

CITY OF DENTON CITY COUNCIL MINUTES

July 18, 2016

After determining that a quorum was present, the City Council convened in a Work Session on Monday, July 18, 2016 at 10:00 a.m. in the Council Work Session Room at City Hall.

PRESENT: Council Member Briggs, Council Member Wazny, Council Member Bagheri, Mayor Watts, and Mayor Pro Tem Roden.

ABSENT: Council Member Hawkins, Council Member Gregory.

1. Work Session Reports

- A. ID 16-889 Receive a report, hold a discussion and provide staff direction regarding the Street Maintenance Department and Traffic Operations Division's Annual Programs.

Tim Fisher, Water Division Manager, started his presentation with an overview of the street maintenance program and included an overview of the city street system. He noted the total number of street miles in the City, Overall Condition Index (OCI), and pavement management studies, noting the results of the three pavement management studies. The various Overall Condition Index activities were noted in terms of asphalt and concrete. Various components of non-OCI related activities were presented along with 2014-15 major activities. An expenditure table relative to street operations and maintenance expenditures was provided. The relationship with the Strategic Plan was presented.

Council discussed what OCI rating was needed to begin work on a street; what activities came out of what funds; total need for sidewalks and associated dollar amount; expansion of sidewalks and compliance with ADA requirements; problems with OCI backlog and the need to maintain before the OCI became too great; funding history and gap between need and dollars available; bond programs for funding; and report on maintenance of existing sidewalks.

Traffic Operations - the operations involved in the department along with the Traffic Control Division activities were presented. Information on how long a traffic signal lasted was presented plus traffic signal replacement history. Fisher presented information on the activities involved in pavement markings, ADA compliance, street signs and bike lanes. Coordination with the Strategic Plan and Key Focus Areas was noted.

Council discussed bike lane markings.

- B. ID 16-888 Receive a report, hold a discussion and provide direction regarding Transportation Operations.

Mark Nelson, Director of Transportation, reviewed the objectives of the presentation which included an overview of transportation operations, recent accomplishments, 2016-17 goals and challenges. He noted that Transportation Operations included multi-agency coordination, the Bike and Pedestrian Program and that staff provided support to the Mobility Committee and Traffic Safety Commission. The accomplishments over the last 12-18 months were presented.

Council Member Gregory arrived at the meeting.

Council discussed the sidewalk issue at Ryan High School and the steps involved in the partnership with the DISD and DCTA.

Nelson provided information on the goals and strategies of the department. Those included improve alternative mode share; enhance the bike count program; Downtown sidewalk improvements; bike/pedestrian safety markings and outreach program; and implement a transportation option for McKinney Street. Challenges for the department included on-street parking; implementation of sidewalk infrastructure and regional toll revenue funding.

Council discussed any possible benefits of taking over FM 1515 from TxDOT with an associated Informal Staff Report; coordinating on smaller projects throughout the City; parking along Bell relative to the railroad property; and the status of Brinker/Loop 288 project.

- C. ID 16-880 Receive a report; hold a discussion, and give staff direction regarding the preliminary FY 2016-17 Proposed Budget, Capital Improvement Program, and Five Year Financial Forecast.

Interim City Manager Martin stated that this presentation would address strategic outcomes and key focus areas for the budget. It would note the public infrastructure needs, supplemental packages and rankings, and a setting of a tax rate.

Chuck Springer, Director of Finance, presented information on the budgetary themes and the objective of the discussion at this meeting. Staff was needing direction on any additional supplemental packages to be considered. The discussion would include preliminary priorities for supplemental packages, priority changes and tax rate adjustments.

Council and staff discussed the Preliminary Priority Supplemental Packages. The ranked General Fund Supplemental requests were presented in terms of packages to be funded from funds still in the 2015-16 budget. FY 2016-17 Supplemental Packages fully funded from other sources such as Traffic Safety Funds, CDBG Funds, and Park Developments Funds were presented. General Fund Capital Requests to be funded with debt in an approximate 10 year time frame and ranked General Fund Supplemental requests were discussed.

Council discussed various individual items from the Ranked General Fund Supplemental Requests.

Council Member Wazny suggested removing #9 (traffic signal replacement) from the list as there was funding from other sources. She questioned if #29 (Internal Auditor) would be offset from the outside auditor.

Springer stated that by law the City was still required to have an outside audit. The Internal Auditor would be separate from the work done by the outside auditor.

Council Member Bagheri agreed with moving the Internal Auditor from the pink section to the traffic signal position #9. She noted that cost savings from the Chamber might help fund tech upgrades.

Aimee Bissett, Director of Development Services, stated that the challenge was that costs had not been determined yet. Cutting funding to the Chamber might cut a FTE on the Chamber side.

Mayor Watts questioned Item #20 (Internal audit contract services) and asked if the City had an Internal Auditor would those services be necessary.

Springer replied correct that the funding could be eliminated or offset with the Internal Auditor.

Mayor Watts asked about #5 (Concession stand operation).

Springer stated that item involved two operations. One was for the Wave Pool to add more part-time lifeguards but increased revenue would offset the costs for lifeguards.

Mayor Watts questioned the valuation of the tax rate for these rankings.

Springer stated that it was a 10% growth including new construction and existing value increases.

Mayor Watts stated that if there was no consensus on the tax rate, he understood that the rate would be back to last year's effective rate calculated this year or the prior tax rate whichever was less. If that happened, this list of General Fund Supplemental requests would be eliminated.

Springer stated that the effective rate was 3.5 cents which would take \$1.5 million off the list and only leave #1 and #2.

Mayor Watts stated that everything was based on what the tax rate would be. It was critical to have direction on the tax rate in order to formulate the budget and supplemental packages.

Council Member Briggs stated that she was in favor of some sort of tax reduction. She was also in favor of the Internal Auditor funding moving up on the list.

Council Member Bagheri stated that her starting point was the effective tax rate. Stay in the white category on the supplemental request list.

Council Member Wazny directed questions to Chief Howell. She asked him if he had been consulted on the short list of priorities and asked about the ranking of the Crime Scene Investigator.

Howell stated he had been consulted on the list. He noted that an existing position had been converted to a Crime Scene Investigator to add to what the Department was currently doing. It was not an absolute priority.

Council Member Bagheri left the meeting.

Council Member Wazny asked about the parking lot fencing.

Howell stated that it had not been funded. The area was a location for city vehicles to park for enhanced security.

Council Member Wazny felt that was important and suggested that a consideration should be to include the \$60,000. She asked Chief Howell if he needed anything else based on current events.

Howell stated that the Department could use additional personal safety devices such as ballistic vests for officers.

Council Member Wazny asked for a staff report outlining those costs.

Council Member Briggs asked about the additional animal shelter staff.

Howell stated that the cost was for an additional animal control officer due to the increased needs of the larger facility.

Council Member Briggs questioned if the position could be a non-enforcement position instead of training through the police.

Howell stated it could be a non-enforcement position.

Council discussed the tax rate question in terms of how the effective tax rate was determined; the rollback tax rate; that communication regarding the increase in property valuation was important along with the number of people who protested their valuations and associated outcomes; and the fact that staying with the effective tax rate would greatly reduce the available funding for supplemental packages.

Springer stated that staff needed direction from Council for the proposed budget in terms of whether there would be a tax rate decrease or set specific guidelines to set the budget.

Interim City Manager Martin stated that to a large degree, the Council would determine where the budget landed on supplemental packages. Even if it was not set in stone, staff needed to know what the Council wanted.

Assistant City Manager Langley felt that setting the budget priorities would set the tax rate.

Council Member Wazny stated that her priorities were police, fire and Internal Auditor. In terms of a tax rate reduction, she would like to wait until the figures became available. The City was growing and needs had to be met. A two cent or half cent reduction was reasonable but figures were needed first. She asked the Fire Chief if the Fire Training Captain position was a priority for the Fire Department.

Fire Chief Paulsgrove stated yes as it was a reduction from the prior year.

Council Member Wazny stated that staff for Medic Unit 8 was important and asked about the air breathing compressor.

Chief Paulsgrove stated that the compressor filled breathing air tanks at the station rather than having to take them to a different station to do so.

Council Member Wazny wanted to add that back into the short list. She asked about the patient lift system.

Chief Paulsgrove stated that was one lift for an existing ambulance.

Mayor Pro Tem Roden stated that the tax rate needed to take into account infrastructure issues that were not addressed in prior years such as streets and the opportunity to work on those when there was a surplus. He asked about the homestead exemption.

Springer stated that the amount could be changed on an annual basis.

Council Member Gregory stated that a homestead exemption or tax freeze really only affected a small amount of seniors with some probably having a bigger burden. Sometimes costs were shifted to others who could not afford it. He noted that he could consider a tax decrease something less than a 1/2 cent.

Council discussed the amount of tax rate reduction they would be comfortable with.

Mayor Watts suggested a 1.5-2 cent tax reduction and include the budget priorities listed in the white section of the ranked General Fund supplemental requests.

Council Member Wazny stated that she was not in favor of a 3-5% pay increase for employees and had a problem with the traffic signal replacement in the top category.

Mayor Pro Tem Roden felt that it would be worse to have a smaller budget as it would be hard to add anything back at a later date.

Interim City Manager Martin asked about the Internal Auditor position.

Mayor Pro Tem Roden stated that he was not in favor of making that switch without a policy discussion first.

Council Member Gregory stated that he would like to have data to base a decision on rather than a political decision. Data such as what was the value they were current getting and what would be gotten.

Council Member Briggs stated that the Charter called for an Internal Auditor position.

Interim City Manager Martin stated that based on this presentation, a proposed budget would be prepared based on this year's funding including funding from other sources and debt along with the programs listed in the white section of the Supplemental requests.

2. Concluding Items

- A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the City Council or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming

meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

Council Member Wazny asked about the practice of calling 911 for code enforcement call issues.

Council Member Wazny requested an evaluation of the stop sign policy in residential neighborhoods; when it was changed and it was why changed.

With no further business, the meeting was adjourned at 1:40 p.m.

CHRIS WATTS
MAYOR
CITY OF DENTON, TEXAS

JENNIFER WALTERS
CITY SECRETARY
CITY OF DENTON, TEXAS