

City Council  
August 20, 2018

A regular meeting of the Mayor and City Council of the City of Waxahachie, Texas was held in the Council Chamber at City Hall, 401 S. Rogers on Monday, August 20, 2018 at 7:00 p.m.

Council Members Present: Kevin Strength, Mayor  
David Hill, Mayor Pro Tem  
Chuck Beatty, Councilmember  
Mary Lou Shipley, Councilmember  
Melissa Olson, Councilmember

Others Present: Michael Scott, City Manager  
Albert Lawrence, Assistant City Manager  
Robert Brown, City Attorney  
Lori Cartwright, City Secretary

**1. Call to Order**

Mayor Kevin Strength called the meeting to order.

**2. Invocation**

**3. Pledge of Allegiance and Texas Pledge of Allegiance**

Mayor Pro Tem David Hill gave the invocation and led the Pledge of Allegiance and the Texas Pledge of Allegiance.

**4. Public Comments**

Ms. Amy Hedtke, 106 Vanderbilt, Waxahachie, addressed agenda item pertaining to the issuance of Certificates of Obligation and asked Council when the item is presented that the public be allowed to participate in the discussion. She urged to remove the amphitheater project from the Certificates of Obligation. Ms. Hedtke asked council to adopt a lower tax rate to give residents tax relief.

**5. Consent Agenda**

- a. Minutes of the City Council meeting of August 6, 2018
- b. Minutes of the City Council Budget Work Session of August 7, 2018
- c. Set City Council meeting of September 4, 2018
- d. Event application for WISD Dance/Drill Team Color Run
- e. Event application for Community Day at the Park
- f. Event application for Chautauqua Reception

**Action:**

*Mayor Pro Tem David Hill moved to approve items a. through f. on the Consent Agenda. Councilmember Mary Lou Shipley seconded, All Ayes.*

**6. Introduce Honorary Councilmember**

Councilmember Melissa Olson introduced Emily Rauscher as the Honorary Councilmember for the month of August and presented her with a Certificate of Appreciation for her participation in the Honorary Councilmember program.

**7. Request to appear by Anita Brown to present mid-season Farmer's Market Report**

Ms. Anita Brown, Director of Downtown Development, presented the mid-season Farmer's Market Report noting vendors total reported \$99,263.56 compared to last year's mid-season report total of \$79,850.72. She explained one reason for the increase is due to 41 paid vendors this year and the market has high attendance from the community and visitors. Ms. Brown thanked City Council for their support.

**8. Public Hearing on a request by Michael Davis, Bannister Engineering, for a Replat of Lot 16, Block 5, Spanish Grant, Phase II to create Lots 16R1 and 16R2, Block 5, Spanish Grant, Phase II, being 3.292 acres out of the William Ferrell Survey, Abstract 349 (Property ID 155968) in the Extra Territorial Jurisdiction – Owner: NIX JOHNNY E & CARI D (RP-18-0118)**

Mayor Strength opened the Public Hearing.

Mr. Shon Brooks, Director of Planning, reported the applicant wishes to replat one lot into two lots. Staff recommended approval.

There being no others to speak for or against RP-18-0118, Mayor Strength closed the Public Hearing.

**9. Consider approving RP-18-0118**

**Action:**

*Councilmember Mary Lou Shipley moved to approve a request by Michael Davis, Bannister Engineering, for a Replat of Lot 16, Block 5, Spanish Grant, Phase II to create Lots 16R1 and 16R2, Block 5, Spanish Grant, Phase II, being 3.292 acres out of the William Ferrell Survey, Abstract 349 (Property ID 155968) in the Extra Territorial Jurisdiction – Owner: NIX JOHNNY E & CARI D (RP-18-0118). Councilmember Melissa Olson seconded, All Ayes.*

**10. Public Hearing on a request by Chris Acker, Acker Construction, for a Replat of Lot SPT 1 Block 194 of the Town Addition to create Lot 1, Block A, Dunlap Addition, 0.395 acres (Property ID 234842) – Owner: SOUTHFORK LLC (RP-18-0117)**

Mayor Strength opened the Public Hearing.

Mr. Brooks reported Block 194 listed in the Original Town Survey has not been divided by plat noting there are several metes and bounds and a total of eight (8) lots in Block 194 leading to the recommendation that the applicant replat the entire block to get all of the metes and bounds and lots situated and platted properly. He stated the applicant has been notified of this request and it is due hardship on the applicant; therefore, the applicant has requested a petition for a hardship waiver not requiring signatures from the eight (8) property owners surrounding the proposed property. The applicant indicated to staff it would be difficult to get all owners on board and agree to the required easements and setbacks on those existing conditions and they would have to then go back and ask for plats.

Mr. Brooks stated staff received some support and opposition. He stated there were some confusing mailers sent to residents in this area stating a request to buy property noting some opposition responses stated they do not want to sell their property. He stated the applicant is not aware of the mailers to the residents. Mr. Brooks reported staff received support from properties within the notification area and received additional opposition from the property owners on Sadler Street noting they are within the required 200 feet of the notification area.

Mayor Strength asked if the homeowner who spoke in opposition has a reason. Councilmember Melissa Olson stated she spoke to the homeowner and apparently they were getting some mailers requesting to buy their property. Councilmember Olson stated the homeowner spoke in opposition of the applicants request to build noting property owners in the area are not in favor of the project.

Councilmember Olson asked staff the status regarding the abandoned land in the area. Mr. Brooks stated the abandoned alleyway will be included in Mr. Acker's property.

Mr. Chris Acker, 5100 Honeysuckle Road, Midlothian, stated in 1990 the alleyway to the east of this property was abandoned by the city. He stated a sewer line is running through this property and the city will get an access easement. Mr. Acker stated, because of the issues from 1990, he requested a hardship waiver to be allowed to only replat the proposed section.

There being no others to speak for or against RP-18-0117, Mayor Strength closed the Public Hearing.

**11. Consider approving RP-18-0117**

**Action:**

*Mayor Pro Tem David Hill moved to approve a request by Chris Acker, Acker Construction, for a Replat of Lot SPT 1 Block 194 of the Town Addition to create Lot 1, Block A, Dunlap Addition, 0.395 acres (Property ID 234842) – Owner: SOUTHFORK LLC (RP-18-0117) including approval of hardship waiver. Councilmember Chuck Beatty seconded, All Ayes.*

**12. Continue Public Hearing on a request by Verlin Taylor, VKT Associates, for a Zoning Change from a Commercial zoning district to Planned Development-Commercial, with Concept Plan, located at 1501 Dr. Martin Luther King Jr. Blvd., being 272 S M DURRETT 0.3426 ACRES (Property ID 182074) - Owner: VKT ASSOCIATES LLC (PD-18-0079)**

Mayor Strength continued the Public Hearing.

Mr. Brooks reported the request is for a Planned Development for a food truck park noting it is a small site located at Martin Luther King Jr. Boulevard and Graham Street. He stated the applicant proposes a permanent trailer and a permanent restroom facility onsite. TxDOT has denied access from Martin Luther King Jr. Boulevard and applicant reported to staff that there is overflow parking at a church across the street Mr. Brooks stated the applicant has worked with staff and made changes as requested but parking and foot traffic is the main concern of staff.

Mr. Verlin Taylor, applicant, VKT Associates, 2787 N. Houston, Dallas, stated the revised site plan requires a sidewalk and that will be added as well as a dumpster enclosure and landscape buffers. He stated streets such as Perry Street and Parks Schoolhouse Road are in walking distance. Mr. Taylor stated his food truck park will be very similar to the food park in Fort Worth. He stated the food park will be open Thursday through Saturday from 11:00 a.m. to 7:00 p.m.

Those who spoke against PD-18-0079:

Mr. Vincent Jackson, Director, Community Funeral Home, 1412 M.L.K. Jr. Blvd., Waxahachie  
Mr. Jesse Gibson, 105 Crystal Cove, Waxahachie  
Mr. George Pointer, 503 Perry Avenue, Waxahachie

There being no others to speak for or against PD-18-0079, Mayor Strength closed the Public Hearing.

### **13. Consider proposed Ordinance approving Zoning Change No. PD-18-0079**

**Action:**

*Councilmember Melissa Olson moved to deny a request by Verlin Taylor, VKT Associates, for a Zoning Change from a Commercial zoning district to Planned Development-Commercial, with Concept Plan, located at 1501 Dr. Martin Luther King Jr. Blvd., being 272 S M DURRETT 0.3426 ACRES (Property ID 182074) - Owner: VKT ASSOCIATES LLC (PD-18-0079). Councilmember Chuck Beatty seconded, All Ayes.*

### **14. Second Reading of proposed Ordinance approving the SiEnergy Franchise**

Mayor Strength presented the second reading of the proposed ordinance approving the SiEnergy Franchise.

### **15. Consider proposed Ordinance approving SiEnergy Franchise Agreement**

#### **ORDINANCE NO. 3046**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WAXAHACHIE GRANTING TO SIENERGY, L.P. A FRANCHISE TO FURNISH AND SUPPLY GAS TO THE GENERAL PUBLIC IN THE CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS (“CITY”), FOR THE TRANSPORT, DELIVERY, SALE, AND DISTRIBUTION**

**OF GAS IN, OUT OF, AND THROUGH THE CITY FOR ALL PURPOSES; PROVIDING FOR THE PAYMENT OF A FRANCHISE FEE FOR THE USE OF THE CITY'S STREETS, ALLEYS, AND PUBLIC RIGHTS-OF-WAY; REQUIRING COMPLIANCE WITH ALL REGULATORY ORDINANCES OF THE CITY; AND PROVIDING FOR OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF**

**Action:**

*Councilmember Mary Lou Shipley moved to approve Ordinance No. 3046 as presented. Councilmember Chuck Beatty seconded, All Ayes.*

**16. Consider proposed Ordinance providing for the Issuance of City of Waxahachie, Texas Combination Tax and Revenue Certificates of Obligation Series, 2018, in an aggregate principal amount not to exceed \$14,500,000 and ordaining other matters relating to the subject**

Mr. Charlie Harris, Director of Finance, presented an approximate breakdown of funds as follows:

- Street projects \$4,200,000
- Water projects \$2,400,000
- Wastewater projects \$4,900,000
- Amphitheater project \$3,000,000

Mr. Harris explained the street projects will be paid by ad valorem taxes and water and wastewater projects will be paid out of their funds. Mr. Harris explained the Amphitheater project will be paid out of the Waxahachie Community Development Corporation sales tax and the Tax Increment Reinvestment Zone #1 sales tax noting this is allowed for properties in the downtown area.

Mr. Harris stated generally governmental debt is paid from the debt rate. He presented a Debt Rate Chart noting the debt is lower than where it was since 2013. He explained from 2016 to 2018 the same debt rate is currently lower by approximately 40 percent.

Mr. Harris presented a City Comparison Tax Rate Chart noting Waxahachie has the lowest tax rate. He stated two (2) cities have a lower debt rate and have a much higher tax rate. Mr. Harris stated on the debt per capita there are three (3) cities that have a lower rate than Waxahachie and they have a much higher tax rate.

Mr. Harris stated bonds are protected for 10 years and after that, if the market is in your favor, you can call them and reissue them at a lower rate. Once the call protection passes, numbers are ran and sometimes the city can save a lot of money. He explained bonds mature every year even if we don't reissue and we pay them off due to their mature date.

Mayor Pro Tem David Hill asked Mr. Harris to explain the Robert W. Sokoll Water Treatment Plant. Mr. Harris stated there was \$53 million of bonds issued and a separate agreement made with Rockett Specialty Utilities District noting they own one-half and they pay one-half. He stated the receivables reflect the payments.

Councilmember Olson asked why we keep coming back to issue bonds. Mr. Harris stated there is an approach in municipal finance that doesn't have a parallel to personal finance and a certain aspect in municipal debt that doesn't compare to personal debt. He explained if the city paid cash for a street then newly arriving citizens have not help pay for that street noting if an entity issues debt we can give part of that debt to newly arriving citizens and therefore not having to pay 100 percent.

Ms. Marty Schull, Hilltop Securities Inc., announced the credit rating for the city was upgraded to the upper 40 percent of Moody's rating scale which translates to very favorable interest rates.

Mayor Strength asked if the city owes \$200 million dollars in bonds. Mr. Harris stated the city owes approximately \$120 million.

### **ORDINANCE NO. 3047**

**ORDINANCE PROVIDING FOR THE ISSUANCE OF CITY OF WAXAHACHIE, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,500,000, AND ORDAINING OTHER MATTERS RELATING TO THE SUBJECT**

**Action:**

*Councilmember Chuck Beatty moved to approve Ordinance No. 3047 as presented. Councilmember Mary Lou Shipley seconded. The vote was as follows:*

*Ayes: Kevin Strength  
David Hill  
Chuck Beatty  
Mary Lou Shipley*

*Noes: Melissa Olson*

**The motion carried.**

**17. Discuss potential policy for placing items on City Council agenda**

Mayor Strength stated it is his recollection that Councilmember Olson had some questions about putting items on the agenda and also his understanding from the beginning that without a policy, which we do not have, that the AG opinion allows members of council to place items of their choosing on the council agenda. He stated we are going to try to run it through staff because they may have some answers. However, every member of this council has the ability to put something on the agenda.

Councilmember Melissa Olson stated she agreed with the Mayor and quoted Texas government code 551.041 noting this proves what the Mayor stated in the absence of a written formal procedure, councilmembers have the same right to the agenda. She stated since council has a right, she sees no reason putting a policy in place.

**18. Convene into Executive Session to discuss the purchase or lease and value of, real estate as permitted under Section 551.072 of the Texas Government Code and to discuss Boards and Commissions Appointments as permitted by the Texas Government Code, Section 551.074**

Mayor Strength announced at 8:35 p.m. the City Council would convene into Executive Session to discuss the purchase or lease and value of, real estate as permitted under Section 551.072 of the Texas Government Code and to discuss Boards and Commissions Appointments as permitted by the Texas Government Code, Section 551.074.

**19. Reconvene and take any necessary action**

The meeting reconvened at 9:37 p.m.

**Action:**

*Councilmember Mary Lou Shipley moved to enter into a purchase agreement for what is known as the Magnablend property pursuant to a real estate agreement with Univar and subject to the acceptable final environmental clearance. Mayor Pro Tem David Hill seconded. The vote was as follows:*

*Ayes: Kevin Strength  
David Hill  
Chuck Beatty  
Mary Lou Shipley*

*Noes: Melissa Olson*

**The motion carried.**

**20. Comments by Mayor, City Council, City Attorney and City Manager**

Councilmember Melissa Olson thanked the council for their teamwork in executive session. She stated that she is definitely in favor of the direction the city is going and looking forward to things we have ahead. She stated the reason she did not approve the item just voted on was because she is just not comfortable with it.

City Manager Michael Scott announced the following dates:

Tuesday, August 21 at 3:00 p.m. - dedication of the new utility building  
Wednesday, August 22 at 1:00 p.m. – First Public Hearing on Tax Rate  
Saturday, August 25 at 8:30 a.m. – Fire Personnel Promotions at Station 2  
Saturday, August 25 at 9:00 a.m. – Open House at the new Waxahachie Police Station

Mr. Scott stated the adoption of the budget and tax rate has been rescheduled to September 20 and asked Council what their preference time for the meeting. The consensus of Council was to have the meeting at 12:00 p.m.

**21. Adjourn**

*There being no further business, Mayor Pro Tem David Hill moved the meeting adjourn at 9:42 p.m. Mayor Kevin Strength seconded, **All Ayes.***

Respectfully submitted,

Lori Cartwright  
City Secretary