



City of Mesquite, Texas

Minutes - Final City Council

Monday, August 17, 2020

5:00 PM

City Hall | Training Rooms A&B
757 N. Galloway | Mesquite, Texas

Present: Mayor Bruce Archer and Councilmembers Robert Miklos, Dan Aleman, Tandy Boroughs, Kenny Green, B. W. Smith and Sherry Wisdom, City Manager Cliff Keheley and City Secretary Sonja Land.

In accordance with the Governor's suspension of various provisions of the Texas Open Meetings Act issued pursuant to his State Disaster Authority, and guidance issued on the suspension by the Texas Attorney General's Office, a quorum of the City Council attended the meeting by videoconference or in person in Training Rooms A & B, located at 757 North Galloway Avenue, Mesquite, Texas, and practiced social distancing. The meeting location was not open to the public.

This meeting was streamed live at www.cityofmesquite.com/watchcouncilmeetings and on Facebook at www.facebook.com/cityofmesquitetx, as well as on Spectrum Digital Channel 16 and AT&T U-verse Channel 99.

Members of the public were allowed to participate by telephone conference.

PRE-MEETING - TRAINING ROOMS A&B - 5:00 P.M.

AGENDA REVIEW

STAFF PRESENTATIONS

- 1 Receive briefing from representatives of Emergency Services Consulting International regarding the results of the 2020 City of Mesquite Fire Department Agency Evaluation & Fire Station Location Study.
- 2 Discuss the proposed budget for Fiscal Year 2020-21.

EXECUTIVE SESSION - COUNCIL CONFERENCE ROOM - 6:33 P.M.

Mayor Archer announced that the City Council would meet in Executive Session pursuant to Section 551.071 of the Texas Government Code to conduct a private consultation with its attorney related to pending or contemplated litigation; a settlement offer; and issues in which there exists a duty of the City Attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas (Agenda Item No. 15); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 6:40 p.m., the City Council reconvened in Open Session.

See Agenda Item No. 15 for executive action taken.

REGULAR CITY COUNCIL MEETING - TRAINING ROOMS A&B - 7:00 P.M.**INVOCATION**

Karl Tingle, Lead Pastor, Casa View Baptist Church, Garland, Texas.

PLEDGE OF ALLEGIANCE

City of Mesquite Staff.

SPECIAL ANNOUNCEMENTS

1. Mr. Green thanked the Mesquite Police Department (MPD) for increasing efforts to address street racing. This week, MPD intervened in a street racing event and safely made an arrest after a short pursuit. Street racing threatens the safety of not only those who are racing, but also spectators, other motorists and pedestrians. He encouraged citizens to call 911 if they witness any street racing.
2. Ms. Wisdom stated that Keep Mesquite Beautiful, Inc., has announced the 2020 Native Beauty of Mesquite Photo Contest. She encouraged citizens to take photos of plants, flowers, birds or other animals found in Mesquite. Winners of this contest will be eligible to win some great prizes.
3. Mr. Aleman stated that from June through October, members of the Keep Mesquite Beautiful Landscape Committee selects up to five Mesquite residences to receive the Yard of the Month Award. Recent winners include Wayne Dennis, Fred and Debbie Bayer and Bobby Shires. He thanked these citizens for taking pride in their neighborhoods. To nominate your yard or a neighbor's yard, visit www.cityofmesquite.com/YardoftheMonth.
4. Mr. Aleman reminded citizens to be considerate and kind to others while out in the community.
5. Mr. Smith reminded citizens to be safe by wearing masks covering their nose and mouth.
6. Mr. Smith stated that several months ago, the Mesquite Police Department (MPD) Narcotics Unit began an investigation that led to the arrest of a low-level local narcotics dealer. That investigation led to the arrest of numerous high-level narcotics traffickers involved in a larger-scale drug trafficking organization suspected of transporting thousands of pounds of illegal drugs into Texas and across the United States. MPD and the Drug Enforcement Administration (DEA) executed multiple search warrants that resulted in arrests and the seizure of illegal drugs and guns. He thanked the MPD for keeping Mesquite and neighborhoods safe.
7. Mr. Miklos stated that as a part of the national Clear the Shelters campaign, the Mesquite Animal Shelter (MAS) will offer free pet adoptions from August 24, 2020, through August 29, 2020. The MAS will be open special hours on Saturday, August 29, 2020, from 10:00 a.m. to 5:00 p.m. The free adoption also includes sterilization, micro chipping, vaccinations and deworming. He encouraged citizens to consider adopting a pet during this special event.
8. Mr. Miklos stated that today is the first day of school for students in the Mesquite Independent School District (MISD). Even though he no longer has children attending MISD, he continues to support MISD's efforts in providing the children in our community with a quality education.
9. Mr. Boroughs stated that two large studies, which focused on firefighter safety, concluded that firefighters have a nine percent higher risk of being diagnosed with cancer and a 14 percent higher risk in cancer-related deaths, compared to the average person in the United States. The Mesquite Fire Department (MFD) recently completed a two-year strategic and comprehensive program to improve firefighter health. He thanked the MFD for this achievement and for the City Council for budgeting for new bunker gear and extractor equipment to help reduce dangerous cancer-causing agents.

10. Mayor Archer stated that on August 18, 1920, women officially gained the right to vote with the passage and ratification of the 19th Amendment of the United States Constitution. This week and throughout the month of August 2020, he asked the community to celebrate the 100th Anniversary of the 19th Amendment, guaranteeing and protecting women's constitutional right to vote. He encouraged citizens to post stories on social media about women in Mesquite who have made a difference in their lives.

11. Mayor Archer reminded citizens to treat each other with respect and kindness. He encouraged all residents to take some time out of their day on Saturday, August 22, 2020, and spend time in their yard greeting neighbors.

12. Mr. Aleman stated that he wanted to take the opportunity to honor his Mother-In-Law, a Mesquite resident, who recently passed away at the age of 95. He thanked everyone who reached out to his family during this difficult time.

CITIZENS FORUM

Mitchell Taylor, 1129 Covington Drive, expressed concerns regarding the increase in his water bills.

CONSENT AGENDA

Approval of the Consent Agenda

Mr. Miklos requested that Item Nos. 11 and 16 be removed from the Consent Agenda to be considered separately. Mr. Boroughs moved to approve the remaining items on the Consent Agenda, as follows. Motion was seconded by Mr. Miklos and approved unanimously.

- 4 Minutes of the regular City Council meeting held August 3, 2020.

Approved on the Consent Agenda.

- 5 An ordinance amending the budget for the Fiscal Year 2019-20 as heretofore approved by Ordinance No. 4719 of the City of Mesquite, Texas, adopted on September 16, 2019, and later amended by Ordinance No. 4755 on January 21, 2020, by appropriating and setting aside the necessary funds out of the general and other revenues of the City of Mesquite for Fiscal Year 2019-20, for the maintenance and operation of various departments and activities of the City, for capital and other improvements of the City and for all other expenditures included in said second amended budget.

Approved on the Consent Agenda.

Ordinance No. 4800, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE BUDGET FOR THE FISCAL YEAR 2019-20 AS HERETOFORE APPROVED BY ORDINANCE NO. 4719 OF THE CITY OF MESQUITE, TEXAS, ADOPTED ON SEPTEMBER 16, 2019, AND LATER AMENDED BY ORDINANCE NO. 4755 ON JANUARY 21, 2020, BY APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES OF THE CITY OF MESQUITE FOR FISCAL YEAR 2019-20 FOR THE MAINTENANCE AND OPERATION OF VARIOUS DEPARTMENTS AND ACTIVITIES OF THE CITY, FOR CAPITAL AND OTHER IMPROVEMENTS OF THE CITY AND FOR ALL OTHER EXPENDITURES INCLUDED IN SAID SECOND AMENDED BUDGET; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE. (Ordinance No.

4800 recorded in Ordinance Book No. 121.)

- 6 A resolution approving and adopting the 2020-2024 Community Development Block Grant Consolidated Plan (CDBG) and the Program Year 2020-21 Community Development Block Grant Annual Action Plan.

Approved on the Consent Agenda.

Resolution No. 33-2020, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING AND ADOPTING THE 2020-2024 COMMUNITY DEVELOPMENT BLOCK GRANT CONSOLIDATED PLAN AND THE PROGRAM YEAR 2020-21 COMMUNITY DEVELOPMENT BLOCK GRANT ANNUAL ACTION PLAN. (Resolution No. 33-2020 recorded in Resolution Book No. 60.)

- 7 RFP No. 2018-070 - Medical Administrative Services Only (ASO) for Medical and Pharmacy Benefits.
(Authorize the City Manager to finalize and execute an updated Third-Party Administrative Services Agreement with Blue Cross Blue Shield of Texas to provide medical coverage for full-time employees and under age 65 retirees effective January 1, 2020. The City Manager is authorized to exercise the final renewal option for 2021, subject to annual appropriation of sufficient funds.)

Approved on the Consent Agenda.

- 8 Bid No. 2019-084 - Annual Supply of Petroleum Products.
(Authorize the City Manager to finalize and execute the first renewal of the contract with low bidder Southwest Distributing Company in the amount of \$85,544.80. The term of this renewal contract is for a one-year period with three one-year renewal options remaining. The City Manager is authorized to exercise the renewal options, subject to annual appropriation of sufficient funds.)

Approved on the Consent Agenda.

- 9 Bid No. 2020-082 - Annual Supply of Vehicle and Equipment Batteries.
(Authorize the City Manager to finalize and execute a contract with Continental Battery Company, in the amount of \$63,382.00. The term of this contract is for one year, with four additional one-year renewal options. The City Manager is authorized to exercise the renewal options, subject to annual appropriation of sufficient funds.)

Approved on the Consent Agenda.

- 10 Bid No. 2020-089 - Annual Supply of Heavy-Duty Chevrolet Truck OEM Parts.
(Authorize the City Manager to finalize and execute a contract with low bidder AutoNation Chevrolet with a 12 percent markup from dealer cost, in the amount of \$51,000.00. The term of this contract is for one year, with four additional one-year renewal options. The City Manager is authorized to exercise the renewal options, subject to annual appropriation of sufficient funds.)

Approved on the Consent Agenda.

- 12 Approve Amendment No. 2 to the Fiscal Year 2019-20 Police Federal Seizure Budget in accordance with Title 28, Section 524 of the United States Code and Chapter 59 of the Texas Code of Criminal Procedure in the amount of

\$404,000.00.

Approved on the Consent Agenda.

- 13** Receive the July 2020 semiannual report for impact fees from the Capital Improvements Advisory Committee in accordance with Section 395.058(c)(4) of the Texas Local Government Code.

Approved on the Consent Agenda.

- 14** Call a public hearing for September 8, 2020, 7:00 p.m., at City Hall, Council Chamber, 757 North Galloway Avenue, Mesquite, Texas 75149, and order the required public notice for the public hearing be given of the date, time and location of the hearing for the proposed 2020-21 budget.

Approved on the Consent Agenda.

- 15** Consider approval of a mediated settlement agreement term sheet and authorize the City Manager to finalize and execute a Settlement Agreement and Release with Texas Sterling Construction Co., AT&T, Inc., and Hayden Consultants, Inc., L.C., consistent with the term sheet, and to take such actions and execute such documents as are necessary or advisable to consummate the settlement.

Approved on the Consent Agenda.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY

- 11** Authorize the City Manager to finalize and execute an agreement with Dallas Regional Medical Center to facilitate Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for the purchase of medical equipment related to the COVID-19 response for the Dallas Regional Medical Center in Mesquite, Texas, by the City reimbursing Dallas Regional Medical Center for qualified medical equipment in an amount not to exceed \$500,000.00.

Mr. Aleman left the meeting.

Mr. Miklos moved to authorize the City Manager to finalize and execute an agreement with Dallas Regional Medical Center to facilitate Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for the purchase of medical equipment related to the COVID-19 response for the Dallas Regional Medical Center in Mesquite, Texas, by the City reimbursing Dallas Regional Medical Center for qualified medical equipment in an amount not to exceed \$500,000.00. Motion was seconded by Mr. Boroughs. On call for a vote on the motion, the following votes were cast:

Ayes: Miklos, Boroughs, Archer, Green, Smith, Wisdom

Nays: None

Abstentions: Aleman

Motion carried.

- 16** A resolution authorizing the City Manager to finalize and execute a Third Amendment to the Iron Horse Development Agreement to (i) amend certain

definitions; (ii) amend Section 2.02(a) "Project Overview - Iron Horse Development"; (iii) amend Section 6.04(a) "Zoning of the Property"; and (iv) amend and replace Exhibit C, "Concept Plan", Exhibit I, "Development Standards", and Exhibit K, "Fencing Plan", to allow an amenity center and a convenience store with fuel sales, to modify the screening wall requirements, and to provide that the development of the property commonly referred to as "Iron Horse Village" and being generally located north of Rodeo Drive, south of Scylene Road (also known as State Highway 352), east of Stadium Drive and west of Rodeo Center Boulevard within the corporate limits of the City of Mesquite in Dallas County, Texas, shall be in compliance with the Concept Plan and Development Standards, as amended.

(This item was postponed at the August 3, 2020, City Council meeting).

Mr. Aleman entered the meeting.

Mr. Miklos left the meeting.

Ted Chinn, Assistant City Manager, stated that as directed at the August 3, 2020, City Council meeting, language has been added to the proposed Third Amendment to the Iron Horse Development Agreement to require the convenience store to be a nationally recognized and branded convenience store and national provider of motor fuels having no more than six fueling pumps. The proposed amendment also requires a separate building for a proposed fast casual restaurant, with or without a drive-thru, with a national brand operating in the United States and requires a certificate of occupancy to be issued for the restaurant before a certificate of occupancy can be issued for the convenience store. The sale of vaping products is restricted to less than 40 percent of total sales.

Mr. Boroughs moved to approve Resolution No. 34-2020, with the following revisions: (1) References in the Third Amendment and Exhibit I to the fast casual restaurant with drive through shall be changed to a fast casual restaurant with or without drive through; and (2) In Exhibit I, Section II.2.r. shall be modified to add the following at the end of that section: "except when sold by a business use allowed on the property provided the sale of such products are less than 40% of total sales." A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A THIRD AMENDMENT TO THE IRON HORSE DEVELOPMENT AGREEMENT TO (i) AMEND CERTAIN DEFINITIONS; (ii) AMEND SECTION 2.02(a) "PROJECT OVERVIEW – IRON HORSE DEVELOPMENT"; (iii) AMEND SECTION 6.04(a) "ZONING OF THE PROPERTY"; AND (iv) AMEND AND REPLACE EXHIBIT C, "CONCEPT PLAN," EXHIBIT I "DEVELOPMENT STANDARDS," AND EXHIBIT K "FENCING PLAN," TO ALLOW AN AMENITY CENTER AND A CONVENIENCE STORE WITH FUEL SALES, TO MODIFY THE SCREENING WALL REQUIREMENTS, AND TO PROVIDE THAT THE DEVELOPMENT OF THE PROPERTY COMMONLY REFERRED TO AS "IRON HORSE VILLAGE" AND BEING GENERALLY LOCATED NORTH OF RODEO DRIVE, SOUTH OF SCYENE ROAD (ALSO KNOWN AS STATE HIGHWAY 352), EAST OF STADIUM DRIVE AND WEST OF RODEO CENTER BOULEVARD WITHIN THE CORPORATE LIMITS OF THE CITY OF MESQUITE IN DALLAS COUNTY, TEXAS, SHALL BE IN COMPLIANCE WITH THE CONCEPT PLAN AND DEVELOPMENT STANDARDS, AS AMENDED. Motion was seconded by Mr. Smith. On call for a vote on the motion, the following votes were cast:

Ayes: Boroughs, Smith, Archer, Green, Smith, Wisdom

Nayes: None

Abstentions: Miklos

Motion carried. (Resolution No. 34-2020 recorded in Resolution Book No. 60.)

END OF CONSENT AGENDA

PUBLIC HEARINGS

- 17 Conduct a public hearing and consider an ordinance approving Zoning Text Amendment No. 2020-05 to Mesquite Zoning Ordinance Section 3-203, Schedule of Permitted Uses; Section 3-507, Coin-Operated Amusement Devices; and Section 6-102, Definitions; pertaining to new and revised regulations for amusement devices, game machines, video games, and similar devices.

(The Planning and Zoning Commission recommends approval of the zoning text amendment.)

Mr. Miklos entered the meeting.

A public hearing was held for Zoning Text Amendment No. 2020-05.

No one appeared regarding the proposed amendment.

Mr. Miklos moved to keep the public hearing open and to postpone consideration of Zoning Text Amendment No. 2020-05 to Mesquite Zoning Ordinance Section 3-203, Schedule of Permitted Uses; Section 3-507, Coin-Operated Amusement Devices; and Section 6-102, Definitions; pertaining to new and revised regulations for amusement devices, game machines, video games, and similar devices to the September 8, 2020, City Council meeting. Motion was seconded by Mr. Aleman and approved unanimously.

- 18 Conduct a public hearing and consider a resolution approving the terms and conditions of a program to promote local economic development and stimulate business and commercial activity in the City, authorizing the City Manager to finalize and execute an Economic Development Program Agreement (Chapter 380 Agreement) and related Lease Agreement for such purposes with ADJ Restaurant Group, LLC, for the development of a restaurant in a City-owned building located in downtown Mesquite at 117 West Main Street, Mesquite, Texas (the "Premises"), providing for the lease of the Premises with an option to purchase the Premises for such price and upon such terms and conditions as set forth in the Agreement and Lease, and authorizing the City Manager to administer the Agreement and Lease on behalf of the City.

A public hearing was held to consider a Chapter 380 agreement with ADJ Restaurant Group, LLC, for the development of a restaurant in a City-owned building located in downtown Mesquite at 117 West Main Street, Mesquite, Texas.

Beverly Abell, Downtown Development Manager, stated that 117 West Main Street was built in 1932 and originally operated as N. A. Holley and Sons grocery store. The building contains 2,201 square feet plus 1,349 square feet of outdoor space and is adjacent to Front Street Station. The building was purchased by the City in 2018 for the purpose of downtown revitalization and is surveyed as

eligible for listing in the National Register of Historic Places. A Request for Qualifications was issued in 2019 with a focus on dining and entertainment. Alejandro's at Front Street Station was selected as the development team.

Alejandro's at Front Street Station is dedicated to preserving the historic nature of the building in terms of construction and tenant finish methods, along with décor consisting of historic photos and historic decorative elements. The restaurant will offer a Mesquite-themed menu, indoor and outdoor dining, a bar and live entertainment. They plan to participate in downtown events and promotions, including this year's Christmas events.

Ms. Abell stated that the five-year lease is for the building and adjacent lot to the east which will be utilized for outdoor dining and entertainment venues. The five-year initial lease includes a renewal for an additional five years with an option to purchase at the ten-year mark. The sliding scale lease begins at \$1,050.00 per month and will increase by 10 percent each year until they reach the 100 percent rate of \$12.00 per square foot. Afterwards, there will be a percentage increase each year until they reach the option period to purchase. Ms. Abell stated that the anticipated opening of the restaurant is January 2021. The restaurant will operate six days per week offering live entertainment at least three times per month. She expressed appreciation to the Mesquite Downtown Development Advisory Board and Alejandro's at Front Street Station development team for their dedication to this project.

Jason Feinglas, representing Alejandro's at Front Street Station, stated that he and his family, as well as the Medina family, have deep roots in the Mesquite community and Mesquite Independent School District. He expressed appreciation to the City Council for the opportunity to serve the Mesquite community.

Alejandro Medina stated that their team looks forward to supporting the Mesquite community.

No others appeared regarding the proposed Chapter 380 agreement and related Lease agreement.

Mr. Boroughs moved to approve Resolution No. 35-2020, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY; AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT (CHAPTER 380 AGREEMENT) AND RELATED LEASE AGREEMENT FOR SUCH PURPOSES WITH ADJ RESTAURANT GROUP, LLC, FOR THE DEVELOPMENT OF A RESTAURANT IN A CITY-OWNED BUILDING LOCATED IN DOWNTOWN MESQUITE AT 117 WEST MAIN STREET, MESQUITE, TEXAS (THE "PREMISES"); PROVIDING FOR THE LEASE OF THE PREMISES WITH AN OPTION TO PURCHASE THE PREMISES FOR SUCH PRICE AND UPON SUCH TERMS AND CONDITIONS AS SET FORTH IN THE AGREEMENT AND LEASE; AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT AND LEASE ON BEHALF OF THE CITY. Motion was seconded by Mr. Smith and approved unanimously. (Resolution No. 35-2020 recorded in Resolution Book No. 60.)

CITY COUNCIL/STAFF WORK SESSION - TRAINING ROOMS A&B - 8:07 P.M.

- 3 Receive financial statement for period covering October 1, 2019, through June 30, 2020.

Debbie Reid, Director of Finance, presented the financial statement for period covering October 1, 2019, through June 30, 2020.

The work session ended at 8:25 p.m.

EXECUTIVE SESSION - COUNCIL CONFERENCE ROOM - 8:29 P.M.

Mayor Archer announced that the City Council would meet in Executive Session pursuant to Section 551.087 of the Texas Government Code to consider commercial or financial information regarding business prospects or projects (Item No. 19 – Discuss economic development incentives for a prospective industrial business park in east Mesquite close to the Mesquite Metro Airport, east of Clay Mathis Road, south of East Scylene Road, west of Lawson Road and north of Berry Road); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 8:50 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

ADJOURNMENT

Mr. Smith moved to adjourn the meeting. Motion was seconded by Mr. Aleman and approved unanimously. The meeting adjourned at 8:50 p.m.

Attest:

Approved:

Sonja Land, City Secretary

Bruce Archer, Mayor