

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

On this the 7<sup>th</sup> day of February 2019 the City Council of the City of Corinth, Texas met in Workshop Session at the Corinth City Hall at 5:30 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  
Scott Garber, Council Member  
Don Glockel, Council Member  
Lowell Johnson, Council Member  
Tina Henderson, Council Member

**Members Absent:**

Sam Burke, Mayor Pro-Tem

**Others Present**

None

**Staff Members Present**

Bob Hart, City Manager  
Kim Pence, City Secretary  
Patricia Adams, Messer, Rockefeller, & Fort  
Helen-Eve Liebman, Planning and Development Director  
Lee Ann Bunselmeyer, Finance Director  
Cody Collier, Public Works Director  
Michael Ross, Chief Fire Department  
Brenton Copeland, Technology Services Asst. Manager  
Jason Alexander, Director of Economic Development  
Brett Cast, Engineering Services Coordinator

**CALL TO ORDER:**

Mayor Heidemann called the meeting to order at 5:40 p.m.

**WORKSHOP BUSINESS AGENDA:**

**1. Receive a presentation, hold a discussion, and provide staff direction on the 2019 Bond Sell.**

**Bob Hart, City Manager**—This item will be on the workshop for the next meeting to allow Council to continue to discuss. The bond rating meeting with Moody's Standard & Poor was this week, it went well. The city is staying within the normal parameters of debt issue. The benchmarks will not cause an upgrade or a downgrade of our rating. The city is a solid AA rating. The full proposed amount was reviewed. The city cannot go up but any other adjustments that needs to be made would be okay. A couple of observations is that the bond sell is set for March 7<sup>th</sup>; this is traditionally a good time to sell debt and the second is to get this accomplished before the legislature approves HB2 and/or SB2. The Senate hearings are going on right now. The way the current bill is structured is the 2.5% cap will cap real appraisal values and not new growth. This is important because a lot of the city's projects open land for future development; especially Parkridge. This is what has to

get on the ground to get value going forward. If in a year and there is no value on the ground that is when we will be in a squeeze, especially the 2<sup>nd</sup> or 3<sup>rd</sup> year.

**Mayor Heidemann** – the 2021 budget year is when it will hit?

**Bob Hart, City Manager** – yes, if we do not get growth on the ground. The Parkridge discussion, during the budget, was trying to get that in to open it up for the Taylor and Blunt property initially and at some point the Haslet property will fall in place. If the city can get some things going in 2020, that will be the new value the city needs on the ground for 2021. This investing will make life easier for the city in two, three, or four years from now. Once the Lake Sharon/2499 project is complete there is a good chance this bond amounts will decrease. This project will require a complete water shut down for a minimum of three days, which creates nervousness on the part of the LCMUA and Corinth water departments.

**Councilmember Garber** – How long can the city go without water, would we use emergency rations?

**Bob Hart, City Manager** – yes, we would tell citizens not to do any outside water. My experience has been when people are told not to water they use more of it.

**Mayor Heidemann** – Will we run the risk of going six days and dropping below the 30% and there will be a boil water notice?

**Bob Hart, City Manager** – Yes that is a risk. He asked Cody Collier, Public Works Director, on the bypass scheduled for Tuesday morning, after three days if we don't get the sample back clean, then we have to go to six or seven days, at what point do we drop below 30% and get into a heap of trouble?

**Cody Collier, Public Works Director** - This will depend on the weather and everyone in the city. If the weather maintains we will be good for a week. It is all contingent on the weather and when people begin to turn on their irrigations systems. It is a double edge sword, in some cases you want to tell people to not use and conserve, then others hurry up and use all that they can as much as they can causing a spike in the service.

**Bob Hart, City Manager** – this has to be complete by March 1.

**Mayor Heidemann** – is there a process we go through to communicate to the community if the project surpasses three days and there needs to be water rationing?

**Cody Collier, Public Works Director** – yes, there has already been something sent to Lee Ann Bunselmeyer and Julie Arrington to get a public message out today asking people to refrain from using water, no outdoor water usage and minimize the indoor usage to help get through these three days. If it comes down to it, the city could activate a conservation measure to stop it. I think right now we are okay.

**Councilmember Glockel** – are you saying the city and LCMUA are reliant upon that one line?

**Cody Collier, Public Works Director** – no, we have two points of entry and LCMUA has two point of entry, but that is the main line that feeds into the Lake Sharon Booster Pump station that builds all the extra pressure that pumps up the pressure in the system and runs up Lake Sharon, up Parkridge and into LCMUA. The other line feeds the ground storage off Post Oak. How we survive

it is by filling our tanks in our system to survive the morning and evening peaks; keeping our tanks full between the peaks. LCMUA, I do not know their system so I cannot speak to how they will survive this.

**Bob Hart, City Manager** – This debt number, I think we can give Council a better estimate over the next couple of weeks. Next week will be real critical. The Lake Sharon Dobbs alignment, we are locked in on because we assured TxDOT and the County that we would perform this work and based on this assurance and our starting design is why they committed the \$28 million. This is where all your future economic development is tied to. The Elevated Storage Tank and the water lines to Quail Run to get water into the tank, we must do to maintain our water rating the city must boost its water elevated storage.

**Cody Collier, Public Works Director** – TCEQ regulates the amount of storage per connection, the city is short of this.

**Bob Hart, City Manager** – in the last inspection we were put on notice. The engineering estimate 9-10 months ago was \$3.7 million, with the steel tariff and the steel issues this number has been revised. Staff is trying to revise the numbers to be more realistic. The city is still in path to get this out to bid late fall. The Quail Run alignment is swinging it 90 degrees to help TxDOT. This all deals with CoServ and there is a meeting scheduled for tomorrow morning at 10:00am. I can have more information at the next meeting. Flood Mitigation, we have \$1 million in the budget to provide the match for the grant. If we do not get the grant, then what do we do, we could probably back off on this one. If we do not get the grant, we will need a real discussion about what do we do. What I did pick up from researching is the Harvey money appears to be in a different pot of money than what we are competing for in this grant. That is good news and given our cost benefit ratio I like our chances for funding on this.

**Councilmember Henderson** - when will we know?

**Bob Hart, City Manager** - we won't know for probably 6 months. Parkridge is the one we had looked at doing in a year to a year and a half from now, but I am trying to get the package put together. Staff pulled together three years of CIP and consolidated it into one because you do not know what the legislature will do. That gives three years to get all this in place. Staff is working on the Parkridge alignment now by putting money in the budget to get the preliminary work done. Taylor and Blunt are ready to move on the property, for them to move the city has to have a plan and everything in place to get Parkridge from Lake Sharon to Church to help with their financing. When we look at the flood plain mitigation and all the assumptions, we need Parkridge to help solve the drainage running parallel and flooding in Amity Village. We get the grant, Parkridge needs to go in and all this begins to fit together.

**Mayor Heidemann** – on Parkridge, the city will recoup some of that through impact fees, correct?

**Bob Hart, City Manager** – yes, over time, so this becomes more of a cash flow issue. That is what makes this difficult. The second part is looking at the impact that is where Council needs to measure this. The impact is part of the conversation with the rating agencies. Part of staff's thinking is to structure the debt so that Council can defer it minimizing the impact on the tax rate. We will have debt falling off in about three years and you can leverage it. This makes the million on the Lake Sharon extension and the Flood Plain mitigation start to have an impact here and Council can start mitigating some of that. Staff has not run the numbers yet and will do that before the next meeting.

**Councilmember Glockel** – what happens when what is going on in Austin materializes when you

talk about 4-8% tax growth?

**Bob Hart, City Manager** – The current structure of the bill is that debt service is exempt. This is why Council needs to have the debt deal finished. The debt being incurred prior to the law will exempt the city.

**Mayor Heidemann** – when will this cap go into effect?

**Bob Hart, City Manager** – next fiscal year. The bill typically will pass and be effective September 1<sup>st</sup>, but when the Governor made it an emergency bill it could go into effect as early as the end of May. That is an extreme, but we would pay attention to it. This is why I would recommend selling before the end of May. The bill is in the Senate now and then will go to the House. The water side is again tied to the elevated storage and the waterlines needed. I am not sure there is a lot of room there without running into problems with the state. This will impact water rates and will need some serious consideration. When these numbers were first reviewed at \$3.7 million staff thought they would get through without a raise in the rates, but the increased cost of steel and construction is what the issue is.

**Councilmember Garber** – are there not used water towers, refurbished? There is a huge market for used tanks in the liquid oxygen service.

**Bob Hart, City Manager** – I have never had that question.

**Cody Collier, Public Works Director** – I have never considered it, but I think it would be difficult because the tanks have such a long lifespan. By the time you get them, they have to be cut, weld them, take them off in pieces by crane, then re-sand blast them, re-prepare them and paint them, then the cleanup procedure and find a million gallon tank. The old tank designs are very different than the tank designs today. Honestly, I have never thought about it.

**Bob Hart, City Manager** – staff will ask and find out. That is an interesting question. I wanted to run through this so that Council could think about it. Some of them could be deferred, it will help on the short term, but will become an issue three or four years out. Staff will have time to run some more numbers in the next couple of weeks and be able to bring better numbers to Council at the next meeting.

**Councilmember Henderson** – asked to send something out to the HOA's letting their people know, is this something we do or don't do?

**Bob Hart, City Manager** – Yes, we will do that.

**Councilmember Johnson** – it would not hurt to notify Oakmont too.

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

**Consent Item #1 Discussion:**

1. **Consider and act on minutes from the January 10, 2019 Workshop Session.**

**Consent Item #2 Discussion:**

2. **Consider and act on minutes from the January 10, 2019 Workshop Session.**

**Councilmember Glockel** – a mistake on page 10, we discussed why we deferred it, the problem is it states one member can request a special meeting, but nowhere can I find where it states one member can ask for a special meeting, but two members could in the bottom paragraph. The problem is it states one member about the fourth sentence up that should be two, I don't think I ever saw where it states one. All the things I read states any two people can ask for a special meeting. It is in the minute's page 10.

**Mayor Heidemann** - This item will be pulled off the agenda and make a motion to correct.

**Consent Item #3 Discussion:**

3. **Consider and act on approval for the purchase of a new backhoe through the BuyBoard Cooperative purchasing agreement for the Public Works Department.**

**Bob Hart, City Manager** – Cody Collier can answer any questions of Council.

**Mayor Heidemann** – is this a trade in or are we selling them on a bid?

**Cody Collier, Public Works Director** – the other discount is a trade in line, the intent was not to trade it in, but to sell it in auction. Historically we have done better on auction than a trade in.

**Mayor Heidemann** – so do we need to change this on our agreement?

**Cody Collier, Public Works Director** – No, it has other discounts and shows a trade in or other credits. The other credit is the buy board discount we received.

**Councilmember Glockel** – I know staff needs a cab and probably AC and Heat is nice. I am not sure what the deluxe cab package is for another \$1,500, so now that is \$11,000 out of this \$106,000 is the cab. The blue tooth radio another \$500, but the premium air suspension and heated seat is more money. There are a lot of frills and some are needed. I do not know what the next step down is. Is this the ultimate or just the mid-line, where are we at on this?

**Cody Collier, Public Works Director** - the cab feature came with it and are part of this package.

**Councilmember Glockel** – a person can't buy a truck with crank windows they are all standard electric windows, if this is not a big add on to get all the frills. I think we need most of it but not all of it.

**Cody Collier, Public Works Director** – I can check and see if there are somethings we can remove. I don't need them to have a radio. The only time a radio was helpful back in the day was for weather alerts, but today we have better communication for that. I can look and see if the radio can come out, but my understanding is this is all a standard package. The only thing staff intentionally included was the hydraulic rear grabber for grabbing stuff in loading and unloading.

**Councilmember Glockel** – I am just talking about the cab the deluxe package and blue tooth, typically the radio should not be playing when working. It is not a big deal it is just \$11,000 out of \$106,000.

**Councilmember Henderson** – I imagine when we get this we will save some man hours from not having to stop and constantly repair and save money.

**Cody Collier, Public Works Director** – that was the idea based on the economics alone.

**Bob Hart, City Manager** – because we are buying on buy board we are getting a good discount.

**Cody Collier, Public Works Director** – Yes, the \$18,000 discount is because of buy board.

#### Consent Item #4 Discussion:

4. Consider approval of an ordinance of the City of Corinth, Texas, amending Chapter 33 of the Corinth Code of Ordinances, establishing the Finance Audit Committee, merging the duties, responsibilities, and membership, procedures and terms of office; and providing an effective date.

**Councilmember Glockel** - Page 29, page 2 of 3 for the ordinance, it is written different here, this is the overview as I understand, then it is in the Crime Control, the City, and EDC. Those three are mirror images, but this one, which is the master where they are derived from, leaves questions. One of the questions is the two year terms, are we trying to have all 5 people starting out on day one with a two year term and not staggered? There are no provisions for staggering. That is five members; Mayor, two councilmembers, and two citizens, if you look at section A below, the membership terms of office, it talks about the Mayor shall serve as a permanent member and the other four members shall be nominated and approved by the City Council; two members shall be representatives from the community. But if you look at section B, right below that, it states the terms of each committee member of the four shall be a two year term. The committee member from the community shall serve no more than two successive terms. I think "from the community" is not supposed to be in there because the number of years a person can serve is the same for all four members, it does not differentiate because you are a community member versus a council member. The next two or three sentences I do not understand. Provided however, that a committee member, could be any of the four appointed, to complete the term of another committee member shall, at the completion of such term, be eligible for appointment for another full term. If you go back to the definition of full term it is a two year term and we are only allowed to serve two –two year terms. So are we saying here that if I have to pick up a term and serve four months and now expires and now I am eligible for an appointment for another full term. Does that mean I cannot have my full four years? Is that the intent, or is the intent that I serve four months and then am eligible for two –two year terms?

**Bob Hart, City Manager** – staff will re-write this and bring it back to Council.

**Lee Ann Bunselmeyer, Finance Director** – we typically have to approve it every year, but if Council wants to make a recommendation staff can make that change.

**Bob Hart, City Manager** - Strike "from the community"

**Councilmember Glockel** – then when you move down the page to quorum rules, it discusses filling a spot and states a newly appointed member shall be installed at the first meeting after their appointment. If I am filling someone's spot and I am the newly appointed person and I get installed at the first meeting after being appointed, do I go two years from that date or two years from the end of the slot I am filling?

**Patricia Adams, Attorney** - we can add a line that says a partial term does not count towards the two year term limit.

**Councilmember Glockel** - What I am saying is that section B it leads one to think otherwise.

**Patricia Adams, Attorney**— so you either make a decisions that if they get appointed to a partial term they only get one more full year term or you state a partial term does not count towards as a term for the purposes of the two year term limit.

**Bob Hart, City Manager**— staff will bring this back in two weeks.

**Councilmember Johnson** – Right above it in section 33.103 Meetings and Officers, do you want the possibility of the Chairman and Vice Chairman to be non-voting members?

**Bob Hart, City Manager**— that is a policy Council needs to decide

**Councilmember Johnson** – the old committee the Mayor was always the Chairman.

**Bob Hart, City Manager**— staff will clean that up and bring this back to Council.

**Councilmember Glockel**— consent item 5 is all the same and it is talking about the economic development section. The recommendations and provisions to the investment policy reflects the changes the City Council made to the structure of the Finance Audit Committee in September of 2018, we are changing it now, so should that not say 2019?

**Lee Ann Bunselmeyer, Finance Director** – what that is meaning is that in 2018 is when Council actually took the City Manager and Finance Director off the committee and added the Mayor. This is what is reflected in the changes.

**Councilmember Glockel** – I realize that matches, but now we are making more changes.

**Lee Ann Bunselmeyer, Finance Director** – Yes, I was just reflecting the time that Council made those changes for that structural change.

**Bob Hart, City Manager** – so this one is okay and reverts back to these that is what we need is to go back and clean up. I think item number 5 is fine.

#### **Consent Item #7 Discussion:**

##### **7 Consider and act on the purchase of a 2019 Spartan Pumper on a Metro Star Chassis from Metro Fire Apparatus Specialists, Inc.**

**Bob Hart, City Manager** – Chief Ross is handing out material that will answer the questions Council has been asking.

**Michael Ross, Fire Chief** – The process for doing our program overview is looking at the equipment and with Station 3 opening staff knew they were going to need a new vehicle, so staff budgeted funds for a new vehicle and staff shopped the market to see what is out there. Pearce, the makers of our current fleet, only had one option to build something with a 300 day turn around. When I spoke to Metro Fire, who builds the Spartan brand, they had done a pre-purchase of twelve

vehicles with one coming off the line every month. Spartan brought out some rigs and allowed the department to look at them. It has great maneuver ability allowing for better service to some areas and easier manipulation within tighter areas. The Spartan Emergency Response Vehicle is a component of Spartan motors who does everything from a military vehicle to buses and RV's. They produce about 400 fire trucks a year. The chassis is done in Michigan, the body is done in South Dakota and the final is done in Houston. Fire Fighter Owens is a Master Emergency Response Technician expert and he has inspected this vehicle and likes it. Arlington FD's entire fleet is this vehicle. Roanoke FD Chief loves his and has recently changed their entire fleet. The warranty is twice as long as Pearce. The pump is the same pump that our person has the ability to do warranty work on, has the exact same Caterpillar engine, the exact same Allison transmission, rear braking system is identical, one of the safest cabs in the industry, with a 1,250 gallon a minute pump and 750 gallons of water and a lot of space for hose. I feel like this suits our needs from a cost stand point. Staff allotted \$80,000 a year for up to ten years. The City is looking at \$77,000 for seven years. There was roughly allotted \$170,000 for equipment and instead are looking at \$130,000. Total the city was looking at over \$900,000, but now is actually getting a quality product made in America with twice the warranty, the crews like it, and it suits our needs, with a 3 month delivery for just a hair over \$600,000. I think the city has a really good product with a really good deal.

**Mayor Heidemann** – Where will it be housed?

**Michael Ross, Fire Chief** - Station 2, the quint will move from Station 2 to Station 3.

**Councilmember Garber** – how many trucks will be at Station 2's?

**Michael Ross, Fire Chief** – there will be this one staffed, an ambulance staffed and then the reserve engine.

#### **Consent Item #10 Discussion:**

**10. Consider and act on the creation of a Citizens Ambassador Program.**

**Mayor Heidemann** – I assume this is what was discussed last time on your presentation on the Ambassador's program

**Lee Ann Bunselmeyer, Finance Director** – Yes, and I will give a brief presentation to just go over some of the guidelines.

**Councilmember Henderson** – it talks about people putting in their application and the staff will decide, will there be any kind of Council involvement?

**Bob Hart, City Manager** – staff was operating on the governance principle where generally if it is an advisory to council then council makes the appointments and if it is an advisory to staff then staff makes the appointments. I was just following this governance model.

#### **Consent Item #11 Discussion:**

**11. Consider and act on the approval of a city-wide Communication Strategic Plan.**

**Bob Hart, City Manager** – When Lee Ann does this she will do 10 and 11 together and the presentation will be almost identical.



**Lee Ann Bunselmeyer, Finance Director** – I am focusing more on the action items to accomplish the plan versus the plan.

**Mayor Heidemann recessed the Workshop Session at 6:43 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 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 Bar of Texas clearly conflicts with the Texas Open Meetings Act.

**Council met in closed session from 6:45 p.m. to 6:50 p.m.**

**a. MCM Contract for Lake Sharon Roadway Extension.**

**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.

**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. City Manager evaluation.**

**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.

After discussion of any matters in closed 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 Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

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

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

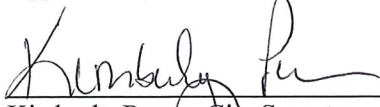
**ADJOURN:**

Mayor Heidemann adjourned the meeting at 6:51 p.m.

**AYES:** All

Meeting adjourned.

Approved by Council on the 7 day of March, 2019.

  
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Kimberly Pence, City Secretary  
City of Corinth, Texas

