City Council of Royse City, Texas

MINUTES REGULAR COUNCIL MEETING

Tuesday, September 10, 2019 – 7:00 pm
Police and Courts Building, 100 West Main Street
Royse City, Texas

A. CALL TO ORDER 7:00 PM BY MAYOR NICHOL

Announce the presence of a quorum.

Members Present: Mayor, Janet Nichol
Mayor Pro Tem, Council Member Place 2, Clay Ellis
Council Member Place 3, Bruce Bradley
Council Member Place 4, Matt Wheatley
Council Member Place 5, James Branch
Council Member, Place 6, Tom Crowley

Staff Present: City Manager, Carl Alsabrook
City Attorney, Jason Day
City Secretary, Deborah Sorensen
Assistant City Secretary, Camille Johnson
Director of Finance, Shannon Raymond
Director of Develop. & Community Services, Rob Cooper
Police Chief, Jeff Stapleton
Fire Marshal, Tanner Dietz
Parks & Facilities Superintendent, Martin Torres
Director of HR, Tauna Ratliff
Main Street Manager, Paula Morris
Executive Director of Community Development Corp., Charles Houk

B. INVOCATION AND PLEDGE OF ALLEGIANCE

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

C. CITIZENS PARTICIPATION

Russ Flanigan, 216 Welch Road – stated the police and fire departments don't get recognize enough so he wanted to thank them by giving gift cards to each officer and firefighter.

D. CONSENT AGENDA

1. City Council Minutes: August 27, 2019 Regular Meeting, August 29, 2019 Special Meeting, and September 3, 2019 Special Meeting
2. Approve Interlocal Cooperative Purchasing Agreement with the City of North Richland Hills; authorizing the City Manager to sign all documents related thereto.

Council Member Branch made a motion to approve the consent agenda. Council Member Crowley seconded the motion. **Motion passed 6-0**.

E. BUSINESS

1. Consider and act concerning an Ordinance Amending the FY 2018-2019 Annual Budget, and any matters related thereto.

   Carl Alsabrook stated that some of the items that were approved in the FY 2018-2019 Annual Budget may not be completed by September 30, 2019. This would amend the budget.

   Mayor Pro Tem Ellis made a motion to amend the Fiscal Year 2018-2019 Budget. Council Member Wheatley seconded the motion. **Motion passed 6-0.**

2. Consider and act concerning an Ordinance Adopting the Annual Budget for the City of Royse City, Texas for the fiscal period of October 1, 2019 through September 30, 2020; providing for intra-fund and/or intra-departmental transfers; providing for investment of idle funds; and declaring an effective date, and any matters related thereto.

   Carl Alsabrook stated this is the final budget. If you want to make any changes, now is the time to do it.

   Council Member Wheatley made a motion to approve the Ordinance adopting the annual budget for Fiscal Year 2019-2020. Council Member Bradley seconded the motion. **Motion passed 6-0,** with the roll call vote as follows:

   Mayor Pro Tem Ellis – yes
   Council Member Bradley – yes
   Mayor Nichol – yes
   Council Member Wheatley – yes
   Council Member Branch – yes
   Council Member Crowley - yes

3. Consider and act concerning an Ordinance fixing the tax rate/levy for Tax Year 2019 and Fiscal Year 2019-2020 Budget at $0.6215 per $100 valuation, and any matters related thereto.

   Carl Alsabrook stated the tax rate is the same tax rate as last year.

   Mayor Pro Tem Ellis made a motion that the property tax rate be increased by the adoption of a tax rate of $0.6215, which is effectively a 7.6% increase in the tax rate. Council Member Bradley seconded the motion. **Motion passed 6-0,** with the roll call vote as follows:

   Mayor Pro Tem Ellis – yes
   Council Member Bradley – yes
   Mayor Nichol – yes
   Council Member Wheatley – yes
   Council Member Branch – yes
   Council Member Crowley - yes

4. Consider and act concerning ratifying the Property Tax Revenue increase reflected in the FY 2019-2020 Budget, and any matters related thereto.

   Carl Alsabrook stated even though we have the same tax rate, there is new growth with reflects an increase in the property tax revenue.

   Council Member Wheatley made a motion to ratify the property tax revenue increases reflected in the city's annual budget for FY 2019-2020. Mayor Pro Tem Ellis seconded the motion. **Motion passed 6-0,** with the roll call vote as follows:

Mayor Pro Tem Ellis – yes
Council Member Bradley – yes
Mayor Nichol – yes
Council Member Wheatley – yes
Council Member Branch – yes
Council Member Crowley - yes

5. Consider and act concerning an Ordinance Authorizing the Issuance and Sale of City of Royse City, Texas Combination Tax and Revenue Certificates of Obligation, Series 2019; 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.

   Stephen Adams, with Specialized Public Finance Inc., stated that this morning they competitively bid Combination Tax and Revenue Certificates of Obligation, Series 2019. The City received three bids on the Certificates with Raymond James & Associates, Inc. submitting the winning bid at a true interest cost of 2.49%. The Certificates carry an underlying rating of "AA-" by Standard & Poor's Global Ratings ("S&P"). The Certificates will be used for constructing, acquiring, improving and equipping public safety buildings and facilities, including buildings and facilities for fire department and police department; and paying the costs of issuing the Certificates. The Certificates will amortize over 20-year period. Closing is set to occur on September 26, 2019. Specialized Public Finance Inc. recommends Royse City approve the sale of the $5,005,000 Combination Tax and Revenue Certificates of Obligation, Series 2019 to Raymond James & Associates, Inc.

   Mayor Pro Tem Ellis made a motion to approve Ordinance Authorizing the Issuance and Sale of City of Royse City, Texas Combination Tax and Revenue Certificates of Obligation, Series 2019. Council Member Bradley seconded the motion. **Motion passed 6-0.**

6. Consider and act concerning a Community Development Corporation (CDC) Incentive Request to Resolute Compliance, LLC to offset costs associated with construction costs of facility located 115 FM 2453, not to exceed $33,000.00, and any matters related thereto.

   Mayor Pro Tem Ellis stepped down from the dais due to a conflict of interest.

   Charles Houk stated the CDC has approved an incentive request from Resolute Compliance, LLC to offset a portion of the costs to build out a 3,770 square ft office space located at 115 FM 2453. Resolute Compliance will offer environmental, health, safety, regulatory, and construction compliance services across multiple industries. Resolute Compliance will immediately bring 8 professional jobs to the community and the office build out will increase ad valorem tax assessment.

   The grant is a reimbursable grant for 25% of next construction cost not to exceed $33,000 contingent upon meeting or exceeding the requirements outlined in an executed Performance Agreement between the CDC and the developer of this project.

   Council Member Branch asked what else the company brings to the community besides the 8 jobs. Charles responded that there is no sales tax dollars directly associated with the company. They anticipate in three years having more than 20 jobs. Jobs like geologists, engineers, CPAs, and auditors. They will be high paying jobs. As the employees work in the community they will be going to lunch in the community and possibly move to the community to be close to their job. Council

Member Branch stated that this is a very high end, high revenue generating business. He asked why they needed our money. Charles responded do you want them in our community or not.

Council Member Bradley made a motion to approve the incentive request from Resolute Compliance, LLC. Council Member Wheatley seconded the motion. **Motion passed 4-1,** with Council Member Branch voting against.

Mayor Pro Tem Ellis returned to the dais.

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

   Carl Alsabrook stated regarding roadway repairs, public works are in the process of completing major concrete repairs in Hidden Creek, they have completed 50% of the concrete repair to the entrance of Highlands of McKamey. They have also done some work in Rustic Meadows. They have completed drainage projects on Walnut Street and are nearing completion of College Street.

   Pappy's Car Wash is set to open any time now. Dr. Sanders' project on Main Street is moving forward. Smoke Session is also moving forward.

F. 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

G. ADJOURN AT 7:24 PM

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

Janet Nichol, Mayor

CITY OF ROYSE CITY SEAL TEXAS

ATTEST:

Deborah Sorensen, TRMC, CMC, City Secretary