look at consumption.

The other thing that we are looking at is we did have some accounts that we did adjust in the Kensington area in the various ones that we've looked at, throughout the last few months. We have had some folks that after utility billing is notified them, they come back and they want to review or appeal that adjustment or if we tell them there no adjustment because the history is consistent with prior year, there's still some that are challenging the usage. So we thought we would develop an internal review committee that would meet twice a month between Bob, Cody, and myself. The first review is done by utility billing, the auditor that we have in and Chris Rodriguez, the Assistant Finance Director, they do the first review and determination. When it gets appealed, then it will come to Bob, Cody, and I to review twice a month, make a determination and get back with the residents so that they have a channel that they can go up to and voice their concerns.

The last time we met we talked about what communication strategies we would use to inform the public. We created the webpage and we linked it to our myCorinth mobile app, we've got those completed. We are going to provide an update in the monthly newsletter that's going to come out tomorrow and we are also going to do some utility bill inserts in January. Then throughout we are probably going to do a newsletter that publishes the website and lets them know what our procedures are and where we are within the audit.

When we look at our website, we did it on the citizen engagement platform that we have, so we put some information there. I'm trying to keep an update so about once a month, I just put in there exactly where we are with the audit, what accounts we've reviewed what the status was. We also have an area where if they want, they can go in and just send us a note, if they have issues with their account, they think an adjustment was warranted. One of the interesting things is we actually created a customer web portal. In here we have all the accounts that are within the city. They type in their account number and their address and hit search. It will provide whether the audit is complete, if it's pending, it will read pending review. If we're not working on it yet, it will just say pending and then if it was accurate or if we had faulty equipment, it will tell them what adjustment was made on their account. So that way at any time, anyone can go in and see exactly what the status of their account is while we're going through the review process.

We have outlined what the phases are going to be in our review and we're letting them know exactly which phase we are in as we go through this. We are hoping to start publicizing this and letting everyone know so they don't have to call in to get an update, they can look at the website and know exactly what the status is in the process. Our next steps, as we discussed we completed Kensington in November, we did 267 accounts. We are currently working on our account inquiry and high consumption. So that's roughly about 400 accounts that we will have finalized on December 20. We plan to come back in January for the council meeting and give an update of the account inquiry in the high consumption audit. As soon as we finish this in December the field crews in our utility billing will start going through 1088 accounts that we've identified that had equipment issues. We expect that to be completed sometime toward the end of February. We will be back in March to give an update of that audit of those 1088 and then in March, we're going to start that system wide review because up until March, the only accounts that we will have reviewed are those that we've identified that have issues or that consumption looks irregular or that residents have called in and asked us to look at their accounts. At that point, we'll just start going to every single neighborhood and just doing a double check of the entire system. We will start with the commercial accounts in March and then in April, we begin the residential system review, going through the residential

accounts. And then at this point, we feel that the customer portal where the customers can actually go in and look at their accounts, once the AMI system is up, the system is going to just project the readings every hour.

The end product is that residents can set up their own alerts and can actually look at their consumption history on an hourly basis. We want to make sure the data in the system is accurate and that everything is flowing correctly before we push that system out. Right now we've tentatively pushed that project back to probably have it go live sometime toward the end of 2020.

**Mayor Heidemann** - With those transponders, you're saying you've had multiple problems with those? Is this going to be an ongoing thing that we're going to have to monitor?

**Cody Collier, Public Works Director** - The problem was the circuit boards that were improperly taken care of and they corroded. We are replacing them and are not seeing those popping up anymore. In one instance, they came out and the last read they had 197 that had failed. As he did the read, he just replaced them. The number that's failing on us has dropped significantly. We were at about 38% and as of right now we're probably at 2% or less. There's going to be a few stragglers as they come along but as they're reading, they're swapping them out so that's not really an impact to us anymore.

**Kelly Pickens, Council Member** - So all the ones that are failing are the black? Do we know the addresses of where they are located? If you know they're going to fail

**Cody Collier, Public Works Director** - when they batched the number that was not just batched for Corinth. It was for everybody and his distributor, he was getting them from the manufacturer to him to distribute. There was a certain batch that they're unsure so it's not all of them. It's a percentage within a batch that failed.

**Kelly Pickens, Council Member** - But they're all the black ones. They're all the black ones in the batch.

**Cody Collier, Public Works Director** - Yes, because they always use black epoxy to pop electronics. Now to change their processes they are using green epoxy. We can take our transponder and turn it over and if it's green, we know that that is the new process change. We are not having issues with those. But if it's black, it may be a bad one that has not failed yet or it may not have been in that batch and it's going to be perfectly fine. And I think that's why we're seeing that number significantly declining and the amount that had failed because if they were going to fail they pretty much already have and now we just have a couple of stragglers here and there. So I think we're getting near the end of that that process.

**Kelly Pickens, Council Member** - Do you know how many black ones are still in the ground?

**Lee Ann Bunselmeyer, Finance, Administration, Communications & Marketing Director** - Our last count we have around 2900 black transformers out of approximately 7200. To be fair with Lee with RG3, he has said that if the trend starts going the other way, because right now as Cody says, we're getting better every month. And so if for some reason we started seeing a huge amount that starts failing, then he has said he will come in and replace everything. And because he knows that it's our system integrity that we're working with and then also revenue loss. We've stressed that with him many, many times. We made a lot of progress this last month so he asked us to give him another 30 days to see if he could get that down to zero and below that 1% error rating, and he can get below 1% then we're good to move forward as is but if that error rate stays up at 3.6 or goes up that he has committed that he would come in and change out all of them.

**Scott Garber, Council Member** - I think that Portal was excellent. I was just looking and even questions I had about the process are completely answered, easy to find, easy to understand. I'm going to get my account number and put it in and see what pops up and even to be able to hit it submit an email or questions directly from that page, it has to reduce the phone calls. It is really good.

3. **Receive a report, hold a discussion and provide staff direction on the Operational and Administrative Analysis of the Lake Cities Fire Department**

**Bob Hart, City Manager** – We received the fire study from Public Safety Management yesterday afternoon. You have the copy of the report there and we will also go through it with the Lake Cities managers on Monday or Tuesday.

**Michael Ross, Fire Chief** - I intend to talk to you a little bit about the company, why they were brought in, the background what they were looking at, where we're at with our opportunities for improvement as well as our successes, and kind of where we're at with that. The Center for Public Sector Management is who we worked with and presented the report. They conducted an operational and administrative analysis. They came in and took an objective look at things. I could stand up here and tell you what a great department you have but it's nice for others to confirm it. They do workload, development analysis, and methodology. They have PhD's and 30 year firefighter and a public servant for 30 years check this out. Everything they looked at us on is what ties back into what the industry considers best practices. They've done 315 studies in 42 states, 44 communities from small to 800,000. They have a good diverse background, looking at how our departments operate. What they wanted to look at when they came here, this is a brief list of things, a lot of this data we have to give them and then it was questions they had to answer. Our response time, how we deploy our apparatus, how we staff, manager over time, our interaction with our neighboring mutual aid and joint response partners, how we structure and oversee the operations. Are we very hands on or how we handle it, our workloads, in our support functions our prevention, our training code enforcement and other things to make sure that when we go out and make contact with care for that interaction, how we are taking care of our facilities and our equipment and what resources do we have at our disposal? How are we looking at what I call looking around the corner, what's coming next, how are we positioning ourselves or are we just looking at the "right now". Are we reactionary, this is what this encompasses.

They're retained by us, the City of Corinth, to evaluate the fire department and the operational and administrative analysis, thorough review of the organizational structure training measures and interactions with other departments. They came out with all of the data that we sent them, they actually came out and spent a couple of days here. They met with me, they met with the other department heads within the city. They met with the other town managers for our contracts, met with the firefighters. The medical director came out, met with dispatch in Denton County. They wanted to tour all the facilities. So with that first-hand look and kind of compared what we're doing. We sent all the policies and procedures, basically everything from how we do stuff and then our numbers and of course when you look at that you have a lot of questions. What I will tell you about their site visit, I was very hands off. I didn't want to be that director that was in every meeting, looking around the corner I didn't tell anybody what to say. I didn't even tell the stations that we were coming for a visit until 15 minutes prior, as a courtesy. I wanted a true understanding because if I don't know, I can't fix it. I picked who was available and some others that I knew would tell the truth.

We were at one firehouse and he asked how many days to get all this stuff ready, because our reserve equipment looks immaculate. I asked what he meant, he said you mean this reserve truck looks like this normally? How much notice did you give them? I said I called them on the way, about 15 minutes out, as a courtesy to the captain's. I told him I wanted raw feedback and then I left. I left him there with the crews,

no supervision, to say what they wanted. It was as open and honest as I felt like we could give them.

A brief overview of their findings, The Lake Cities Fire Department is a highly skilled and progressive organization that is making exceptional progress in dealing with significant and growing workloads. Personnel within the organization are truly interested in serving all four communities and demonstrating a unified goal of achieving excellence and service delivery. The multi-city contractual relationship was clearly providing for the most efficient, most effective and most affordable service delivery system to all residents. The department is well respected in the community and by the city leadership.

The fire department is an exemplary department whose challenge will be sustainability, what he means by that is the hardest part of being good is staying good. That's our challenge, to be sure we keep the people motivated, keep the fires lit, keep looking around the corner and not just resting. It's our challenge to continue forward. They also noted that when I came on and completely restructured the department and reviewed almost everything and how to do it and he made some comics specific to that. How we reconfigured the operations and reduced over time improve service and management. He asked how you know when it's time to put a third ambulance in service. Well, the data is going to tell me that. How do you know where to put this? The data is going to tell me this. I can't just sit here and guess.

They did make 11 recommendations but he noted before he started making the recommendations that they looked for areas that can be viewed as needing improvement and found few. On more than one occasion he said the hardest part of this thing after looking at everything, he said, sometimes we get called in because these places are train wrecks and it's easy to start listing stuff. And we'll have 30-40 recommendations. He said we're really having to drill down which made me feel good.

The first five, consider staffing three command positions, it goes back to that sustainability because he doesn't feel that the workload long term was maintainable because we now have nine captains reporting. They're suggesting an internet based video conference system between stations so we can do live officer meetings and interactions and trainings and things like that. Expand, their words, excellent training program to include professional development programs, we do some development stuff, preparing them for the next level but we can do more. We should fill the basic command position which we have, that is one we can mark off. And prior to any anticipated large public event, we should identify common radio communications and this stems back to the Fourth of July Lake Dallas with police on one channel and fire on another. There was a concern that we didn't have any way to talk to each other. So I went back, I did an analysis, pulled both radio plans and found about 25 to 32 channels, we both have on our radios. Conduct formal fire risk analysis for each of the four member communities. A big push for a lot of the rest of the stuff is just overall public safety projects and programs and working together for risk reduction.

Our internal risk management, to include a full wellness program, baseline physical screenings. Our hazardous materials incident training and maintaining control, consider going for Center for Public Safety Excellence Fire Accredited, they say we are good enough for that and should shoot for it. We should adopt the community risk reduction philosophy. So that's kind of our focus. And the last one was that we should work with medical director dispatch to kind of triage our calls and figure out do we need to run lights and sirens to everything, that's becoming a trend. They also noted was several areas where they were best we are already performing the best practice level, our contract and the relationship, being most effective, efficient, affordable for communities our size to have something that, they were really impressed with our fire contract with the other cities and how we work so well with Denton, Little Elm and Lewisville.

Our boxcars, Denton has the hazmat, how we all work together and take care of everyone. They said our fire loss is lower than expected. They're impressed with our prevention and our fire tactics, and how we get in there and put them out; how we keep them from going to total losses. He said that the amount of

fire loss we had was pretty amazing. The fact we are an ISO-2, he said that speaks volumes and there's some data about how many departments are actually ISO-2 and there are not a lot of them. We have afforded that level of professionalism to our community, as well as the insurance reductions. Very impressed with our promotional processes because we don't just look at how well you can direct somebody at a fire scene, we look at the overall employee, we look at leadership, we look at personality traits, one of the books that I use is about dealing with different personalities, behaviors, they like that.

Our fleet management program, we've added vehicles on the street and we've reduced our cost at the same time. So instead of it going up and going down through some of the programs we're doing, and the fact that we're using the enterprise system for the other stuff with our vehicle replacement funds and things like that, he said it was just amazing. How we coordinate hazardous material incidents, as well as training, those were pointed out in the study as best practices also. When we look at our response times, it's broken down into the amount of time with the dispatcher, the amount of time it takes them to tune us out, us get up and get geared up and hit drive on the transmission, and then the amount of travel time. The dispatch, we don't really have any control over, I can work with him on policies and processes, which I'm doing. I've got a meeting scheduled for next week. And then the travel time, it is what it is, it is traffic, road conditions as you know, the way you fix travel time is to build more stations but I will talk about that in a second. The turnout is where we have the greatest impact. Even before the study came out, we have worked with our captains to get them out of the house quicker. So this is very, very important you move with purpose and without even realizing it. We are about 1.2 or 1.3 depending on the unit. So we actually are ahead of the curve on fixing some of our stuff. With the road time and the traveling this is kind of how the city is sliced. Depending on where you are in the city determines your station.

They made comments about how well it was staffed. As far as the placement and the travel time, you notice in the recommendations, there was nothing about that list. So they understand what we're working with and they understand we are doing everything we can and we are doing a pretty good job of managing it. The response times, we can get to some areas in less than 240 seconds of travel time. And just on the fringes, we're looking between 240 and 480. So we're getting most of the area. There are some areas out west later on if we need to, we will work on that, maybe a substation or something else but the data doesn't support that. If you look at the areas, our activities are in those areas so we are handling our business with the three stations we have. Our EMS data is working within the area of our business.

To wrap this up, looking at our recommendations and to give you an idea of where we're at even before some of this, I'd already updated all of our hazmat policies and companies and got everything to Lake Dallas and the other towns so if there's a spill or something, then we have accurate live data to pull from. I did the radio evaluation I was telling you about and we've got that ready to go as soon as they do the next event planning. We'll sit down, we'll agree on the channel, it is a two minute conversation. I talked to you also about reducing our reaction times. What's planned, I want to put a community committee together for community risk reduction, and what is in there kind of outlines some of that stuff. I want to increase the amount of command succession planning which we've got in the works. That's one of the task with my training officer, we are putting some EMS regulatory stuff to bed right now and then we're hopping on that; that's the next go to. I want to continue transparency and relationship building from my whole organization, from me down to everyone that we serve. I want them to know that I am their fire chief and I want them to be able to come to me and be able to talk and that's how I think we're going to be successful. Thank you for your time.

**Mayor Heidemann** – Outstanding, I know you put a lot of effort and work in this and it shows and we appreciate all you're doing. I think the citizens of Corinth and the Lake Cities are very proud of what you are doing.



**Bob Hart, City Manager** – We're going to be going through this on Tuesday with the managers, so that they all have the study and then when the chief is out with the other three cities doing their annual report, they will cover this so that will be happening about January. And then Lee Ann and I will start meeting one on one with the other three managers to start talking about contract numbers. We will come back to you at the first meeting in January and then we're going to go through those contract numbers here. Then we'll be immigrated to go into the contract discussions and who knows what direction that will take. I think we have everything covered as well as it can be covered.

**Scott Garber, Council Member** – Are we doing this presentation or is the company who did the report going to do it?

**Bob Hart, City Manager** – Chief will give the report.

4. **Discuss Regular Meeting Items on Special Session Agenda, including the consideration of closed session items as set forth in the Closed Session agenda items below.**

There were no discussion on the Regular items on the Special Session agenda.

5. **Receive an update and hold a discussion on the Tax Increment Reinvestment Zone (TIRZ) and the Transit Oriented Development (TOD) District.**

**Bob Hart, City Manager** – We adopted the TIRZ so that is set and it is effective with the values being frozen January 1, 2020. There are enough loose ends that the county is not comfortable with doing the Interlocal agreement until they get some of these other issues resolved. That's not a problem for us because under the statute, they can approve the ILA based on our January 1, 2020 numbers because it is already in place and that is good until they set the tax rate in 2020. So, that gets you to the first part of September, but realistically we need it all in place by June. The mayor, Sam and I met with the mayor and Coleman. We have talked to him a couple of times since; Jason and I. There's a lot of moving parts here. I think we're okay here. On an informal basis and talking to judge we are trying to get we can have this ILA done by the second quarter of 2020. We need the draft rail stop study, it should be completed in January.

**Sam Burke, Mayor Pro Tem** – Raymond mentioned that he had seen some initial numbers and thought they were high. He didn't break it down in detail. Essentially they were using some projects, other projects that had been completed recently.

**Bob Hart, City Manager** – We have to get that study done so it can roll down and they can start to deal with the Regional Transportation Commission and COG and figure out what they're going to or not going to pay. That is part of the first half of the year and then DCTA is doing a cost allocation study. That needs some time to play out. I think the one thing that I certainly underestimated or I didn't understand is the conflict between Denton and DCTA is much deeper than I had understood. And Lewisville in the mix there so it's a little more complicated than I had thought. In terms of starting to narrow some of our funding options when we start talking about the rail stop and some of the other improvements within the TOD. Obviously the tax increment district is going to be a big part of that money that goes into that. The Municipal Management District I think is going to have some good options and that will be a mechanism that we can use with the developers to help finance some of the public improvements. That's the one that that you can do through the TCEQ or the legislature. My thinking is that we look at the legislative route. One thing we want to talk about in January, with the target of having an election in May is to have a lease, sales tax on car rentals. You can do it but you have to target it to some kind of a venue and the venue then would be the amphitheater or the pavilion that is in the park over here, so you can pay for that pay for the operations and promotions. So I see that as a real critical linkage in that so that takes the money out of the

TIRZ or the MMD, that way we can separate them. And then of course, the third rail loan program, which would run through DCTA and obviously the money the COG. When we are talking about our funding pieces I think that is where we will need to focus.

**Mayor Heidemann** – On the rental car sales tax, does that impact all the dealerships that have car rentals? That would be some additional revenue that we are not collecting now.

**Bob Hart, City Manager** – Yes. DCTA, there is a little bit of a conversation about do they want to let us in as a contract member, contract service or as a member, and I think we're going to want to have some pretty candid conversations to figure out. One of the places where this comes into play is you pay for the rail stop and we don't want to sit here. I don't know what that rail stop is going to cost yet but we want to be careful. We want the county or the COG to pick up that cost. If we had joined DCTA back in January 1, 2004, about \$8 million dollars, so that's a little bit of a benchmark, just to say that. If we get into a debate and they want \$15 or \$20 million from us, then our backup is that we want to buy our way back in. That's going to give you a benchmark number to start to discuss. Now, that's kind of an interesting number to look at and then you look at that against the cost of the rail stop.

One of the things, you all kind of watched this with the judge, he is a little hung up on some of the NCTC stuff and what is happening a little bit is, his view, when we do some expansions of NCTC, he's said he is not in the business of wanting to take property off the tax roll within the TIF. We pointed out, the current boundaries is NCTC and when we expand here a little bit, where Metroplex Cabinets is, they will put all this back into the TOD, put it back on the tax rolls; there is a net gain that comes back into the system. I think he backed off that for a bit and showed concern about the surface parking and thought we ought to have a parking garage or something. It is going to take a while for that to phase in but we do have a meeting, Jason and Helen-Eve and I will be with Dr. Wallace and his staff on December 12<sup>th</sup>, next Thursday. We will be in Gainesville, if you remember the judge, wanted to get a meeting with NCTC.

**Sam Burke, Mayor Pro Tem** – So there's not really an issue for DCTA, there is an issue for Lewisville and Denton. The way the board is structured is you have five members and to get anything done you have to have a majority which includes two thirds of the founding members, which is Highland Village, Denton and Lewisville. The problem is that Denton and Lewisville have cold feet and that they brought up the contract of services. Essentially they want to make sure that they're not subsidizing anyone else. I think Denton's point of view is, they feel like we're subsidizing service to UNT in particular. I had lunch with Chris Watts, I think he'll even acknowledge the rails but I think they feel like DCTA made a bad contract with UNT and that they are subsidizing service to UNT. I don't know what he thinks they are going to do about that because he said it is a ten year contract. The representative for North Texas was at the meeting and we were talking about doing something with the 2am – 5am lift contract, basically when UNT students need a ride late at night. I don't know how exactly it got into that business because I thought that is what LYFT did but there was some discussion about canceling that, but that is part of the 10 year contract with UNT so they're committed to provide that service. It wasn't even really an option, we could have canceled the contract with LYFT but we still have an obligation to provide that service some other way. A lot of it has nothing to do with Corinth and there's some kind of issue that this hadn't been managed well for some time and they want control.

**Mayor Heidemann** – You don't foresee this as a done deal for us.

**Sam Burke, Mayor Pro Tem** – Yeah, but it's more challenging than I would have told you 90 days ago. There's a lot of waffling.

**Kelly Pickens, Council Member** – Who picked the stops in Denton?

**Bob Hart, City Manager**— I think when all that was laid out, the engineers for DCTA put the stops where it made the most sense from an engineering standpoint. They used existing rail, but it was a respect of land use or economic viability. That's the impression I have in everything I've looked at.

**Kelly Pickens, Council Member** – It doesn't stop anywhere. It stops at UNT.

**Sam Burke, Mayor Pro Tem** – It doesn't stop at UNT, it stops near downtown Denton, stops near Denton Regional Hospital. There's nine acres of parking lot there. There are two stops in Lewisville. Carrollton near the Trinity Station, where DART ties in and the Highland Village.

**Mayor Heidemann recessed the work session at 6:48 p.m.**

### **CLOSED SESSION**

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

**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 Bar of Texas clearly conflicts with the Texas Open Meetings Act.

**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.

**Council met in Closed Session from 6:48 p.m. until 7:02 p.m.**

**a. Receive and hold discussion on the Initial offer for ROW purchase associated with the Lake Sharon Dobbs Rd Realignment ST18-01 project.**

**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.

**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.

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

**There was no action taken on Closed Session items.**

**ADJOURN:**

**Mayor Heidemann adjourned the meeting at 7:03 p.m.**

**AYES:** All

Meeting adjourned.

Approved by Council on the 23 day of January, 2020.

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

