

CITY OF DENTON CITY COUNCIL MINUTES

February 21, 2017

After determining that a quorum was present, the City Council convened in a Work Session on Tuesday, February 21, 2017 at 1:00 p.m. in the Council Work Session Room at City Hall.

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

ABSENT: None.

1. Citizen Comments on Consent Agenda Items

Willie Hudspeth spoke regarding the lack of Closed Session items on the agenda and on the Consent Agenda backup materials

2. Requests for clarification of agenda items listed on the agenda for February 21, 2017.

Staff responded to Council's requests for clarification of the following items:

Council Member Gregory –Consent Agenda Item A
Council Member Hawkins - Consent Agenda
Council Member Briggs - Consent Agenda C

Council Member Bagheri asked if the Denton Housing Authority would still have a presentation in the Work Session and asked for a Closed Session item for legal advice related to the resolutions on the agenda for individual consideration.

Mayor Watts asked if the Council still wanted to receive a presentation from DHA regarding the two resolutions on the evening agenda.

Consensus of the Council was to have the presentation and to hold a Closed Session before the Work Session Item D.

3. Work Session Reports

A. ID 17-227 Receive a report, hold a discussion, and give staff direction regarding the Stoke Denton entrepreneur center.

Council Member Gregory left the meeting with a conflict of interest.

Caroline Booth, Director of Economic Development, presented an update on the Stoke Denton Entrepreneur Center, including project background, occupancy and activity, and fiscal information.

Trey Bowles, Co-founder and CEO of the Dallas Entrepreneur Center (DEC), presented a report on the DEC's model of providing support to entrepreneurs and an overview of the programming and management of Stoke Denton.

Booth recommended establishing baseline metrics for the number of events held and attendees, visitors, mentor sessions available/used, and entrepreneurs assisted. She also recommended making amendments to the management agreement with the DEC to bring the agreement in line with the City's general contract standards, to change the expiration date to Sept 30, 2017 to align the contract with the fiscal year and to allow time to establish performance, to add a 30-day prior written notice termination option and appropriations clause, and to specify remittance of 10% of the membership fees directly to the City of Denton.

Mayor Pro Tem Roden asked about the south Dallas locations recently launched by DEC and how the approach may be different there as compared to Denton and how it may be applied in Southeast Denton to reach underserved populations.

Bowles replied that each space responded to the specific needs of the communities that they were serving. In South Dallas, their presence was a response to the specific requests of the community; they had more programming on workforce development and skills training.

Council Member Bagheri asked about the difference between makerspaces and the DEC's offering.

Bowles responded that his focus was on business training as opposed to the hardware and training involved in makerspaces. He stated that the DEC was creating an entrepreneurial hub so that people could come in and support the needs of different businesses through programming, technology-related or otherwise.

Council Member Bagheri asked if the DEC would be opposed to tying funding for the management agreement to metrics around access to capital for entrepreneurial business ventures.

Bowles responded that it would be difficult to tie a company's abilities to raise money to funding for the program.

Council Member Bagheri asked how the DEC connects entrepreneurs to capital.

Bowles stated that they were in touch with various sources of capital and work with startups to become better candidates to receive money from those sources.

Council Member Bagheri asked how the metrics proposed compared to other spaces.

Bowles stated that they were the same in each location.

Mayor Watts asked if the project was accomplishing the Council's original direction of encouraging technology jobs and what changes did the City need to make to ensure the beneficiaries and participants of the program matched the original intent. He also questioned if the City played a role in the approval of leases.

Booth stated that this was an opportunity to recheck the direction of the project. She said that the City could have a discussion regarding the vetting of membership. The DEC could play a role in helping current members have successful exits from the space to make room for more tech-focused businesses.

Bowles agreed that it was important that the City and the DEC have the same understanding of intent.

Council Member Hawkins also expressed concern about the original intent to support high-tech jobs in Denton.

Council Member Briggs stated that she had concerns with the large cost of utilities and rent for the space.

Council Member Wazny asked how much had been spent since FY2015.

Booth responded that expenditures through the life of the project were \$615,128.

Council Member Wazny asked about return on investment for the project, and if DEC knew if businesses or jobs had been created or how much funding was distributed in Denton.

Bowles responded that they would wait until the end of the year to track those types of measures.

Council Member Wazny stated that the focus of the project should be as a tech incubator and asked that the DEC focus on return on investment metrics.

Council Member Briggs asked how often DEC staff had been at Stoke since it opened.

Bowles responded that because of the geographic distribution of their locations, they hired a daily operations manager for the location. DEC staff was not available to be physically present at each location every day. He stated that they came out several times since the launch before the director was hired.

Council Member Bagheri asked to clarify that the \$615,128 listed was expended City funds. She asked if there was an additional \$500,000 in capital funds expended for tenant finish-out.

Chuck Springer, Director of Finance, clarified that the tenant finish-out costs were made by the owner of the building, not the City

Council Member Bagheri asked for clarification of the recommended addition of an appropriations clause.

Springer responded that the Council could only enter into a contract where the City appropriated money annually. An appropriations clause included a termination clause in the event that the Council did not allocate funding in the annual budget.

Council Member Bagheri asked if DEC would have any issues providing the City with copies of contracts with the cities of Addison and Dallas.

Bowles clarified that the City of Dallas did not have a contract with the DEC. He stated that he could contact Addison to provide that document, although the agreement was structured as a subtenant agreement in Addison as opposed to a management agreement with the City of Denton.

Mayor Pro Tem Roden asked if the Board gave direction of any of the satellite locations.

Bowles responded that for some locations there were advisory boards and would be open to that direction for Denton.

Mayor Pro Tem Roden noted that the cost to rent space in the facility was not cheaper than other spaces in downtown. He asked about flexibility of leasing options and how often the DEC looked at membership to evaluate the mix.

Bowles responded that they reviewed membership monthly. He stated that it was important to have a mix of companies who were at various stages in the start-up process so that members were able to learn from each other.

Mayor Pro Tem Roden asked if the City had a goal statement on economic development strategies for tech-focused businesses.

Booth stated that she had a short goal statement, but the department was still in the process of evaluating and developing tech-focused economic development goals.

Mayor Watts wanted to clarify that the Denton agreement was unique in that it was a management agreement.

Bowles responded that the management agreement was something they were moving towards.

Council directed staff to move forward with staff's recommendation regarding the changes to the management agreement. They also directed staff to move forward with staff's recommendation regarding establishing baseline metrics for Stoke Denton.

B.ID 17-106 Receive a report, hold a discussion, and give staff direction regarding multi-family development standards.

Ron Menguita, Long Range Planning Administrator, gave a presentation regarding multi-family development standards, including collegiate and single-room occupancy housing. Staff recommended that the zoning districts DR-2, DC-N, and DC-G, Denton's Urban Core, require a specific use permit (SUP) for multi-family. The SUP process would allow staff and Council to fully analyze and understand the appropriateness of the use, including massing, scale, and compatibility and to pursue alternative requirements to mitigate negative impacts through the SUP process, including factors such as maximum building height, parking ratio, and site design standards.

Mayor Pro Tem Roden stated that the goal was to have more oversight over areas of concern. He stated that the urban core was the area where it made sense to have more density. He stated that another tool cities used was form-based codes. He asked if that was something staff was looking into.

Menguita responded that form-based codes provide standards for form, but not use. He stated that he did not believe that form-based codes would address the concerns with this use.

Mayor Pro Tem Roden stated that some of the community's concerns were with building appearance and feel.

Menguita stated that the City used overlay districts to direct the form and other concerns.

Mayor Pro Tem Roden asked if the SUP process would discourage density in the urban core and encourage density on the outskirts which could cause additional traffic concerns.

Council Member Gregory commented that the scale of buildings around the university had historically been 2-story apartments, some of which have become exclusively single-room occupancy units. He stated that the community did not seem to care that the use had changed, because the form did not. He stated that there might be an issue with limited parking, but that he had not heard any concerns about that. The issue seemed to come up when there was a new building with greater than four stories, because of the massing and scale. He said that it seemed to be in conflict with the Denton 2030 plan, which contemplated greater density in the urban core.

Mayor Watts commented that the SUP process was another review process and comment process for the neighborhood, but he did not consider it a primary factor in construction location.

Council Member Wazny stated that long term, small area plans would allow neighborhood stakeholders to craft the future of their neighborhood. She said that the concern was development compatibility when a five-story building was constructed adjacent to a neighborhood of single-family homes. She was in support of the SUP requirement as a tool for review for neighborhood compatibility.

Council Member Bagheri asked about the appeal requirements for the SUP process.

Menguita responded that the SUP would go before the Planning & Zoning Commission and then to the City Council for approval. The application did not go through the Zoning Board of Adjustment.

Mayor Pro Tem Roden asked if the examples listed were the extent of the alternative requirements considered under an SUP and questioned if one of the requirements would be that an applicant could apply for a mixed-use project, with retail required on the first floor of the development.

Interim City Attorney Aaron Leal responded that it was a separate requirement and not addressed through the SUP process.

Mayor Pro Tem Roden asked for a briefing regarding the jurisdictional options available to the Council for denying an SUP.

Council Member Gregory asked if the Council could use the SUP process to identify requirements for revetments for garbage and recycling for these projects.

Consensus of the Council was to move forward with the stated recommendations.

C.ID 17-214 Receive a report, hold a discussion, and give staff direction regarding the Council Appointee Performance Review (CAPR) Committee.

Carla Romine, Director of Human Resources, presented information regarding the history of the Council Appointee Performance Review Committee.

Council Member Briggs stated that she asked for this item in response to the automatic renewal of the City Attorney's contract. She asked for an understanding of the role of the committee and the responsibility to the full Council.

Council Member Bagheri asked how the subcommittee meetings were called.

Romine responded that the Chair called a meeting.

Council Member Bagheri asked if there were reports from the Committee to the Council regarding the activity of the Committee.

Mayor Watts stated that most of the reviews of the Committee were done at the request of the Council.

Council Member Briggs asked what the process was for review of Council appointees.

Mayor Watts responded that the CAPR Committee was charged with reviewing the appointees and bringing forward recommendations to the Council, but that the Council did not have to request a review.

Council Member Wazny asked for a change in the process so that 90 days before an appointee's contract was up, the full Council reviewed that contract.

Council Member Bagheri asked if the Council used that process, what would be the purpose of the CAPR Committee.

Mayor Pro Tem Roden suggested that a process for regular review discussions with appointees to talk about goals which may involve individual Council Members acting as liaisons to appointees.

Council Members Gregory and Hawkins agreed with regular performance discussions with appointees.

Mayor Watts suggested proposing a process for the Council to understand and discuss the renewal process for contracts and separately, for the Council to set a schedule of regular performance discussions with appointees.

Council directed staff to bring back a specific schedule for consideration of contract renewals and dates to discuss with the individual Council employees.

Work Session Item E was considered.

- E. ID 17-224 Receive a report, hold a discussion and give staff direction regarding a possible funding allocation for the Employ-2-Empower Program to assist the homeless in gaining the skills, experience and confidence needed to find living-wage jobs.

John Cabrales, Director of Community Affairs, introduced Michael Pearl of Vision Ministries to present information on an Employ-2-Empower program to provide employment opportunities for homeless community members in Denton.

Pearl stated that the program would help the homeless gain the skills, confidence and experience to find living-wage jobs. Vision Ministries was asking the City for \$42,000 in funding to support the participation of 10 individuals in the program, including \$6,000 in administrative costs to Serve Denton, which would administer the program.

Council Member Briggs asked about if the Monseigneur King Center had committed beds for participants for the timeline of the program.

Pearl confirmed that the shelter committed to providing beds to those participants for the duration of the program.

Council Member Briggs questioned how participants were paid and what Serve Denton's role was as fiscal agent.

Pearl responded that participants would be an employee of Serve Denton during the program and would be paid via debit card through Serve Denton's payroll.

Council Member Hawkins asked what type of work would be done.

Pearl stated that work would be performed for the City and could include work in parks or in city rights-of-way.

Cabrales confirmed that he had been working with various departments to determine what projects could be performed with projects including litter removal or painting projects and could save staff time and resources.

Council Member Gregory asked if there was a supervisor or foreman for the group.

Pearl confirmed that Vision Ministries would perform that function and that the application process would identify specific goals or skill sets to match participants with training resources through Denton ISD.

Mayor Pro Tem Roden asked if it were possible to have someone on the City included on the Committee.

Cabrales responded that due to liability concerns, the City preferred to not sit on the Committee at this time but to provide funding and job opportunities to the program.

Mayor Pro Tem Roden asked about the possibility of limiting participation to Denton community members.

Pearl responded that the Steering Committee worked closely with the community and would have a good idea of where participants were from and what their goals were.

Mayor Pro Tem Roden asked if the Committee had considered plans to scale the program if the initial efforts were successful.

Pearl stated that the group had discussed future plans, but wanted to start small with the program.

Council Member Briggs asked if there were higher skill jobs available to participants.

Cabrales responded that management and supervision was a consideration when identifying jobs, but that other jobs may be available for participants with a specific skillset.

Council Member Briggs asked if the participants could get a reference from the City upon completion.

Cabrales responded that staff would follow up with Human Resources.

Council Member Bagheri asked about the availability of day scholarship.

Pearl responded that day scholarships may not be available, but services would be provided as a part of the program.

Cabrales noted that the City should be able to absorb half of the program this fiscal year and budget for the remainder in the next fiscal year.

Pat Smith, Executive Director of Serve Denton, asked about the mention of an RFP process.

Interim City Attorney Aaron Leal mentioned that the contract could be considered a personal services contract.

Council Member Bagheri asked if an RFP was required for contracts over \$50,000.

Leal responded that the contract could be exempted under personal services.

The Council thanked the Steering Committee and staff for addressing this issue and developing the program. Council directed staff to move forward and work with the Steering Committee to implement the program and not proceed with a request for proposals.

Council went into Closed Session at 4:10 p.m.

Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information on the housing programs and other activities carried out by the Denton Housing Authority (DHA) and regarding requests for resolutions from developers applying for state tax credit.

Council returned to Open Session at 4:55 p.m.

D. ID 17-221 Receive a report, hold a discussion on the housing programs and other activities carried out by the Denton Housing Authority (DHA) and give staff direction regarding requests for resolutions from developers applying for state tax credit.

Mayor Watts questioned if there was enough information to move forward today with this presentation. Consensus of the Council was to proceed with the presentation.

John Cabrales, Director of Community Affairs, stated this was a continuation of discussion with Denton Housing Authority (DHA) regarding a request for support of two resolutions from developers applying for state tax credit.

Matty Jones, Counsel for the Denton Housing Authority, requested that the Council table discussion on housing programs and other activities carried out by the DHA as they pertained to policy on those matters. However, it would like the Council to consider and approve the resolution in 5D relating to the Paladium Apartments and 5E relating to the Preserve at Sherman. The DHA longtime mission had always been to provide decent, safe and sanitary housing for low income citizens in Denton. She reviewed the process involved the application process for the two developments. There were over 3,000 on the waiting list for affordable housing in Denton. The DHA urged support of these resolutions.

Council Member Briggs asked if either of these projects were senior communities.

Jones stated that both of these projects were multi-family with the Paladium having mixed income and the Preserve having low income.

Mayor Pro Tem Roden questioned that the DHA was asking Council not to have a policy discussion regarding the tax credit housing at this time but to approve the two proposals scheduled for the regular meeting and have the policy discussion at a later date.

Jones replied correct as the projects were time sensitive and needed support to move forward.

Mayor Pro Tem Roden felt it would not be possible to make a decision tonight because of the policy questions.

Council Member Gregory asked if it was essential for these projects to move forward and for the City Council to give support.

Jones replied correct.

Council discussed the proposals in terms of the time frame for council approval, the manner of funding for the projects; the housing voucher program and associated list and if these were regular developments, they would be listed on the tax rolls.

Mayor Watts noted that the two resolutions would be considered at the regular meeting.

With no further discussion, the Work Session was adjourned at 5:40 p.m.

Regular Meeting of the City of Denton City Council at 6:30 p.m. in the Council Chambers at City Hall.

1. PLEDGE OF ALLEGIANCE

The Council and members of the audience recited the Pledge of Allegiance to the U. S. and Texas flags. Girl Scout Troop 416 led the pledges.

2. PROCLAMATIONS/PRESENTATIONS

A. ID 17-179 Resolution of Appreciation for Howard Martin

Mayor Watts presented the Resolution of Appreciation. Council Member Wazny motioned, Council Member Hawkins seconded to approve the resolution. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

B. ID 17-182 Resolution of Appreciation for Quentin Hix

Mayor Watts presented the Resolution of Appreciation. Council Member Gregory motioned, Mayor Pro Tem Roden seconded to approve the resolution. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

C. ID 17-248 4th Annual Beulah Harriss Day

Mayor Watts presented the proclamation for Beulah Harriss Day.

3. PRESENTATION FROM MEMBERS OF THE PUBLIC

- A. Review of procedures for addressing the City Council.
- B. Receive Scheduled Citizen Reports from Members of the Public.

- 1. ID 17-247 Doug Campbell regarding recent road improvements and new bicycle lanes on Eagle Drive.

Mr. Campbell stated that he was speaking on behalf of the Denton Bicycle Coalition. He commented on the road improvements on Eagle Drive. Safety was the priority of a "road diet" which resulted in traffic calming and made the road safe for all who used it. He urged the Council to continue to implement the bike and pedestrian mobility plan.

Comment Cards were submitted by the following individuals regarding the citizen report.

Sonia Vazquez, 617 Cordell Street, in support
Benjamin Hokamp, 424 Woodland, in support
Brandon Babbitt, 1010 Alice Street, in support
Lori Trice, 2003 Wisteria Street, in support

C. Additional Citizen Reports

1. Deb Armintor, 2003 Mistywood Lane, spoke regarding the hidden costs for the new substations related to the new DME gas plant.

4. CONSENT AGENDA

Council Member Hawkins motioned, Council Member Gregory seconded to approve the Consent Agenda and accompanying ordinances and resolutions. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2017-050

- A. ID 16-1281 Consider adoption of an ordinance of the City of Denton, a Texas home rule municipal corporation ("City"), approving the exchange of a 1.334 acre tract located in the N. Meisenhamer Survey, Abstract, No. 810, Denton, Denton County, Texas ("Property"), to Rayzor Investments, Ltd. ("Rayzor"), for permanent and temporary utility easements, also located in the N. Meisenhamer Survey, and reservations of permanent utility easements and dedication of right of way in the Property to the City, all with the equivalent value of One Hundred and Fifty Thousand Dollars and No Cents (\$150,000.00) as stated in the contract of sale ("Contract"); authorizing the City Manager in accordance with Texas Local Government Code 272.001(k) to execute a deed to Rayzor together with any other documents necessary to exchange the Property for permanent and temporary utility easements and reservations of permanent utility easements and dedication of right of way; and, providing an effective date. [Bonnie Brae to North Lakes TM Line Rebuild (Easement Exchange)]

Ordinance No. 2017-051

- B. ID 17-131 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract for the acquisition of (1) trommel, (1) sorting station, (1) mobile horizontal high speed grinder and (1) mobile slow speed shredder for use in landfill mining operations by the City of Denton Solid Waste Department; and providing an effective date (File 6212-awarded to multiple vendors in the amount not to exceed \$1,905,610). The Public Utilities Board recommends approval (5-0).

Ordinance No. 2017-052

ID 17-162 Consider adoption of an ordinance approving the First Amendment to the Williams Trade Square parking spaces lease agreement between the City of Denton and Wells Fargo Bank, authorizing the City Manager to execute the First Amendment to the agreement; and providing an effective date.

Ordinance No. 2017-053

- D. ID 17-169 Consider adoption of an ordinance approving a City sponsorship in an amount not to exceed \$4,600 of in-kind services and resources for the 32nd Annual Texas Storytelling Festival to be held in the Civic Center located at 321 E. McKinney Street, beginning March 9-12, 2017; and providing an effective date.

Approved the minutes listed below

- E. ID 17-171 Consider approval of the minutes of November 8, November 15, November 21, and December 5, 2016.

Ordinance No. 2017-054

- F. ID 17-189 Consider adoption of an ordinance awarding a contract for a twenty-four (24) month lease of approximately fifty-nine (59) black and white digital copiers for various City of Denton departments as awarded by the State of Texas Department of Information Resources (DIR) through the Go DIRect Program, Contract Number DIR-TSO-3101; providing for the expenditure of funds therefor; and providing an effective date (File 5280 awarded to Canon Solutions America, Inc. in the not-to-exceed amount of \$132,000).

Ordinance No. 2017-055

- G. ID 17-190 Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a second amendment to a contract between the City of Denton and LCG Consulting for Forward Market Modeling Software services for an additional three (3) year period, extending the contract approved by City Council on February 4, 2014 in the amount of \$309,000 and a First Amendment approved by Purchasing staff on November 13, 2014 in the amount of \$10,000; providing for the expenditure of funds therefor; and providing an effective date (File 5424-providing for an additional expenditure amount not-to-exceed \$309,000, with the total contract amount not-to-exceed \$628,000). The Public Utilities Board recommends approval (5-0).

Ordinance No. 2017-056

- H. ID 17-191 Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a third amendment to a contract between the City of Denton and Barco Construction, Inc. for Underground Electric Installation Services which was originally approved by Council on September 17, 2014 in the amount of \$4,837,484.10 with a first and second amendment providing for additional line items but no change to the contract award amount approved by Purchasing staff; providing for the expenditure of funds therefor; and providing an effective date (File 5567-providing for an additional expenditure amount not-to-exceed \$1,209,371 with the total contract amount not-to-exceed \$6,046,855.10). The Public Utilities Board recommends approval (6-0).

Ordinance No. 2017-057

- I. ID 17-192 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract for the acquisition of one (1)

East "Unloader" trailer for the City of Denton Solid Waste Department which is available from only one source and in accordance with Chapter 252.022 of the Texas Local Government Code, such purchases are exempt from requirements of competitive bidding; and providing an effective date (File 6361-awarded to East Manufacturing Corporation in the amount of \$68,200). The Public Utilities Board recommends approval (5-0).

Ordinance No. 2017-058

- J. ID 17-193 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract for the acquisition of one (1) boom mower attachment for the City of Denton Parks Department which is available from only one source and in accordance with Chapter 252.022 of the Texas Local Government Code, such purchases are exempt from requirements of competitive bidding; and providing an effective date (File 6370-awarded to Tiger Corporation in the amount of \$62,658).

Ordinance No. 2017-059

- K. ID 17-197 Consider adoption of an ordinance accepting competitive proposals and awarding a contract for the purchase of electric substation class porcelain post insulators for Denton Municipal Electric to be stocked in the City of Denton Distribution Center; providing for the expenditure of funds therefor; and providing an effective date (RFP 6289-awarded to Anixter Inc. in the three (3) year not-to-exceed amount of \$340,000).

Ordinance No. 2017-060

- L. ID 17-199 Consider adoption of an ordinance accepting competitive proposals and awarding a contract for data cabling services including design and installation, for City of Denton facilities; providing for the expenditure of funds therefor; and providing an effective date (RFP 6138-awarded to T-DataCom, Inc. in the three (3) year not-to-exceed amount of \$544,500).

Ordinance No. 2017-061

- M. ID 17-200 Consider adoption of an ordinance ratifying the expenditure of funds by the City Manager for Weaver Consultants Group (WCG), Ft. Worth, Texas, to provide professional design, engineering, and emergency construction services for the installation of an expansion of the existing soil vapor extraction system for the corrective action to mitigate the exceedance of regulatory gas levels at the perimeter of the landfill, and in accordance with provisions of Section 252.022 of the Local Government Code exempting such purchases from requirements of competitive bidding; and providing an effective date (File 6330-awarded to Weaver Consultants Group in the amount of \$272,225). The Public Utilities Board recommends approval (5-0).

Ordinance No. 2017-062

- N. ID 17-201 Consider adoption an ordinance defining a 0.084 acre portion of a 9.5 acre blanket electric easement assigned to the City of Denton from Brazos Electric

Power Cooperative, Inc., recorded in Volume 1106, Page 78 of the Deed Records of Denton County Texas, being originally conveyed by Billy W. Claytor and W.O. Claytor to Brazos River Transmission Electric Cooperative, Inc., recorded in Volume 357, Page 48, Deed Records, Denton County, Texas, easement located in the R.B. Longbottom Survey, Abstract No. 775; providing for severability and an effective date. [Blanket electric easement description refinement to provide for specific location of electric infrastructure]

Approved the noise exception listed below.

- O. ID 17-203 Consider a request for an exception to Section 17-20 (d) of the Noise Ordinance for the purpose of hosting the Denton Tacofest sponsored by Lucky Lou's, a local bar and grill. Live music will be played in the parking lot behind Lucky Lou's and Riprocks Bar and Grill, located at 1207 and 1211 W. Hickory St., on Saturday, April 1, 2017, from 3 p.m. to 7 p.m. An exception is specifically requested to increase sound levels from 70 to 75 decibels.

Resolution No. R2017-004

- P. ID 17-209 Consider approval of a resolution by the City of Denton; authorizing participation in a coalition of similarly situated cities in connection with the statement of intent to change rate CGS and rate PT of Atmos Pipeline-Texas filed on or about January 6, 2017; authorizing participation in related rate proceedings; authorizing the retention of special counsel; requiring the reimbursement of municipal rate case expenses; finding that the meeting complies with the open meetings act; and making other findings and provisions related to the subject

Ordinance No. 2017-063

- Q. ID 17-222 Consider adoption of an ordinance establishing the authority of the City Auditor; and providing an effective date.

Ordinance No. 2017-064

- R. ID 17-225 Consider adoption of an ordinance of the City of Denton, Texas, approving Amendment No. 1 to an interlocal cooperation agreement between the City of Denton and Denton County, Texas, regarding the construction of Metro Street and Improvements to Corbin Street, terminating the agreement; and providing an effective date.

Ordinance No. 2017-065

- S. ID 17-228 Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a first amendment to a contract between the City of Denton and Clevest Solutions, Inc. for Mobile Workforce Management Software and Automatic Vehicle Location System for Denton Municipal Electric; providing for the expenditure of funds therefor; and providing an effective date (File 5821-providing for an additional expenditure amount not-to-exceed \$85,000, with the total contract amount not-to-exceed \$451,000). The Public Utilities Board recommends approval (5-0).

Ordinance No. 2017-066

- T. ID 17-250 Consider adoption of an ordinance amending Chapter 18 of the Code of Ordinances to revise the school safety speed zone for Sam Houston Elementary School along Teasley Lane, for Ryan Elementary School along Ryan Road and to remove the school safety speed zone for Selwyn School along W. University Drive (US 380); providing a penalty of a fine not to exceed two hundred dollars (\$200.00); providing a severability clause, providing for publication; and declaring an effective date. The Traffic Safety Commission recommends approval (7-0).

Ordinance No. 2017-067

- U. ID 17-251 Consider adoption of an ordinance amending Chapter 18 of the Code of Ordinances to revise the speed limits along on W. University Drive (US 380) from IH 35 to the Westerly City limits; providing a penalty of a fine not to exceed two hundred dollars (\$200.00); providing a severability clause, providing for publication; and declaring an effective date. The Traffic Safety Commission recommends approval (7-0).

Ordinance No. 2017-068

- V. ID 17-265 Consider approval of an ordinance of the City of Denton, Texas, concurring with the City Manager's reorganization of the City of Denton's administrative departments and divisions; and providing an effective date.

5. ITEMS FOR INDIVIDUAL CONSIDERATION

Ordinance No. 2017-069

- A. A16-0004 Consider adoption of an ordinance of the City of Denton, Texas setting dates, times, and place for public hearings on the proposed annexation of certain property generally located north of Ryan Road, west of FM 2181 (Teasley Lane) and Lake Forest Good Samaritan Village, and east of Country Club Road by the City of Denton, Texas, authorizing and directing the City Secretary to publish notice of such public hearings.

Ron Menguita, Long Range Planning Administrator, briefed the Council regarding the location of the proposed annexation, the background for the proposed annexation and schedule for the annexation.

Council Member Hawkins motioned, Mayor Pro Tem Roden seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Ordinance No. 2017-070

- B. ID 17-168 Consider adoption of an ordinance of the City of Denton, Texas, Nunc Pro Tunc, correcting an inadvertent mistake in Ordinance No. 2016-341 relating to an Economic Development Program Grant Agreement with Sally Beauty LLC pursuant to Chapter 380 of the Local Government Code for making grants of public money to promote

Economic Development; providing for a severability clause; and providing for an effective date.

Council Member Briggs left the meeting due to a conflict of interest.

Caroline Booth stated that on November 1, 2016 Council approved a program grant agreement with Sally Beauty for three years. Unfortunately an earlier version of the agreement which Council reviewed in September was attached to the adopted ordinance. Staff was asking to correct this error and approve the correct version of the agreement.

Mayor Pro Tem Roden motioned, Council Member Wazny seconded to adopt the ordinance. On roll call vote, Mayor Pro Tem Roden "aye", Council Member Wazny "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Council Member Briggs returned to the meeting.

- C. ID 17-196 Consider adoption of an ordinance accepting competitive proposals and awarding a contract for the City of Denton Employee Health Clinic and Operation Management Services; and providing an effective date (RFP 6198-awarded to CareHere, LLC in the amount of \$20.00 per employee per month (PEPM) for an estimated annual cost of \$386,325 for management costs and \$566,000 for salaries and supplies with a five (5) year total not-to-exceed \$5,010,300).

Scott Payne, Risk Manager, spoke regarding the employee health clinic operations and management. With the approval of Council, the City moved to a self-funded health plan beginning January 1, 2008. Self-funding allowed the City to retain the savings when there were good claims years. Through Stop Loss Insurance and adequate reserves the City has been able to weather bad claims years without being forced to make drastic changes to the health plan. While the self-funded health plan continued to experience fluctuations, over the last five years, the overall claims cost trend had been lower than the national average.

The employee health clinic was opened in 2011 and was a key component of the City's healthy incentives program. Since opening, the clinic had saved an estimated \$2,750,000 by diverting care from the health plan.

The RFP received seven proposals that were evaluated on the criteria that included price(total cost), compliance with specifications, quality, reliability, characteristics to meet stated or implied needs and indicators of probable performance under contract. CareHere had been the provider since the clinic was opened.

Council discussed whether there were award points give for local providers; the length of the process for the new RFP; and feedback from the employees regarding the level of care under the current clinic situation and was that considered in the RFP process;

Mayor Pro Tem Roden left the meeting.

Payne continued with a comparison of the proposals and the process involved in that comparison.

The following individuals spoke regarding the item:

Deb Armintor, 2003 Mistywood Lane, asked questions regarding the current staff at the clinic and only one respondent was a local clinic
Tim Swenson, 11054 Redfearn, Aubrey, spoke in support of Denton Community Clinic
Claudette Fette, 2708 Glenwood, spoke in support of Denton Community Clinic
Anna Cleveland, 1721 Teasley Lane #162, spoke in support of Denton Community Health Clinic
Jeff Scott, 9704 Meadow Creek, spoke in support of Denton Community Health Clinic
Alice Masciarelli, 525 S. Locust #200 spoke in support of Denton Community Health Clinic

Comment cards were submitted by the following:

Charlene Meyers, 1317 Eagle Wing Lane, in opposition
Thomas Emerick, 300 W. Oak St. #100, in opposition
Michael Redwine, 2021 Hollyhill Lane, in opposition

Council Member Bagheri motioned, Council Member Briggs seconded to postpone consideration to the March 28th Council meeting. On roll call vote, Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Council Member Wazny "nay". Motion carried with a 5-1 vote.

Resolution No. R2017-005

- D. ID 17-243 Consider approval of a resolution of the City of Denton, Texas evidencing support for the proposed new construction of Palladium Denton Apartments in Denton; and authorizing such other actions necessary or convenient to carry out this resolution.

Barbara Ross, Community Development Division Manager, stated that approval of this resolution would provide support for the construction of the Palladium Denton Apartments.

Ron Menguita, Long Range Planning Administrator, provided the location of the proposed development and details of the proposal in terms of number of units.

Council Member Bagheri stated that there were several options to consider: (1) approve the resolution as written with the understanding that there would be a partnership with DHA and the property would be taken off the tax rolls; (2) table the motion and not provide approval or disapproval; and (3) amend the resolution to indicate support of a resolution contingent on contingent on not having a partnership with DHA and the property would not be taken off the tax rolls. Her recommendation was to proceed with Option 3.

Council Member Bagheri motioned, Council Member Hawkins seconded to approve the resolution contingent on no DHA partnership for Paladium and the property remain on the tax rolls.

Council discussed with the representative of the proposal the motion in terms of whether contingencies could be placed on the resolution of support. He noted that there could not be any contingencies in the resolution itself. There could be direction given from Council during the zoning process.

Council Member Bagheri withdrew her motion.

Interim City Attorney Leal stated that Council would be taking the word of the developer that he would not be entering into a partnership with the DHA when submitting the ownership application in March and that the property would remain on the tax rolls.

The following individuals spoke on the item:

Sherri McDade, 1225 Wilson Street, spoke in support
Ryan Combs, 7738 La Cubeza, Dallas, spoke in support
Mattye Jones, 14755 Preston Road, Suite 600, spoke in support

Council Member Hawkins motioned, Council Member Briggs seconded to approve the resolution with the intent it would be developed as a taxed development. On roll call vote, Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

Resolution No. R2017-006

- E. ID 17-245 Consider approval of a resolution of the City of Denton, Texas evidencing support for the proposed new construction of the Reserve at Sherman in Denton; and authorizing such other actions necessary or convenient to carry out this resolution.

Barbara Ross, Community Development Division Manager, stated that approval of this resolution would provide support for the construction of the Palladium Denton Apartments. It would provide additional points for their application for low income housing tax credits.

The following individuals spoke on the item:

Sherri McDade, 1225 Wilson Street, spoke in support
Chris Applequist, 2800 Routh, Dallas, spoke in support – suggested amending a whereas to indicate that the “owner would be a for profit company”
Mattye Jones, 14755 Preston, Suite 600, in support

Council Member Bagheri motioned, Council Member Briggs seconded to approve the resolution with an amendment to include a whereas that the owner would be a for profit company. On roll call vote, Council Member Wazny "aye", Council Member Briggs "aye", Council Member

Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

6. PUBLIC HEARINGS

Ordinance No. 2017-071

- A. DCA17-0004a Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, expressly repealing Sections 34-35, 34-36, and 34-37 of the Denton Code of Ordinances related to annexation and amending Subchapter 35.3 of the Denton Development Code by adding a periphery development annexation criteria section; providing for a penalty in the maximum amount of \$2,000.00 for violations thereof; providing a severability clause, savings clause, and an effective date. The Planning and Zoning Commission recommends approval 6-1.

Ron Menguita, Long Range Planning Administrator, stated that the item was a code amendment to add annexation criteria into the Denton Development Code and delete Code of Ordinances Sections 34-35, 34-36, 34-37. These sections dealt with annexation policy, annexation procedures, and annexation fees. These procedures were not included in the Denton Development Code. The Planning and Zoning Commission recommended approval 6-1 as did staff.

The Mayor opened the public hearing.

No one spoke during the public hearing.

The Mayor closed the public hearing.

Council Member Hawkins motioned, Council Member Wazny seconded to adopt the ordinance. On roll call vote, Council Member Wazny "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Council Member Briggs "nay". Motion carried with a 5-1 vote.

Ordinance No. 2017-072

- B. Z16-0018b Hold a public hearing and consider adoption of an ordinance of the City of Denton, Texas, to change the zoning classification from Regional Center Residential 1 (RCR-1) District to Employment Center Commercial (EC-C) District on approximately 5.3 acres of land generally located on the west side of the I-35 Southbound Service Road and 115 feet north of Barthold Road in the City of Denton, Denton County, Texas; adopting an amendment to the City's official zoning map; providing for a penalty in the maximum amount of \$2,000.00 for violations thereof; providing a severability clause and an effective date. The Planning and Zoning Commission has recommended approval (7-0) of the request. (Z16-0018)

The Mayor opened the public hearing.

Munal Mauladad, Director of Development Services, stated that this was a change in zoning from Regional Center Residential 1 to Employment Center Commercial. She reviewed the current zoning for the property and zoning surrounding the property. The purposed of the change in zoning was to facilitate the development for a truck wash facility. The RCR-1 zoning district did not permit that business but was permitted in ECC. The use would also met the criteria of the Denton development Code. Considerations for approval were presented along with the public notifications. The Planning and Zoning Commission along with staff recommended approval.

The following individual spoke during the public hearing.

Dana Morris, 500 Graves Blvd., Salina, Kansas, representing the petitioner, spoke in support and noted that the business would bring in about 50 jobs to the area.

The Mayor closed the public hearing.

Council Member Hawkins motioned, Council Member Wazny seconded to adopt the ordinance. On roll call vote, Council Member Wazny "aye", Council Member Briggs "aye", Council Member Hawkins "aye", Council Member Gregory "aye", Council Member Bagheri "aye", and Mayor Watts "aye". Motion carried unanimously.

7. 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 Gregory asked for a Work Session from DME regarding the connection between transmission lines and substations with the Denton Energy Center.

Council Member Gregory requested Pat Smith be invited to provide a Work Session regarding Shiloh Village, a housing initiative for homeless veterans.

Council Member Briggs requested a report on city vehicles with a lift or that were handicapped accessible.

Council Member Briggs requested a discussion on the rental parking spots of the Williams Trade Square parking before the renewal of the contracts.

Council Member Briggs requested an update on City Hall West.

Council Member Briggs requested an update on the Community Market.

Council Member Briggs requested a discussion on establishing a fund for the taxes collected for the work force housing projects and what types of projects could be funded.

Council Member Briggs requested a discussion on whether the notification areas for planning items needed to be extended.

Council Member Bagheri questioned if data could be collected at the May voting locations on voter preference for locations for voting.

Council Member Bagheri reminded that she had asked for information on a Food for Fines program.

Council Member Bagheri reminded that she had asked for a discussion on the exotic animal display ordinance.

Council Member Bagheri requested a discussion on limiting 380 incentive agreement parameters around economic development agreements.

Council Member Bagheri requested that a report be added to the March 7th agenda on best practices on spacing of substations.

Mayor Watts requested a staff report or Work Session on standards for compliance for Certificates of Occupancy and associated inspections.

Mayor Watts requested a determination on the permanent position on a policy discussion on the DHA.

Council Member Wazny requested a discussion on how people were notified and how they were notified on planning items.

B. Possible Continuation of Closed Meeting topics, above posted.

There was no continuation of the Closed Meeting.

With no further business, the meeting was adjourned at 9:14 p.m.

CHRIS WATTS
MAYOR
CITY OF DENTON, TEXAS

JANE RICHARDSON
ASSISTANT CITY SECRETARY
CITY OF DENTON, TEXAS