

**A G E N D A**

**LEWISVILLE CITY COUNCIL MEETING  
SEPTEMBER 8, 2008**

**LEWISVILLE CITY HALL  
151 WEST CHURCH STREET  
LEWISVILLE, TEXAS 75057**

**WORKSHOP SESSION – 6:00 P.M.  
REGULAR SESSION - 7:00 P.M.**

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Call to Order and Announce a Quorum is Present.

**WORKSHOP SESSION – 6:00 P.M.**

- A. Status of Council Retreat Direction for Staff, as Requested by Mayor Pro Tem Thornhill.
- B. Discussion of Regular Agenda Items and Consent Agenda Items
- C. Items of Interest to the Council

**REGULAR SESSION - 7:00 P.M.**

- A. **INVOCATION:** Councilman Durham
- B. **PLEDGE TO THE FLAG:** Councilman Tierney
- C. **PROCLAMATION:** Declaring the Month of September, 2008, as “National Preparedness Month”.

D. **PUBLIC HEARINGS:**

1. **Public Hearing: Consideration of an Ordinance for a Zone Change Request From Light Industrial (LI) to Medical District (MD) on a 4.0 Acre Tract Located on the East Side of Summit Avenue, Approximately 1,000 Feet South of FM 407, Further Identified as Part of Tract 28A(1) in the Stephen Riggs Survey, Abstract 1088, as Requested By Alpha Republic Investments, LTD, the Current Property Owner (Case No. PZ20080819).**

**ADMINISTRATIVE COMMENTS:**

Although this request appears similar to a Medical District request denied last month, there are substantial differences. This location is not in an existing industrial park along an industrial and distribution warehouse corridor, and no one will live in this short-term care rehabilitation facility. The City's Economic Development staff has been working with other property owners in this area to coordinate the development of a mix of retail and office complexes, possibly with a small number of apartments. This type of medical facility should generate other office and retail uses along this portion of Summit Avenue. The Planning and Zoning Commission recommended approval of the zoning request on a vote of 7-0 at their August 5, 2008, meeting.

**RECOMMENDATION:**

That the City Council approve the proposed ordinance amending the Lewisville City Code, Chapter 17, the Comprehensive Zoning Ordinance, approving the requested zone change from Light Industrial (LI) to Medical District (MD).

**PRESENTATION:** Gene Lewis, Planning and Community Services Manager  
Stephen Schattner, Renovo Healthcare, Inc.

2. **Public Hearing: Consideration of an Ordinance Amending the Lewisville City Code, Chapter 17, Comprehensive Zoning Ordinance, by Deleting the Compliance Requirements in Section 17-38, Paragraphs (5) and (7).**

**ADMINISTRATIVE COMMENTS:**

Since 1971, the Lewisville Zoning Ordinance has included requirements that new or altered buildings comply with parking requirements in the zoning ordinance and that property be platted before a building permit can be issued. When the City adopted the General Development Ordinance (GDO) in 1989, all parking requirements and the requirement to plat were moved to the GDO, but overlooked as a footnote but not removed in the zoning ordinance. Likewise, those requirements were included in the Old Town Development Ordinance (OTDO) created in 2002. Because the parking and platting standards are primarily development requirements, staff is recommending that the requirements be deleted from the zoning ordinance. The Planning and Zoning Commission recommended approval of the amendment on a vote of 7-0 at their meeting on August 5, 2008.

**RECOMMENDATION:**

That the City Council approve the proposed ordinance amending the Lewisville City Code, Chapter 17, Comprehensive Zoning Ordinance, by deleting the compliance requirements in Section 17-38, Paragraphs (5) and (7).

**PRESENTATION:** Gene Lewis, Planning and Community Services Manager

- 3. Continued Public Hearing: Consideration of the Advisability of Improvements in the Proposed Castle Hills Public Improvement Districts (PIDs) #5 and #6.**

**ADMINISTRATIVE COMMENTS:**

Chapter 372 of the Local Government Code requires that a public hearing be held to determine the advisability of proposed improvements in public improvement districts. Notice of this hearing was published in a newspaper of general circulation and sent to owners of property in the PIDs. At this time, the City does not have the information necessary to proceed with this public hearing. Until such information is received, it is recommended that the public hearing be tabled indefinitely.

**RECOMMENDATION:**

That the City Council conduct the public hearing and table indefinitely.

- 4. Public Hearing: Consideration of the FY 2008-2009 Waters Ridge Public Improvement District (PID) No. 1 Assessment and Five Year Service Plan.**

**ADMINISTRATIVE COMMENTS:**

FY 2008-2009 expenditures from the Waters Ridge PID Fund are \$57,160 which represents an increase of \$47,359 over last year's budget. This year's budget increase is a result of the addition of an assessment study to analyze the necessity of the Water's Ridge Public Improvement District No. 1 as a vehicle for maintaining the Water's Ridge Levee as a flood protection measure. Typically the major portion of the budget includes expenditures for mowing four times during the growing season. The FY 2008-2009 assessment is recommended to be \$50.05 per acre of land which has remained stable for the past three years.

**RECOMMENDATION:**

That the City Council approve the FY 2008-2009 Waters Ridge Public Improvement District No. 1 assessment and five year service plan.

- 5. Public Hearing: Consideration of the Proposed FY 2008-2009 Budget, Property Tax Revenue Increase and Property Tax Rate.**

**ADMINISTRATIVE COMMENTS:**

In accordance with the City Charter and applicable state laws, a public hearing is being held on the proposed FY 2008-09 budget, property tax revenue increase and property tax rate to provide an opportunity for citizen comment. The proposed budget includes changes made by Council at the budget workshop held on August 16, 2008. A second public hearing is scheduled for September 15, 2008.

**RECOMMENDATION:**

That the City Council conduct the public hearing.

- E. VISITORS/CITIZENS FORUM: At this time, any person with business before the Council not scheduled on the agenda may speak to the Council. No formal action can be taken on these items at this meeting.**

- F. **CONSENT AGENDA:** All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member or citizen so request. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.

**6. APPROVAL OF MINUTES:**

- a. **City Council Minutes of the Called-Special Budget Workshop Session on August 16, 2008; and**
- b. **City Council Minutes of the August 18, 2008, Workshop Session and Regular Session.**

7. **Approval of Final Acceptance of the 2007 CDBG Sanitary Sewer Project; and Authorization to Make Final Payment to Trenchless Methods, Inc., in the Amount of \$22,362.85.**

**ADMINISTRATIVE COMMENTS:**

On May 6, 2008, City Council awarded a contract to Trenchless Methods, Inc. in the amount of \$240,587 for the 2007 CDBG Sanitary Sewer Rehab Project. Change Order No.1 in the amount of \$37,119.50 was approved on July 8, 2008, for a revised contract total of \$277,706.50. Field changes resulted in a net decrease of \$21,732, for a completed total of \$255,974.50. All work has been completed and the warranty period will be for two years from the date of final acceptance by the City Council.

**RECOMMENDATION:**

That the City Council accept the 2007 CDBG Sanitary Sewer Rehab Project; and authorize final payment to Trenchless Methods, Inc., in the amount of \$22,362.85.

8. **Approval of a Change Order to Henkels and McCoy in the Amount of \$69,142.00; and Authorization for the City Manager to Execute the Change Order.**

**ADMINISTRATIVE COMMENTS:**

The City currently is contracted with Henkels & McCoy to construct the Fiber Optic Infrastructure Project. Originally the project in the Old Town area was designed to be constructed above ground on the existing utility poles. The costs to make the poles ready to hang fiber above ground, paid to the utility provider, is greater than the costs to go underground. Because these costs are payable to Henkels and McCoy, a change order is required.

**RECOMMENDATION:**

That the City Council approve a change order to Henkels and McCoy in the amount of \$69,142; and authorize the City Manager to execute the change order.

- 9. Approval of Total Supplemental Appropriation in the Amount of \$534,568, to Include \$110,851 From Various Available Bond Cash Balances and \$423,717 From General Capital Projects Available Cash Balance to the Valley Ridge Boulevard (South of SH 121 Business) Project; Approval of a Bid Award for the Valley Ridge Boulevard (South of SH 121 Business) Project and Valley Ridge Southeast Waterlines, Line A to Rodman, LLC, in the Amount of \$4,133,955.37; and Authorization for the City Manager to Execute the Contract.**

**ADMINISTRATIVE COMMENTS:**

A total of twenty-five (25) bid invitations were issued, including two (2) downloaded from DemandStar.com. Seven (7) bids were received and opened August 21, 2008. This project includes the construction of a four (4)-lane divided arterial street, and drainage and water improvements from SH 121 Business to the Railroad Street Athletic Complex.

**RECOMMENDATION:**

That the City Council approve a total supplemental appropriation in the amount of \$534,568, to include \$110,851 from various available bond cash balances and \$423,717 from General Capital Projects Available Cash balance to the Valley Ridge Boulevard (South of SH 121 Business) Project; approve a bid award for the Valley Ridge Boulevard (South of SH 121 Business) Project and Valley Ridge Southeast Waterlines, Line A to Rodman, LLC in the amount of \$4,133,955.37; and authorize the City Manager to execute the contract.

- 10. Approval of a Trust Agreement With PFM Asset Management LLC, as Trust Administrator and US Bank, NA as Trustee for the Administration, Trustee and Custodial Services for the City of Lewisville's Other Post-Employment Benefits (OPEB) Liability Trust; and Authorization for the City Manager to Execute the Agreement; and Approval of the Administrative Investment Policy for OPEB Trust 3.3.0 and Revisions to Administrative Policy 2.15.1 Comprehensive Group Medical Plan; and Approval of a Supplemental Appropriation in the Amount of \$1,000,000 From the Self-Insurance Risk Fund and \$1,000,000 From the Health Insurance Trust Fund to the OPEB Liability Trust Fund; and Approval of a Supplemental Appropriation in the Amount of \$300,000 From the Health Insurance Trust Fund for Additional Claims Costs Incurred.**

**ADMINISTRATIVE COMMENTS:**

In response to the Government Accounting Standards Board (GASB) Statement 45 which governs the City's accounting approach toward post-employment health benefits liability, the City has established a trust for the systematic funding of this liability. The City, along with the consulting and investment advisory services of PFM Asset Management LLC has formulated an asset allocation and investment strategy for the growth of these long-term investments. A trust agreement and investment policy govern the roles of each party and assures that the City's guidelines are followed. PFM Asset Management LLC will act as Trust Administrator while US Bank, NA will act as custodian and trustee for the assets. An initial investment of \$2,000,000 will be transferred from the Self-Insurance Risk and Health Insurance Trust Funds to the OPEB Liability Trust Fund for the creation of plan assets for the trust. The Health Insurance Trust Fund is being supplemented for an additional \$300,000 to cover claim related costs incurred this fiscal year.

**RECOMMENDATION:**

That the City Council approve the supplemental appropriations, Trust Agreement, Administrative Investment Policy for OPEB Trust 3.3.0 and revisions to Administrative Policy 2.15.1 Comprehensive Group Medical Plan for this trust between the City of Lewisville, PFM Asset Management LLC and US Bank, NA; and authorize the City Manager to execute the agreement.

- 11. Approval of the Administrative Policy 3.3.1, Investment Policy.**

**ADMINISTRATIVE COMMENTS:**

The Public Funds Investment Act requires the Investment Policy to be submitted to the governing body on an annual basis. The Investment Committee met and reviewed the Policy; with the only change being the exclusion of the other Post Employment Trust Fund.

**RECOMMENDATION:**

That the City Council approve the Administrative Policy 3.3.1, Investment Policy.

- 12. Approval of the Award to CIGNA for Individual and Aggregate Stop Loss Insurance in the Amount of \$428,897; and Authorization for the City Manager to Execute All Necessary Documents.**

**ADMINISTRATIVE COMMENTS:**

The City sent out a Request for Proposals for reinsurance for the partially self-insured Health Plan. CIGNA submitted the only cost proposal for Individual and Aggregate Stop Loss Insurance. Funding is available in the Health Fund budget.

**RECOMMENDATION:**

That the City Council award Aggregate and Individual Stop Loss Insurance coverage to CIGNA HealthCare for a one year contract with two annual rate renewal options; and authorize the City Manager to execute all necessary documents.

**G. REGULAR HEARINGS:**

- 13. Consideration of the Final Plat of Settlers Village, Phase 2, a 9.02 Acre Parcel Zoned Townhouse (TH) and Bounded by Rockbrook Drive on the West, Vista Ridge Mall Drive on the South and Settlers Village Phase 1 on the East With Requested Variances to the Lewisville City Code.**

**ADMINISTRATIVE COMMENTS:**

The subject property is proposed for 90 single family lots and a drainage right of way. A previous final plat for 96 single family lots and a drainage right of way was approved in July of 2006 and was subsequently vacated in April, 2008. The owner and builder, Ashton Dallas Residential has decided to change product type and has submitted the new plat with the same street layout but with fewer and wider lots to accommodate the new product type. There were 9 variances approved with the preliminary plat for Settlers Village in November of 2004, however because this plat is technically a new plat, the applicable variances need to be reconsidered. Out of the 9 original variances, 5 of them are not applicable to the new final plat for Phase 2. The remaining variances include (a) waiver of required alleys for single family subdivisions; (b) to allow a wooden screening fence adjacent to existing commercial development instead of a masonry wall; (c) to allow a maximum of 40% non masonry materials for the screening walls adjacent to thoroughfares where lots back to the thoroughfare; and, (d) to allow HOA maintenance of the screening walls adjacent to thoroughfares. The Planning and Zoning Commission voted 7-0 to recommend approval of the plat and variances at their August 19, 2008, meeting.

**RECOMMENDATION:**

That the City Council approve the final plat and requested variances.

**PRESENTATION:** David Salmon, P.E., Assistant City Engineer  
Jaison Stephens P.E., Jacobs Engineering Group

- 14. Consideration of a Variance Request to the Lewisville City Code, Section 9.5-54, Regarding Old Town Development Plans for the Proposed Old Town South Parking Lot.**

**ADMINISTRATIVE COMMENTS:**

A paved 120-space parking lot development is proposed for the area just south of Main Street between Mill Street to the east, Elm Street to the west and the Heath property to the west. Staff has prepared an in-house plan that addresses grading, drainage, paving, access and parking spaces. A variance is being requested to waive the Old Town Development Plan by providing an in-house plan.

**RECOMMENDATION:**

That the City Council approve the requested variance.

**PRESENTATION:** Eric Ferris, Director of Community Development

- 15. Consideration of Two Ordinances Amending the Lewisville City Code, Chapter 6, Section 6-30 Plat Required, Section 6-54 When an Engineering Site Plan is Required, Chapter 9, Section 9.5-29 Plat Required and Section 9.5-54 When An Old Town Development Plan is Required, Allowing a Building Permit to be Issued Under Certain Circumstances.**

**ADMINISTRATIVE COMMENTS:**

At the present time, the General Development Ordinance and Old Town Development Ordinance each require property to be platted and have an approved engineering site plan or old town development plan before any building permit can be issued. The proposed amendments would allow an exception under certain circumstances when a new building or addition is no more than 10 percent of the size of the existing building or buildings, no more than 5,000 square feet in size, and there are no significant impacts to the property.

**RECOMMENDATION:**

That the City Council approve the proposed ordinances amending the Lewisville City Code, Chapter 6, Section 6-30 Plat Required, Section 6-54 When an Engineering Site Plan is Required and Chapter 9, Section 9.5-29 Plat Required, Section 9.5-54 When An Old Town Development Plan is Required, allowing a building permit to be issued under certain circumstances.

**PRESENTATION:** Gene Lewis, Planning and Community Services Manager

- 16. Consideration of an Ordinance Approving a Negotiated Resolution Between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "The Company") Regarding the Company's Rate Review Mechanism Filing in all Cities Exercising Original Jurisdiction.**

**ADMINISTRATIVE COMMENTS:**

The City, along with 150 other cities served by Atmos Energy Mid-Tex Division ("Atmos" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). On April 14, 2008, Atmos filed with the City an application to increase natural gas rates pursuant to the Rate Review Mechanism ("RRM") tariff approved by the City earlier this year. The Company's April RRM filing seeks a \$33.5 million rate increase. The City worked with ACSC to analyze the schedules and evidence offered by Atmos to support its request to increase rates. The Ordinance and attached tariff approving rates that will increase the Company's revenues by \$20 million effective October 1, 2008, are the result of negotiation between ACSC and the Company to resolve issues raised by ACSC during the review and evaluation of ACSC's RRM filing. The monthly bill impact for the average residential customer is \$0.81. The ACSC Executive Committee recommends that all ACSC cities adopt the ordinance implementing the rate change.

**RECOMMENDATION:**

That the City Council approve the ordinance.

- 17. Consideration of an Ordinance Amending the Lewisville City Code, Article XVIII, Sections 7-601 Through 7-619 Regulating the Drilling and Production of Oil and Gas Wells Within the City of Lewisville by Providing Additional Landscaping, Requiring Additional Setbacks, Changing Certain Fees, and Other Related Matters.**

**ADMINISTRATIVE COMMENTS:**

In April 2006, Council adopted an ordinance that provided specific guidelines and requirements related to the drilling and production of oil and gas wells within the City. Staff recommends the current ordinance be amended. The amendment will include modifications to the landscaping requirements, changes to the hours of operations from 7am to 10pm to 7am to 7pm; increase of well setback limits from a minimum of 400 feet to 500 feet; adjustment to the application fee from \$2,500 to \$10,000; and eliminating the pit type system for containment of water and byproducts in favor of a closed loop containment system.

**RECOMMENDATION:**

That the City Council approve the ordinance amending the Lewisville City Code Article XVIII Sections 7-601 through 7-619 regulating the drilling and production of oil and gas wells within the City.

- 18. Consideration of Waiving the Third Floor Rental Fee for the Lewisville Area Chamber of Commerce Women's Division Luncheon Event on September 10, 2008.**

**ADMINISTRATIVE COMMENTS:**

The Lewisville Area Chamber of Commerce Women's Division conducts an alternating breakfast and lunch meeting every month. Their September luncheon is scheduled for September 10, 2008 and will include a "Tour of Old Town", where the attendees will visit Chamber members who are located in Old Town. Rental of the third floor is \$150 an hour with a two hour minimum along with a \$500 deposit. They would like to conclude their tour by holding their luncheon on the third floor to showcase Lewisville City Hall and are requesting that the rental fee for this event be waived; however, they will be submitting payment for the deposit.

**RECOMMENDATION:**

That the City Council consider waiving the third floor rental fee for the Lewisville Area Chamber of Commerce Women's Division Luncheon Event on September 10, 2008.

- 19. Authorization for Tourism Staff to Purchase Alcohol on September 15-17, 2008, as Part of the Solicitation Process for the Texas Firefighter Olympics.**

**ADMINISTRATIVE COMMENTS:**

Under Administrative Policies 1.4 Travel and 2.2.3 Drug Free Work Place, city employees are prohibited from purchasing or serving alcohol while on duty. However, the policy does contain a provision for City Council approval of the purchase of alcohol in relation to specific activities. On September 15-17, tourism bureau staff will travel to San Angelo to make a presentation to the selection committee for the Texas Firefighter Olympics in an effort to host the 2010 games. As part of the bid process, the bureau will pay for dinner one evening for the committee, which customarily does include alcoholic beverages for committee members and their guests.

**RECOMMENDATION:**

That the City Council authorize the tourism staff to purchase alcohol on September 15-17, 2008, as part of the solicitation process for the Texas Firefighter Olympics.

**PRESENTATION:** James Kunke, Community Relations & Tourism Director

- 20. Consideration of Waiver of Lake Park Admission Fees for the Collegiate Bass Fishing Championship to be Held September 18-20, 2008.**

**ADMINISTRATIVE COMMENTS:**

The Collegiate Bass Fishing Championship will be held again in Lewisville on Sept. 18-20, 2008. This event has been held in Lewisville all three years of its existence, and is contracted to return in 2009. Last year's tournament produced more than 400 local hotel room-nights and generated extensive media coverage in outlets nationwide. The 2008 event has filled all 100 slots for two-person teams. By policy, participants in a permitted tournament are charged resident rates to enter Lake Park. However, City Council has voted to waive that \$3 fee for large tournaments in the past due to the overall economic and marketing impact of those events.

**RECOMMENDATION:**

That the City Council approve a waiver of Lake Park admission fees on September 18-20, 2008, for participants and staff of the Collegiate Bass Fishing Championship.

**AGENDA  
LEWISVILLE CITY COUNCIL  
SEPTEMBER 8, 2008**

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- H.     **REPORTS:**
- I.     **CLOSED SESSION:** In Accordance with Texas Government Code,  
Subchapter D,
1.     Section 551.072 (Real Estate): Property Acquisition
  2.     Section 551.074 (Personnel):
    - a.     City Manager Claude King
    - b.     City Secretary Julie Heinze
    - c.     City Attorney Ronald J. Neiman
    - d.     Chief Municipal Court Judge Brian Holman
    - e.     Alternate Municipal Court Judges
  3.     Section 551.087 (Economic Development): Deliberation Regarding  
Economic Development Negotiations
- J.     **RECONVENE** into Regular Session and Consider Action, if Any, on Items  
Discussed in Closed Session.
- K.     **ADJOURNMENT**

<p>The City Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by <u>Texas Government Code</u> Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).</p>
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