

REGULAR CITY COUNCIL MEETING

MARCH 17, 2009

7:00 P.M.

A Regular Meeting of the Terrell City Council was held on Tuesday, March 17, 2009 at 7:00 p.m. in the City Council Chambers located at 201 East Nash Street, Terrell, Texas with the following members present:

COUNCILMEMBER #1	HAL RICHARDS
COUNCILMEMBER #2	TOMMY SPENCER – ABSENT (EXCUSED)
COUNCILMEMBER #3	RICKY JORDAN
COUNCILMEMBER #4	JACK JONES
COUNCILMEMBER #5	DON THURMAN

1. Call to order.

Mayor Hal Richards called the meeting to order.

2. Invocation.

Deputy Mayor Pro tem Don Thurman gave the opening prayer.

4. Discuss and Consider Approval of Special City Council Meeting and Workshop Minutes of February 26, 2009 and Regular City Council Meeting Minutes of March 3, 2009.

Deputy Mayor Pro tem Don Thurman made a motion to approve Special City Council Meeting and Workshop Minutes of February 26, 2009 and Regular City Council Meeting Minutes of March 3, 2009. The motion was seconded by Mayor Pro tem Jack Jones. Ayes – Hal Richards, Don Thurman, Jack Jones. Nays – none. Ricky Jordan not available for vote.

Mayor Hal Richards recognized students attending from Trinity Valley Community College.

3. Citizen Recognition.

Mayor Hal Richards recognized Dr. Gwendolyn Kines with a proclamation.

5. Hear Remarks from Visitors.

None were made.

PUBLIC HEARING

6. a.) **Conduct a Public Hearing to Receive Public Comment Regarding Ordinance No. 2400 – Amending Chapter 14: Impact Fees.**

Steve Rogers, City Engineer, Brian Colthorp, Ed Haas and Thomas Haster representing Freese and Nichols presented to Council Ordinance No. 2400 – Amending Chapter 14: Impact Fees. Mayor Hal Richards opened a Public Hearing to Receive Public Comment Regarding Ordinance No. 2400 – Amending Chapter 14: Impact Fees. No one spoke for or against Ordinance No. 2400 – Amending Chapter 14: Impact Fees. Mayor Hal Richards closed the Public Hearing.

- b.) **Discuss and Consider Approval of Ordinance No. 2400 – Amending Chapter 14: Impact Fees.**

Deputy Mayor Pro tem Don Thurman made a motion to approve Ordinance No. 2400 – Amending Chapter 14: Impact Fees with revisions to Page 3 – Impact Fees (add eligible). The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

ORDINANCE NO. 2400

AN ORDINANCE, AMENDING THE CODE OF ORDINANCES OF THE CITY OF TERRELL, TEXAS, CHAPTER 14: IMPACT FEES; IMPOSING AN IMPACT FEE ON NEW DEVELOPMENT FOR PROVIDING WATER AND WASTEWATER FACILITIES NECESSITATED BY SUCH DEVELOPMENT; PROVIDING ROADWAY IMPROVEMENTS TO SUPPORT NEW DEVELOPMENT; ADOPTING UPDATED LAND USE ASSUMPTIONS, SERVICE AREA BOUNDARIES, AND CAPITAL IMPROVEMENTS PLANS; AND APPROVING REVISED ASSESSMENT AND COLLECTION SCHEDULES FOR WATER, WASTEWATER AND ROADWAY IMPACT FEES; PROVIDING DEFINITIONS; PROVIDING FOR USE OF PROCEEDS FROM SUCH ACCOUNTS; PROVIDING FOR APPEALS, RELIEF PROCEDURES AND EXEMPTIONS; PROVIDING FOR CREDITS; PROVIDING FOR UPDATES TO PLANS AND REVISION OF FEES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

NEW BUSINESS

7. **Discuss and Consider Approval of Lease Agreement with Environmental Cooperative for 1100 Airport Road.**

Mike Sims, Assistant City Manager presented to Council for discussion and consideration Lease Agreement with Environmental Cooperative for 1100 Airport Road. Mayor Pro tem Jack Jones made a motion to approve Lease Agreement with Environmental Cooperative 1100 Airport Road. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

8. Discuss and Consider Award of Contract for Bid No. 01-22-09 – 2009 Green Ribbon Maintenance Program.

Steve Rogers, City Engineer presented to Council for discussion and consideration Award of Contract for Bid No. 01-22-09 – 2009 Green Ribbon Maintenance Program. Deputy Mayor Pro tem Don Thurman made a motion to award Contract for Bid No. 01-22-09 – 2009 Green Ribbon Program to Lawson's Landscape and Irrigation in the amount of \$14,200. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

9. Discuss and Consider Award of Contract for Project No. 09-01- 2009 Pavement Maintenance Program.

Steve Rogers, City Engineer presented to Council for discussion and consideration Award of Contract for Project No. 09-01- 2009 Pavement Maintenance Program. Deputy Mayor Pro tem Don Thurman made a motion to reject all bids. The motion was seconded by Mayor Pro tem Jack Jones. Ayes – all; Nays – none. Motion carried.

Deputy Mayor Pro tem Don Thurman made a motion to approve Item 10 – Resolution No. 626, Item No. 11 – Resolution No. 627, Item No. 12 – Resolution No. 628, and Item No. 13 – Resolution No. 629. The motion was seconded by Mayor Pro tem Jack Jones. Ayes – all; Nays – none. Motion carried.

10. Discuss and Consider Approval of Resolution No. 626 – Authorizing Reimbursement of Funds for Tract 3 of the Tax Increment Financing Reinvestment Zone No. 1.

RESOLUTION NO. 626
REIMBURSEMENT RESOLUTION

A RESOLUTION OF THE CITY OF TERRELL, TEXAS AUTHORIZING REIMBURSEMENT OF FUNDS FOR TRACT 3 OF THE TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1.

WHEREAS, the City Council of the City of Terrell, Texas recognizes the importance of its role in local economic development; and

WHEREAS, on November 20, 2007 , the City Council approved Ordinance No. 2355 establishing Tax Increment Financing (TIF) Reinvestment Zone Number One, City of Terrell, Texas (TIF District), in accordance with the Tax Increment Financing Act, as amended (V.C.T.A., Tax Code, Chapter 311, hereafter the "Act") to promote development in the TIF District through the use of tax increment financing; and

WHEREAS, the City Council, pursuant to Ordinance No. 2384, approved on September 23, 2008 authorized the final TIF District Project Plan and Reinvestment Zone Financing Plan; and

WHEREAS, the two (2) prior City Council actions referenced above provide for the TIF District to provide funding on construction of roadways, utilities and drainage located in the TIF District; and NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL:

Section 1. That the findings, determinations and certifications contained in the recitals above are incorporated herein for all purposes.

Section 2. That Terrell Market Center, LTD shall provide \$383,472 for the cost of designing roadways in Tax Increment Financing Zone Number One, City of Terrell, Texas, which shall be reimbursed from the TIF District Tax Increment Funds after construction of the roadway projects, in accordance with the terms of the development agreement between the City and Terrell Market Center, LTD, but only to the extent such TIF District Tax Increment Funds are available.

Section 3. That the total participation by the TIF District for project costs incurred in the design of said improvements shall not exceed \$383,472, all in accordance with the terms of said development agreement.

Section 4. That nothing in this resolution shall be construed to require the City to approve reimbursements from any source of City funds other than the TIF District Tax Increment Fund or to require the City to issue Tax Increment bonds, said issuing of such bonds being within the sole discretion of the City Council; and upon expiration of the terms of the TIF District as provided in Ordinance No. 2355, any funds advanced by Terrell Market Center, LTD under the development agreement with interest accrued thereon that remain unreimbursed, due to lack or unavailability of TIF District Funds shall no longer be considered project costs of the TIF District, and the obligation of the TIF District or the City to reimburse shall automatically expire.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Terrell, and it is accordingly so resolved.

PASSED AND APPROVED ON THIS THE 17th DAY OF MARCH, 2009.

- 11. Discuss and Consider Approval of Resolution No. 627 – Authorizing the Execution of a Development Agreement Between Terrell Market Center, Ltd. and Baylor Health Care System on Behalf of the Tax Increment Financing Reinvestment Zone No. 1.**

RESOLUTION NO. 627
DEVELOPMENT AGREEMENT
EXECUTION RESOLUTION

A RESOLUTION OF THE CITY OF TERRELL, TEXAS AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN TERRELL MARKET CENTER, LTD AND BAYLOR HEALTH CARE SYSTEM ON BEHALF OF THE TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1.

WHEREAS, the City Council of the City of Terrell, Texas recognizes the importance of its role in local economic development; and

WHEREAS, on November 20, 2007 , the City Council approved Ordinance No. 2355 establishing Tax Increment Financing (TIF) Reinvestment Zone Number One, City of Terrell, Texas (TIF District), in accordance with the Tax Increment Financing Act, as amended (V.C.T.A., Tax Code, Chapter 311, hereafter the “Act”) to promote development in the TIF District through the use of tax increment financing; and

WHEREAS, the City Council, pursuant to Ordinance No. 2384, approved on September 23, 2008 authorized the final TIF District Project Plan and Reinvestment Zone Financing Plan; and

WHEREAS, the two (2) prior City Council actions referenced above provide for the TIF District to provide funding on construction of roadways, utilities and drainage located in the TIF District; and NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL:

Section 1. The City Manager is hereby authorized to execute a development agreement between Terrell Market Center, Ltd., Baylor Health Care System and the City of Terrell, on behalf of the Tax Increment Financing District, in an amount not to exceed \$383,472 for funding for roadway design. In the event the cost exceeds \$383,472, the scope of the project shall be reduced to remain within the budget or Terrell Market Center, Ltd agrees to fund the excess above \$383,472 with no TIF reimbursement.

Section 2. That Terrell Market Center, LTD shall be reimbursed from the TIF District Tax Increment Funds in accordance with the terms of the development agreement, but only after construction of the roadway projects and only to the extent such TIF District Tax Increment Funds are available for such purpose.

Section 3. That nothing in this resolution shall be construed to require the City to approve reimbursements from any source of City funds other than the TIF District Tax Increment Fund or to require the City to issue Tax Increment bonds, said issuing of such bonds being within the sole discretion of the City Council; and upon expiration of the terms of the TIF District as provided in Ordinance No. 2355, any funds advanced by Terrell Market Center, LTD under the development agreement with interest accrued thereon that remain unreimbursed, due to lack or unavailability of TIF District Funds shall no longer be considered project costs of the TIF District, and the obligation of the TIF District or the City to reimburse shall automatically expire.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Terrell, and it is accordingly so resolved.

PASSED AND APPROVED ON THIS THE 17TH DAY OF MARCH, 2009.

12. Discuss and Consider Approval of Resolution No. 628 – Confirming Support for the I.H. 20 Local Transportation project Advance Funding Agreement.

RESOLUTION NO. 628

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS, CONFIRMING SUPPORT FOR THE I.H. 20 LOCAL TRANSPORTATION PROJECT ADVANCE FUNDING AGREEMENT For a Category 10 – Miscellaneous Project (On State System)

WHEREAS, it is the intent of the City Council to protect the public health, safety and welfare; and

WHEREAS, a Master Agreement Governing Local Transportation Project Advance Funding Agreement (MAFA) between the Local Government and the State has been adopted, effective August 24, 2007, and states the general terms and conditions for transportation projects developed through this LPAFA; and

WHEREAS, the Local Government prepared and submitted to the State an application for consideration under the Local Project Advance Funding Agreement (LPAFA) for the project which is briefly described as all engineering, right of way and environmental funding necessary to make the westbound frontage road on IH 20 from Spur 557 to FM 148 ready for construction, hereinafter called the Project; and

WHEREAS, it is considered to be in the public interest to expedite the planning and preparation for the construction of a westbound frontage road on IH 20 from Spur 557 to FM 148; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS:

PART 1: That the City agrees to contribute 100% funding for project elements ineligible for State funding under the Local Transportation Project Advance Funding Agreement (MAFA);

PART 2: That the City Council pledges to contribute 100% of the funding for the design of a westbound frontage road on IH 20 from Spur 557 to FM 148, such funding amounts currently estimated to be \$ 220,500;

PART 3: That the City Manager and City staff is hereby directed to continue all their efforts and cooperation with the Texas Department of Transportation for the planning and eventual construction of a westbound frontage road on IH 20 from Spur 557 to FM 148.

PART 4: That the Mayor is hereby authorized to execute a Local Transportation Project Advance Funding Agreement with TxDOT and a funding agreement with Terrell Market Center for the I.H. 20 Project.

PART 5: That this resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED on this the 17th day of March, 2009.

13. **Discuss and Consider Approval of Resolution No. 629 – Confirming Support for the F.M. 148 Local Transportation Project Advance Funding Agreement.**

RESOLUTION NO. 629

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS, CONFIRMING SUPPORT FOR THE F.M. 148 LOCAL TRANSPORTATION PROJECT ADVANCE FUNDING AGREEMENT For a Category 10 – Miscellaneous Project (On State System)

WHEREAS, it is the intent of the City Council to protect the public health, safety and welfare; and

WHEREAS, a Master Agreement Governing Local Transportation Project Advance Funding Agreement (MAFA) between the Local Government and the State has been adopted, effective August 24, 2007, and states the general terms and conditions for transportation projects developed through this LPAFA; and

WHEREAS, the Local Government prepared and submitted to the State an application for consideration under the Local Project Advance Funding Agreement (LPAFA) for the project which is briefly described as all engineering, right of way and environmental necessary to make the expansion of FM 148 from two lanes to four lanes between Spur 557 and IH 20 ready for construction, hereinafter called the Project; and

WHEREAS, it is considered to be in the public interest to expedite the planning and preparation for the construction of four lanes between Spur 557 and IH 20; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS:

PART 1: That the City agrees to contribute 100% funding for project elements ineligible for State funding under the Local Transportation Project Advance Funding Agreement (MAFA);

PART 2: That the City Council pledges to contribute 100% of the funding for the design of FM 148 from two lanes to four lanes between Spur 557 and IH 20, such funding amounts currently estimated to be \$ 162,972;

PART 3: That the City Manager and City staff are hereby directed to continue all their efforts and cooperation with the Texas Department of Transportation for the planning and eventual construction of FM 148 from two lanes to four lanes between Spur 557 and IH 20.

PART 4: That the Mayor is hereby authorized to execute a Local Transportation Project Advance Funding Agreement with TxDOT and a funding agreement with Terrell Market Center for the FM 148 Project.

PART 5: That this resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED on this the 17th day of March, 2009.

14. **Discuss and Consider Approval of BMC West.**

Danny Booth representing Terrell Economic Development Corporation presented to Council for discussion and consideration BMC West. Councilmember Ricky Jordan made a motion to approve BMC West. The motion was seconded by Deputy Mayor Pro tem Don Thurman. Ayes – all; Nays – none. Motion carried.

15. Discuss and Consider Approval of Project Radius.

Danny Booth representing Terrell Economic Development Corporation presented to Council for discussion and consideration Project Radius. Mayor Pro tem Jack Jones made a motion to approve Project Radius. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

16. Discuss and Consider Approval of Contract Between Terrell Chamber of Commerce and Terrell Economic Development Corporation.

Danny Booth representing Terrell Chamber of Commerce presented to Council for discussion and consideration Contract Between Terrell Chamber of Commerce and Terrell Economic Development Corporation. Councilmember Ricky Jordan made a motion to approve Contract Between Terrell Chamber of Commerce and Terrell Economic Development Corporation. The motion was seconded by Mayor Pro tem Don Thurman. Ayes – all; Nays – none. Motion carried.

17. Discuss and Consider Approval of Terrell Economic Development Corporation Annual Report.

Danny Booth representing Terrell Economic Development Corporation presented to Council for discussion and consideration Terrell Economic Development Corporation Annual Report. Mayor Pro tem Jack Jones made a motion to accept Terrell Economic Development Corporation Annual Report. The motion was seconded by Deputy Mayor Pro tem Don Thurman. Ayes – all; Nays – none. Motion carried.

18. Adjourn into Executive Session in Accordance with Section 551 of the Texas Government Code to Discuss Section 551.074 – Personnel Matters – Police Chief Search.

This item was passed.

19. Reconvene into Regular Session and Consider Action, if any, on Item Discussed in Executive Session.

This item was passed.

20. Adjourn.

There were no other matters discussed or acted on at this meeting. There being no further business the meeting was adjourned.

Hal Richards, Mayor

Attest:

John Rounsavall, City Secretary