



**MINUTES REGULAR  
COUNCIL MEETING**

**Tuesday, August 28, 2018 – 7:00 pm**  
Police and Courts Building, 100 West Main Street  
Royse City, Texas

**A. CALL TO ORDER 7:02 PM BY MAYOR NICHOL**

Announce the presence of a quorum.

- Members Present: Mayor, Janet Nichol  
Council Member Place 1, Charles Houk  
Mayor Pro Tem, Council Member Place 2, Clay Ellis  
Council Member Place 3, Bruce Bradley  
Council Member Place 5, James Branch  
Council Member, Place 6, Tom Crowley
- Members Absent: Council Member Place 4, Matt Wheatley
- Staff Present: City Manager, Carl Alsabrook  
City Attorney, Jason Day  
City Secretary, Deborah Sorensen  
Director of Finance, Shannon Raymond  
Director of Development & Community Services, Rob Cooper  
Police Chief, Jeff Stapleton  
Fire Chief, Rickey Bell  
Fire Marshall, Tanner Dietz  
Director of Public Works, Dario Lopez  
Parks & Facilities Superintendent, Martin Torres  
Director of HR, Tauna Ratliff  
Executive Director of Community Development Corp., Larry Lott

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

Mayor Pro Tem Ellis gave invocation and led the Pledge of Allegiance.

**C. NEW EMPLOYEE**

- 1. Magdalena Desalvo – Administrative Assistant  
Chief Stapleton introduced Magdalena Desalvo and gave a brief background.

**D. CITIZENS PARTICIPATION**

None

**E. RECESS CITY COUNCIL MEETING AT 7:03 PM**

**F. PUBLIC HEARING**

- 1. Take testimony concerning the proposed tax rate of \$0.6215 per \$100 value for fiscal year 2018-2019.

No one spoke for or against.

Mayor Nichol announced the next public hearing will be next Tuesday, September 4<sup>th</sup> and the tax rate is scheduled to be adopted Tuesday, September 11<sup>th</sup>.

2. Take testimony in accordance with Chapter 372 of the Texas Local Government Code, concerning the petition filed by Young & Sun Yoo on July 20, 2018 requesting that the City create a public improvement district to include the property consisting of 109.509 acres and located within the City Limits of the City; regarding the advisability of the improvements to be made for the benefit of the property within the public improvement district.

No one spoke for or against.

Council Member Branch made a motion to continue the public hearing to September 11<sup>th</sup>. Council Member Bradley seconded the motion. **Motion passed 6-0.**

**G. CLOSE PUBLIC HEARING AT 7:06 PM**

**H. RECONVENE CITY COUNCIL MEETING AT 7:06 PM**

**I. CONSENT AGENDA**

1. City Council Minutes: August 7, 2018 and August 14, 2018

Council Member Branch made a motion to approve the Consent Agenda. Mayor Pro Tem Ellis seconded the motion. **Motion passed 6-0.**

**J. BUSINESS**

1. Discussion concerning monthly revenue and expenditure report for July 2018, and any matters related thereto.

Shannon Raymond presented the February monthly revenue and expenditure report. Sales tax represents 23% of General Fund revenues. July 2018 receipts are for May sales and were 19.26% higher compared to July 2017 receipts after 380 rebates. Water/Sewer revenues and expenditures are within their budgeted thresholds.

2. Consider and act concerning approval of an Ordinance Authorizing the Issuance and Sale of City of Royse City, Texas Combination Tax and Revenue Certificates of Obligation, Series 2018; levying an annual ad valorem tax and providing for the security for and payment of said certificates of obligation; providing an effective date; and enacting other provisions relating to the subject, and any matters relating thereto.

Shannon Raymond introduced Stephen Adams, with Specialized Public Finance Inc. Mr. Adams stated that this morning they competitively bid \$3,265,000 Combination Tax and Revenue Certificates of Obligation, Series 2018 (the "Certificates"). The City received seven bids on the Certificates with FTN Financial Capital Markets submitting the winning bid at a true interest cost of 3.034%. The Certificates will have an aggregate project fund deposit of \$3,250,000. The financing will fund street drainage, fire engine replacement, fire truck replacement, police vehicles, park improvements, and facility improvements. The proposed Certificates will be used to finance projects with differing useful lives. As such, some portions will be financed over 3 and 10 years, with the remainder financed over 20 years. Closing is set to occur on September 25, 2018. Specialized Public Finance Inc., recommends Royse City approve the sale of the

\$3,265,000 Combination Tax and Revenue Certificates of Obligation, Series 2018 to FTN Financial Capital Markets.

Council Member Crowley made a motion to accept the recommendation and authorize the issuance and sale of the Certificates of Obligation. Council Member Bradley seconded the motion. **Motion passed 6-0.**

3. Consider and act concerning approval of an Ordinance Adopting the 2018 Annual Service Plan Update including the collection of the 2018-2019 annual installments for the Union Square Public Improvement District, and any matters related thereto.

Shannon Raymond stated the Union Square PID was created in May 2015. Of the 500 planned lots, Phase 1 (152 lots) and Phase 2 (138 lots) have been final platted. The remaining phases have received preliminary plats. P3Works has prepared the service plan update and assessment roll. Mary Petty, with P3Works, stated this is a reimbursement PID. No bonds were issued. Statute requires that you update your Service and Assessment Plan at least annually.

Mayor Pro Tem Ellis made a motion to approve the Ordinance adopting the 2018 Annual Service Plan Update for Union Square Public Improvement District. Council Member Houk seconded the motion. **Motion passed 6-0.**

4. Consider and act concerning approval of an Ordinance Adopting the 2018 Annual Service Plan Update including the collection of the 2018-2019 annual installments for the Waterscape Public Improvement District, and any matters related thereto.

Mary Petty, with P3Works, stated the Waterscape PID is located in Rockwall County and the Royse City ETJ. Bonds were issued for this project prior to the completion of the infrastructure. As the developer continued construction, draws were made against the bonds. Statute requires that you update your Service and Assessment Plan at least annually.

Council Member Crowley asked when the builder is notifying the buyer of the PID tax. Mary responded the developer is required by the statute to provide a disclosure to all of the builders. That form has been executed and is on the P3Works website. The builder is required to provide a disclosure to every individual they sell property to. They have all of the information about the PID. A Homebuyer's Disclosure is provided at the closing and all of the PID information is in the disclosure.

Council Member Bradley made a motion to adopt the 2018 Annual Service Plan Update for Waterscape Public Improvement District. Mayor Pro Tem Ellis seconded the motion. **Motion passed 6-0.**

5. Consider and act concerning approval of an Ordinance Adopting the 2018 Annual Operations and Maintenance (O&M) Service Plan Update including the collection of the 2018-2019 annual installments for the Waterscape Public Improvement District, and any matters related thereto.

Mary Petty, with P3Works, stated the Waterscape PID is located in Rockwall County and the Royse City ETJ. Statute requires that you update your Service and Assessment Plan at least annually. This is for road maintenance and public safety services contracted for the PID. If at any time the PID is annexed, then the O&M would go away, since the services would be covered under the ad valorem taxes. Because the subdivision of property occurred after January 1, 2018, there will not be an assessment due this year.

Council Member Houk made a motion to approve the Ordinance Adopting the 2018 Annual Operations and Maintenance Service Plan Update including the collection of the 2018-2019 annual installments for the Waterscape Public Improvement District. Mayor Pro Tem Ellis seconded the motion. **Motion passed 6-0.**

6. Consider and act concerning approval of a Capital Improvement Agreement with DFW Devco, LLC, regarding Parkside Village, and any matters related thereto.

Carl Alsabrook stated this project that is requesting a PID. This just sets up the contractual basis of putting in infrastructure. The Public Improvement District will be discussed at a later date.

Council Member Crowley asked what will be the average PID tax and how will it benefit our city. Ryan Burton, with Parkside Village, responded that they have to disclose immediately that there is a PID tax. He doesn't know what the dollar amount of the PID yet. They are proposing 109 acre project, with ten acres being donated to the city for park land. There will be a HOA with amenities and have to build the amenities within the first twelve months of the initial building.

Council Member Branch made a motion to approve the Capital Improvement Agreement with DFW Devco regarding Parkside Village. Council Member Houk seconded the motion. **Motion passed 5-1**, with Council Member Crowley voting against.

7. Consider and act concerning awarding a contract for fire station remodel to Makk Construction in the amount of \$25,850, and any matters related thereto.

Tanner Dietz stated the Fire Station remodel is to accommodate fire personnel at the facility, additional sleeping quarters, additional space for the new fire engine, kitchen renovation, and HVAC reworking.

Council Member Branch made a motion to award the contract for fire station remodel to Makk Construction. Council Member Crowley seconded the motion. **Motion passed 6-0.**

8. Consider and act concerning an Interlocal Cooperation Agreement between Rockwall County and the City of Royse City for the Provision of Emergency Dispatch Services in the amount of \$58,000, for a period of October 1, 2018 through September 31, 2019, and any matters related thereto.

Carl Alsabrook stated this contract is with the sheriff's department. They do dispatch for both the police and fire department. It was only raised by \$1,000.

Council Member Crowley made a motion to authorize the Emergency Dispatch Services in the amount of \$58,000. Council Member Branch seconded the motion. **Motion passed 6-0.**

9. Consider and act concerning condemnation of sewer line easement located on Elm Street between the railroad tracks and Main Street on the west side, and any matters related thereto.

This agenda item was moved to the end of business.

10. Consider and act concerning continuation with the Royse City Herald Banner or possible bid on the official newspaper, and any matters related thereto.

Carl Alsabrook stated this is something we have to do annually. There is concern that we don't get service from the Royse City Herald Banner. There are issues as to what other newspapers we can use. Carl confirmed that we do not have a reporter

assigned to our city. Jason Day stated that the official newspaper is for publishing notices and ordinances. The newspaper has to have a second class entry permit and several other requirements. It has to meet the statutory deadline requirements. There aren't any other newspapers in the county that meet the statutory deadline requirements. Council Member Crowley stated that we have not had a reporter at City Council meetings. We have not had any stories in a long time. He is disappointed with the coverage. Mayor Nichol agreed.

Council Member Houk made a motion to continue with the Royse City Herald Banner as the official newspaper until September 11th. Mayor Pro Tem Ellis seconded the motion. **Motion passed 4-2**, with Council Member Branch and Council Member Crowley voting against.

11. Discussion concerning City Manager update: Development, and any matters related thereto.

Carl Alsabrook reported a traffic signal was put in at FM 35 and FM 2453. He stated that we can thank Senator Hall for getting the traffic signal. FM 2642 Overpass Project continues, with one bridge being torn down. The widening of FM 2642 will begin on the north end and move south. There will be construction on Highway 66 going towards Caddo Mills. All service roads will be one-way in September. Buc-ee's is making rapid progress. We continue to get a lot of interest in raw land available.

9. Consider and act concerning condemnation of sewer line easement located on Elm Street between the railroad tracks and Main Street on the west side, and any matters related thereto.

Jason Day introduced Mark Vincent who is attending on behalf of his client. Mr. Vincent stated that his client has offered triple the value of the sewer easement to Mr. Dennis, which was turned down. Mr. Vincent's client is willing to pay for the condemnation of the sewer line easement. They have to have sewer. Jason Day recommended going into executive session to further discuss this item.

**G. RECESS CITY COUNCIL MEETING AT 7:53 PM**

**H. EXECUTIVE SESSION**

Recess into Closed Session in compliance with Section §551.001 etseq. Texas Government Code, to wit:

Section §551.071 – Consultation with City Attorney

Section §551.087 – Deliberation regarding Economic Development Negotiation and

Section §551.074 – Personnel Matters

1. Discussion concerning condemnation of sewer line easement located on Elm Street between the railroad tracks and Main Street on the west side.
2. Discussion concerning Community Development Corporation (CDC) Incentive Request for potential tenant in strip center, not to exceed \$100,000.
3. To deliberate annual evaluations of the City Manager, City Attorney, City Secretary, and Municipal Judge.

**I. CLOSE EXECUTIVE SESSION AT 9:53 PM**

**J. RECONVENE CITY COUNCIL MEETING AT 9:53 PM**

1. Further discussion and possible action from Executive Session concerning condemnation of sewer line easement located on Elm Street between the railroad tracks and Main Street on the west side, and any matters related thereto.

Mayor Pro Tem Ellis made a motion to table this item until the September 4<sup>th</sup> meeting. Council Member Bradley seconded the motion. **Motion passed 5-1**, with Council Member Branch voting against.

2. Further discussion and possible action from Executive Session regarding the Community Development Corporation (CDC) Incentive Request for potential tenant in strip center, not to exceed \$100,000.00, and any matters related thereto.

Council Member Branch made a motion to approve the Incentive Request not to exceed \$100,000. Council Member Crowley seconded the motion. **Motion passed 6-0**.

3. Further discussion and possible action from Executive Session concerning the annual evaluations for the City Manager, City Attorney, City Secretary, and Municipal Judge, and any matters related thereto.

No action taken.

#### **K. FUTURE AGENDA ITEMS**

1. Consider and/or action to determine and direct City Staff in scheduling topics for discussion at future City Council Meetings, and any matters related thereto.

None

#### **L. ADJOURN AT 9:55 PM**

Council Member Houk made a motion to adjourn the meeting. Council Member Crowley seconded the motion. **Motion passed 6-0**.

  
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Janet Nichol, Mayor

ATTEST:

  
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Deborah Sorensen, TRMC, CMC, City Secretary

