

CITY OF SANGER, TEXAS

MINUTES: REGULAR CITY COUNCIL MEETING

May 1, 2017, 7:00 p.m.

502 Elm Street, Sanger, Texas

COUNCIL MEMBERS PRESENT: Mayor Thomas Muir, Councilman Bill Boutwell, Councilman Lee Allison, Councilman David Clark, Councilman Gary Bilyeu, Councilman Allen Chick

The Mayor and All Council Members Were Present Constituting a Quorum.

STAFF MEMBERS PRESENT: Mike Brice City Manager, Cheryl Price City Secretary.

1. Call Meeting to Order, Invocation, Pledge of Allegiance.

Mayor Muir called the Regular City Council meeting to order for Monday May 1, 2017 at 7:21 p.m. The Invocation was led by Councilman Allison, followed by the Pledge of Allegiance led by Councilman Boutwell.

2. Citizens Input: (Citizens are allowed 3 minutes to speak. The City Council is unable to respond or to discuss any issues brought up during this section).

There were no citizens recognized who wished to speak on items not on the agenda.

3. CONSENT AGENDA:

a) Approval of Minutes:

a. City Council Work Session, April 17, 2017

b. Regular City Council Meeting, April 17, 2017

b) Disbursements

***Item c) was removed from the Consent Agenda and placed under Item No.4.**

There was brief questioning by Councilmembers regarding disbursements.

A motion was made by Councilman Chick to approve the Consent Agenda, Items a) Minutes and b) Disbursements. The Motion was seconded by Councilman Clark. Motion carried unanimously (5-0).

4. Consider any Items Removed from Consent Agenda.

c) Approve a Proclamation Proclaiming May 1st 2017 to be Sanger Children's Mental Health Awareness Day

Alex Reed with United Way of Denton County was recognized. She advised that the State of Texas has provided a poor job of providing behavioural health services across the continuum of care. We have approximately 131,000 individuals in our community in need of these services. They are here to receive the proclamation and acknowledge that they are available to provide services to children and their families in need of behavioural health services in Denton County.

She thanked the City Council for the Proclamation to recognize these needs.

A Motion was made by Councilman Bilyeu to Approve the Proclamation Proclaiming May 1st 2017 to be Sanger Children's Mental Health Awareness Day. Motion to approve was seconded by Councilman Clark. Motion carried unanimously. Mayor Muir read and presented the Proclamation and a photo was taken.

REGULAR AGENDA

- 5. Consider, Discuss and Possibly Approve an Ordinance Authorizing the Issuance of City Of Sanger, Texas Combination Tax and Revenue Certificates of Obligation, Series 2017; Prescribing The Terms and Form Thereof; Providing For The Payment Of The Principal Thereof and Interest Thereon; Awarding The Sale Thereof; Authorizing The Preparation and Distribution of an Official Statement To Be Used in Connection With the Sale of The Certificates; Making Other Provisions Regarding Such Certificates, Including Use of the Proceeds Thereof, and Matters Incident Thereto.**

Ted Christensen, Government Capital Securities Corporation was recognized. He that this is the authorization of the Issuance of the Certificates of Obligation, where it was decided couple of months ago when the Council voted to go from nine million to 10 million. They generated \$9,997,697.65 in the Bond Sale. After cost of issuance and underwriting, etc., the city will net to the project fund \$9,577,407.16. It was a great sale. They used insurance from a company called Build America Mutual. He noted that Mike Brice and Clayton Gray did a great job on Moody's call which maintains our A-1 Rating. He noted the City is doing a very good job at maintaining this rating in a tough market. He noted details of the structuring of the bonds and debt service.

Councilman Bilyeu asked how much we saved with the A-1 Rating and what the time line is on this process. Mr. Christensen noted he has those figures in his office (that it was hundreds of thousands of dollars that we saved), and he would forward them to Mike to provide to the Council. He summarized the time line noting that all of the funding documents go to the Attorney General's office for review and it is planned for funding on May 18th. Tonight is the formal action of the Council to formally approve the funds, or at this point, the Council could completely pull from the process, if desired.

A motion was made by Councilman Bilyeu to approve Item No 5 as stated. "Approve the Ordinance Authorizing the Issuance of City Of Sanger, Texas Combination Tax and Revenue Certificates of Obligation, Series 2017; Prescribing The Terms and Form Thereof; Providing For The Payment Of The Principal Thereof and Interest Thereon; Awarding The Sale Thereof; Authorizing The Preparation and Distribution of an Official Statement To Be Used in Connection With the Sale of The Certificates; Making Other Provisions Regarding Such Certificates, Including Use of the Proceeds Thereof, and Matters Incident Thereto." Noting correction to the Ordinance to indicate Mayor Pro Tem as Gary Bilyeu. Motion to approve was seconded by Councilman Allison. Motion carried unanimously (5-0).

- 6. Consider, Discuss and Possibly Approve selecting a discharge method for the expanded Wastewater Treatment Plant and authorize moving forward with engineering and permitting.**

Mayor Muir noted that he would like to hear from the City Manager after the lengthy discussion regarding this item in the work session. City Manager Brice stated that he feels we need to move

forward and get the permitting and engineering started. That the recommendation tonight would be to move forward on the pipeline to do the permitting and engineering and at the same time; parallel, we will be working with the landowners on the routing and the possible mitigation bank. There was discussion regarding past mitigation meetings between the landowners and Wilson Sands, and that they fell apart before getting to council. Councilman Allison noted that he agreed with the Mayor in moving forward; however, hoped that we would do everything we can to help facilitate the mitigation option. Councilman Boutwell asked Betty Jordan with Alan Plummer and Associates, exactly what needs to be done under the mitigation to meet TCEQ's rules? Ms. Jordan explained, that the Rosewood Corporation would work out a design for the mitigation which would basically be to restore the stream back to its natural bounds. They would do a more extensive mitigation than what they had talked about and would be responsible for all of the costs of the permitting (other than the TCEQ Permitting) and the construction, and the maintenance. But, what they could do then, because they had restored the stream is that if someone comes to them and wants to build housing or somebody else wants to destroy the stream – they go to Rosewood and say we need so many acre feet of stream and Rosewood would sell it to them at whatever cost is agreed on, and that portion of stream mitigation is gone for future negotiation. As long as they have unused mitigation, they can continue to sell it. The issue was that for it to be a mitigation by definition with the Corp of Engineers and Rosewood's requirements it had to be left as a greenbelt which meant that Mr. Riley and Mr. Harris could not mow that part. That was where the whole thing fell apart previously. Also, Mr. Falls had another idea with the wetlands in the past discussions, and neither Mr. Harris nor Mr. Riley were interested in having wetlands on their property. It is restoring the stream in one place so you can destroy it somewhere else – it is a trade-off. Councilman Boutwell asked if there would have been dredging of the lake involved? Ms. Jordan noted there would have been some but it would have been through the design that Rosewood would have developed and they would have paid for that. That was the big benefit and it would have been a win-win for everybody. There was additional brief discussion on the mitigation.

A motion as made by Councilman Allison to pursue the pipeline option as a discharge method and authorize moving forward with engineering and permitting, including working out routes with the property owners and with possible consideration of mitigation options if the property owners can work that out with the appropriate companies and it becomes a viable option in the future. The motion was seconded by Councilman Bilyeu. There was brief discussion regarding the mitigation. Councilman Chick requested that staff keep tabs on the mitigation effort and keep the Council updated on the status of this ongoing project. The motion carried unanimously (5-0).

7. Consider, Discuss and Possibly Approve The 2017-2018 Interlocal Cooperation Agreement for Shared Governance Communications and Dispatch Services System Between Denton County And the City of Sanger Police and Fire Departments.

Mayor Muir noted that is a standard annual contract. Councilman Boutwell asked what the difference in the fees were compared to last year? City Manager Brice noted that Fire was about the same, but Police has gone down a little due to the fact that Lake Dallas signed onto the Denton County contract. Lake Dallas had their own dispatch and Jailer and it was costing them more than \$240,000 to do their own.

A Motion was made by Councilman Boutwell to Approve The 2017-2018 Interlocal Cooperation Agreement for Shared Governance Communications and Dispatch Services System Between Denton County and the City of Sanger Police and Fire Departments. No discussion. The motion was seconded by Councilman Bilyeu. The motion carried unanimously (5-0).

8. INFORMATION ITEMS

a) Financial Report for March 2017

Mike Brice noted there is one typographical error on the first page of the financial report on the Enterprise fund collected Revenues it says 37% and it should be 44%. Councilman Chick had some questions regarding the financial reports and where he could see the old bond money? City Manager Brice advised on Page 7, General Capital Projects Fund, Pooled Cash \$741,789 is for McReynolds Road. Further down the page under Enterprise Capital Projects Fund the Pooled Cash \$3,821,427 and the General CIP Money Market \$2,052,324 is the Old Bond Money.

b) Capital Projects Recap as of April 28, 2017

No discussion.

14. ADJOURN

There being no further items Mayor Muir adjourned the meeting at 8:13 p.m.