



MINUTES
AUGUST 6, 2019
LAVON CITY COUNCIL
CITY HALL, 120 SCHOOL ROAD, LAVON, TEXAS
WORK SESSION 6:00 P.M.
REGULAR MEETING 7:00 P.M.

ATTENDING: VICKI SANSON, MAYOR
JOHN KELL, PLACE 1
KAY WRIGHT, MAYOR PRO TEM, PLACE 3
TED DILL, PLACE 4
MINDI SERKLAND, PLACE 5
ABSENT: MIKE COOK, PL 2

1. **MAYOR SANSON CALLED THE MEETING TO ORDER AT 6:00 P.M. AND ANNOUNCED A QUORUM PRESENT.**
2. **MAYOR SANSON LED THE RECITATION OF THE PLEDGE OF ALLEGIANCE AND MS. WRIGHT DELIVERED THE INVOCATION.**
3. **BUDGET WORK SESSION**

Discussion regarding the financial status for current Fiscal Year (FY) 2018-19, budget amendment, budget calendar, anticipated commitments, departmental service levels, fee schedule, and projected needs and requests for FY 2019-20.

City Administrator Kim Dobbs reviewed budget projections and factors to be considered in the preparation of the FY 19-20 budget. The certified values and area entity tax rates and exemptions were reviewed. Ms. Dobbs explained the Capital Improvements that have been identified and advised that the City's financial advisor would be present at the second meeting in August to discuss funding options for specific capital projects identified by the staff. The Council reviewed proposed rental rates and discussed use of the gym by for profit entities. The Council directed the staff to continue to rent the gym to for profit businesses and charge rental fees. Mayor Sanson closed the work session with a brief recess at 6:50 p.m. and reconvened the session at 7:00 p.m.

4. **CITIZENS COMMENTS**

Holly Meier, spoke regarding property at 1154 Rolling Meadow that belongs to her father, Vernon Meier, who she said is experiencing issues with storm water run off and standing water in his backyard and provided photographs. Ms. Meier inquired regarding plans for the adjacent property as well as the LakePointe Development. City staff offered contact Ms. Meier to provide developer contact information.

Joshua Murray, 1762 Lake Rd, commended City Administration for recognizing the need for Capital Improvements and added that the initial plan for City Hall use was 10 years and that renovations are needed.

5. **ITEMS OF INTEREST/COMMUNICATIONS**

- August 12 NeSmith Elementary Ribbon Cutting for the new wing at 5:45p.m.
- August 10 Back to School Bash at Community Independent School District 4 p.m.
- August 15 Elected Officials to greet students returning to school.
- August 16 O'Reilly's Ribbon Cutting 4 p.m.
- August 17 Bayside Nutrition Grand Opening All Day.
- August 31 Candy Noble to tour EOC 9 a.m.

6. **CONSENT AGENDA**

- A. **Approve the minutes of the July16, 2019 meeting.**
- B. **Approve Resolution No. 2019-08-01 calling a General Election for the purpose of electing the Mayor and two (2) Council Members, one (1) for Place, 2, one (1) for place 4 to be held jointly**

with other political subdivisions and administered by the Collin County Elections Administrator on Tuesday, November 5, 2019 and providing for an Effective Date.

- C. Approve Resolution No. 2019-08-02 authorizing the Mayor to execute an Interlocal Agreement with Collin County for Child Abuse, Investigation Services and Law Enforcement Services.

MOTION: APPROVE THE CONSENT AGENDA.

MOTION MADE: KELL
SECONDED: DILL
APPROVED: UNANIMOUS
Absent: Cook

7. ITEMS FOR CONSIDERATION

- A. Discussion and action regarding Resolution No. 2019-08-03 approving the form and authorizing the distribution of a Preliminary Limited Offering Memorandum for “ City of Lavon, Texas, Special Assessment Revenue Bonds, Series 2019 (Lakepointe Public Improvement District Improvement Area #1 Project)” and for “ City of Lavon, Texas Special Assessment Revenue Bonds, Series 2019 (Lakepointe Public Improvement District Major Improvement Area Project)””; approving landowner agreements for the Lakepointe Public Improvement District; and resolving other matters incident and related thereto.

PID Administrator Mary Petty, P3 Works, LLC, reviewed the process and provided information regarding the Resolution. The city’s bond counsel Greg Schaecher and underwriter Tripp Davenport were available to answer questions.

MOTION: APPROVE RESOLUTION NO. 2019-08-03 APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM FOR “CITY OF LAVON, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019 (LAKEPOINTE PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #1 PROJECT)” AND FOR “CITY OF LAVON, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019 (LAKEPOINTE PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

MOTION MADE: SERKLAND
SECONDED: WRIGHT
APPROVED: UNANIMOUS
Absent: Cook

- B. Discussion and action regarding Resolution No. 2019-08-01 granting to SiEnergy, L.P. a franchise to furnish and supply gas to the general public in the City of Lavon, Collin County, Texas, and to transport, deliver, sell and distribute gas in and out of and through said municipality for all purposes; providing for the payment of a fee or charge for the use of streets, alleys, and public ways; and providing a severability clause, a penalty clause, and an effective date.

Daniel Pope, Vice President SiEnergy L.P., presented a slide show introducing the company and services they provide and introduced David Oliva, Head of Business Operations for North Texas Si Energy L.P. Mr. Dill asked if the service would be to new homes or be retrofitted for current homes and Mr. Pope explained that the service would be offered to new developments due to the difficulty of the conversion challenges. Ms. Mundo, Lavon EDC, stated that competition was good and she would like to see an extension to the Lavon Business Park. Rick Mann, 8311 PR 5397, asked if gas companies are regulated then how could this company offer competition to the other companies in the area. Mr. Pope and Mr. Oliva explained that the rates are close to the same, but what is offered to the developer in terms of infrastructure could potentially affect the home price.

MOTION: APPROVE RESOLUTION NO. 2019-08-01 GRANTING TO SIENERGY, L.P. A FRANCHISE TO FURNISH AND SUPPLY GAS TO THE GENERAL PUBLIC IN AND OUT OF AND THROUGH SAID MUNICIPALITY FOR ALL PURPOSES; PROVIDING FOR

THE PAYMENT OF A FEE OR CHARGE FOR THE USE OF STREETS, ALLEYS, AND PUBLIC WAYS; AND PROVIDING A SEVERABILITY CLAUSE, A PENALTY CLAUSE, AND AN EFFECTIVE DATE.

MOTION MADE: KELL
SECONDED: WRIGHT
APPROVED: UNANIMOUS
Absent: Cook

- C. Discussion and action regarding Resolution No. 2019-08-04 authorizing the Mayor to execute a Municipal Services Agreement with Lavon 678 Development, L.L.C., for the purpose of offering municipal services for property consisting of 59.273 acres described as Samuel M. Rainer Survey, Abstract No. 740, Tract 59 (CCAD Property ID 2152129), southwest of the intersection of SH 78 and FM 6, Collin County, Texas and the portion of Lake Road, also referred to as CR 486, and the right-of-way adjacent to and abutting the property to be annexed into the corporate limits of the City of Lavon, Texas; calling for two public hearings.**

Ms. Dobbs reviewed the petition for voluntary annexation of the remainder of the unincorporated portion of the property and the written municipal service agreement. Ms. Dobbs introduced design engineer Brian Klein, Ion Design Group, LLC who confirmed that the landowner agreed to and executed a Municipal Services Agreement that sets out the provisions of municipal services to the annexed area.

MOTION: APPROVE RESOLUTION NO. 2019-08-04 AS REVISED, AUTHORIZING THE MAYOR TO EXECUTE A MUNICIPAL SERVICES AGREEMENT WITH LAVON 678 DEVELOPMENT, LL.C. FOR THE PURPOSE OF OFFERING MUNICIPAL SERVICES FOR PROPERTY CONSISTING OF 59.273 ACRES DESCRIBED AS SAMUEL M. RAINER SURVEY, ABSTRACT NO. 740 TRACT 59 (CCAD PROPERTY ID 2152129), SOUTHWEST OF THE INTERSECTION OF SH 78 AND FM 6, COLLIN COUNTY, TEXAS AND THE PORTION OF LAKE ROAD, ALSO REFERRED TO AS CR 486, AND THE RIGHT-OF-WAY ADJACENT TO AND ABUTTING THE PROPERTY TO BE ANNEXED INTO THE CORPORATE LIMITS OF THE CITY OF LAVON, TEXAS; CALLING FOR TWO PUBLIC HEARINGS.

MOTION MADE: WRIGHT
SECONDED: DILL
APPROVED: UNANIMOUS
Absent: Cook

- D. Discussion and action regarding the goods in transit and freeport tax exemption.**

Ms. Dobbs explained that at their June 10, 2019 meeting, the Lavon Economic Development Corporation (LEDC) Board of Directors discussed economic development tools including the Freeport Goods tax exemption. The Board of Directors indicated a desire to ask the City Council to exempt freeport goods from ad valorem taxes. Ms. Dobbs provided background regarding the history of the exemption and the permanence of the freeport tax exemption. Ms. Mundo noted the benefits to bringing in businesses to the area. The Council directed Ms. Dobbs to work with the City Attorney to draft the appropriate documents to grant or continue to grant the exemption.

- E. Discussion and action regarding the effective and rollback tax rates. If proposed tax rate will exceed the lower of the effective or rollback tax rate, act and schedule public hearings.**

Ms. Dobbs presented information relating to the effective and rollback tax rates as set out in the Truth in Taxation laws. The Collin County Tax Assessor Collector's Office calculates and provides the effective and roll back rates to the City. Ms. Dobbs noted that by definition, the effective rate is the rate that generates the same revenues as last year's tax rate for properties taxed in both years and that the rollback rate provides an 8% increase over the effective tax rate in maintenance & operations (M&O) from the prior year. Ms. Dobbs explained that the County Tax Office and she were still in the process of reviewing the calculation worksheets to confirm the roll back rate and that the effective rate calculation had been confirmed at 0.530573. In order to meet the scheduling requirements of the Tax

Office, Collin County asked that the City Council identify the maximum tax rate that would be proposed for notice and public hearings if appropriate. In the absence of a confirmed roll back rate the consensus of the Council was to propose the effective rate to provide the same level of revenue as the prior year.

Ms. Dobbs confirmed that the City Council can amend change the proposed tax rate to a rate that is less than but not more than the identified proposed rate between now and adoption. The rates will be further discussed and considered at the budget work session on August 20, 2019.

MOTION: SPECIFY A MAXIMUM PROPOSED TAX RATE EQUIVALENT TO THE EFFECTIVE TAX RATE OF 0.530573 AND SET PUBLIC HEARINGS ON SEPTEMBER 3, 2019 AND SEPTEMBER 10, 2019 IN ACCORDANCE WITH STATE LAW

MOTION MADE: SERKLAND
SECONDED: WRIGHT
APPROVED: UNANIMOUS
Absent: Cook

8. EXECUTIVE SESSION

At 8:35 p.m., in accordance with the Texas Governmental Code, Annotated, Subchapter 551, Mayor Sanson recessed the meeting to go into executive session (closed meeting) to discuss the following items.

- a) Section 551.074 – Personnel matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or hear a complaint or charge against an officer or employee – City Administrator/ City Secretary.

9. RECONVENE FROM EXECUTIVE SESSION

In accordance with Texas Government Code, Section 551.001, et seq., Mayor Sanson reconvened the meeting at 9:33 p.m. and stated that no action was taken in executive session.

10. CITY COUNCIL TO SET FUTURE MEETINGS AND AGENDAS.

- August 17, 2019 PlanLavon! City Council and Staff Retreat – 9 a.m. – 2 p.m.
- August 20, 2019 Regular Meeting – 6:00 p.m. budget work session
- September 3, 2019 Regular Meeting – 6:00 p.m. budget work session
- September 7, 2019 PlanLavon! Public Design Studio – for public to provide input and feedback 1:00 p.m. – 5:00 p.m.

11. MAYOR SANSON ADJOURNED THE CITY COUNCIL MEETING AT 9:39 P.M.

DULY PASSED and APPROVED by the City Council of Lavon, Texas, on this 20th day of August 2019.



Vicki Sanson
Mayor

ATTEST:



Kim Dobbs
City Administrator/City Secretary

