



City of Mesquite, Texas

Minutes - Final City Council

Monday, March 6, 2017

5:00 PM

City Hall | Council Chamber
757 N. Galloway | Mesquite, Texas

Present: Mayor Stan Pickett and Councilmembers Jeff Casper, Bill Porter, Dan Aleman, Greg Noschese and Dennis Tarpley, City Manager Cliff Keheley and City Secretary Sonja Land.

Absent: Councilmember Bruce Archer.

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

AGENDA REVIEW

STAFF PRESENTATIONS

- 1 Receive briefing regarding development along the IH-30 corridor.

 Postponed until the March 20, 2017, City Council meeting.
- 2 Receive briefing regarding advanced metering infrastructure.

 Council directed staff to proceed.

EXECUTIVE SESSION - EXECUTIVE CONFERENCE ROOM - 5:50 P.M.

The City Council met 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 (Legal advice regarding Economic Development Program Agreement dated effective August 13, 2015, between the City of Mesquite, Baker Brothers Rotovision, Inc., and 75032 Investments, LLC, and Petition of the Cities of Garland, Mesquite, Plano, and Richardson appealing wholesale rates implemented by the North Texas Municipal Water District, PUC Docket No. 46662); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 6:08 p.m., the City Council reconvened in Open Session.

See Agenda Item No. 20 for executive action taken.

REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:00 P.M.

INVOCATION

Joe Chiles, Senior Pastor, Mesquite First Assembly of God, Mesquite, Texas.

PLEDGE OF ALLEGIANCE

Participants from a local youth football league.

PRESENTATION

- 3 Presentation to Horn High School graduate Taylor Gabriel.

Wayne Larson, Director of Communications and Marketing, stated that NFL football player Taylor Gabriel is being honored tonight. Mr. Gabriel is a graduate of Horn High School and continued his education at Abilene Christian University. He went on to become a free agent with the Cleveland Browns and this past football season, he played in Super Bowl LI with the Atlanta Falcons.

Mayor Pickett stated that Mr. Gabriel was only 15 years old when his mother unexpectedly passed away from an aneurysm. That morning, she gave him two \$1 bills and to this day, he still carries them along with a bible she gave him. Mayor Pickett stated that since Mr. Gabriel holds his mother in such high regard, the City Council felt it would mean more to Mr. Gabriel to pay tribute to his mother. They presented Mr. Gabriel with a replica of a street sign for a street named after his mother, Kimberley Gabriel Pass, which was placed on Honorary Way, along Scyene Road, and will remain displayed for one month.

Mr. Gabriel expressed appreciation to the Mayor, City Councilmembers and the community for the warm reception and support.

SPECIAL ANNOUNCEMENTS

- (1) Mr. Porter welcomed the Ashley Furniture staff who were in attendance tonight.
- (2) Mr. Noschese announced that a silent auction and raffle will be held on Saturday, March 25, 2017, from 10:00 a.m. to 12:30 p.m. at Emmanuel Pentecostal Church, 1200 Poplar Drive, benefitting the Mesquite Garden Club. He encouraged citizens to participate in this fundraising event.
- (3) Mr. Aleman stated that a Mesquite Park neighborhood crime watch meeting will be held on Tuesday, March 7, 2017, at 7:00 p.m. at the Seventh Day Adventist Church, 301 Paza Drive, and encouraged citizens in this neighborhood to attend.
- (4) Mr. Aleman announced that a crime watch meeting for Spanish speaking residents will be held on Tuesday, March 7, 2017, at 7:00 p.m. at the Spanish Seventh Day Adventist Church, 1101 Gross Road, and encouraged all Spanish speaking residents to attend.
- (5) Mayor Pickett thanked his wife for her 30 years of service to Mimosa Lane Baptist Church.

CITIZENS FORUM

- (1) Charlie Baker, 1713 Hunnington Drive, spoke in opposition to a proposed truck stop along IH-30.

CONSENT AGENDA**Approval of the Consent Agenda**

Mr. Casper moved to approve the items on the Consent Agenda, as follows. Motion was seconded by Mr. Aleman. On call for a vote on the motion, the following votes were cast:

Ayes: Casper, Aleman, Pickett, Porter, Tarpley
Nayes: Noschese

Motion carried.

- 4** Minutes of the regular City Council meeting held February 20, 2017.

Approved on the Consent Agenda.

- 5** A resolution authorizing the City Manager to execute an agreement with the Texas Department of Transportation for the temporary closure of State right-of-way on April 1, 2017, for the City of Mesquite Rodeo Parade.

Approved on the Consent Agenda.

Resolution No. 03-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE TEMPORARY CLOSURE OF STATE RIGHT-OF-WAY ON APRIL 1, 2017, FOR THE CITY OF MESQUITE RODEO PARADE, COMMEMORATING THE 60TH ANNIVERSARY OF THE MESQUITE CHAMPIONSHIP RODEO. (Resolution No. 03-2017 recorded on page of Resolution Book No. 50.)

- 6** A resolution authorizing the Mayor to execute an Election Services Contract and Joint Election Services Agreement with Dallas County Elections Department in connection with the annual City election to be held May 6, 2017.

Approved on the Consent Agenda.

Resolution No. 04-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE MAYOR TO EXECUTE A JOINT ELECTION CONTRACT AND ELECTION SERVICES AGREEMENT WITH DALLAS COUNTY ELECTIONS DEPARTMENT. (Resolution No. 04-2017 recorded on page of Resolution Book No. 50.)

- 7** A resolution authorizing the sale of multiple tax-foreclosed properties located in Mesquite, Texas, ratifying and approving offer and purchase agreements and authorizing the City Manager to execute quitclaim deeds and all other documents necessary to complete the closing and sale of the properties.

Approved on the Consent Agenda.

Resolution No. 05-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE SALE OF MULTIPLE TAX-FORECLOSED PROPERTIES LOCATED IN MESQUITE, TEXAS (THE "PROPERTIES"), ACCEPTING THE OFFERS FROM THE PURCHASERS TO PURCHASE THE PROPERTIES; RATIFYING AND APPROVING THE OFFER AND PURCHASE AGREEMENTS EXECUTED BY THE PURCHASERS SETTING FORTH THE TERMS AND CONDITIONS OF THE SALE OF THE PROPERTIES; AND AUTHORIZING THE CITY MANAGER TO EXECUTE QUITCLAIM DEEDS AND ALL OTHER DOCUMENTS NECESSARY OR REQUESTED TO COMPLETE THE CLOSING AND SALE OF THE PROPERTIES. (Resolution No. 05-2017 recorded on page of Resolution Book No. 50.)

- 8 Bid No. 2017-002 - 2017 Annual Landscape & Property Preservation Maintenance for Environmental Code.
(Authorize the City Manager to finalize and execute contracts with DALTEXPRO Facility Services, Weldon's Lawn and Trees Service, LLC, and the Teter Group, Inc., in a total amount not to exceed \$162,818.00.)

Approved on the Consent Agenda.

- 9 Bid No. E2017-008 - Town East Boulevard Reconstruction of Paving, Drainage, Water, and Sanitary Sewer Improvements from Military Parkway to Skyline Drive.
(Authorize the City Manager to finalize and execute a contract with low bidder Texas Sterling Construction Co., in the amount of \$11,424,709.13.)

Approved on the Consent Agenda.

- 10 Bid No. 2017-022 - Annual Supply of Emergency Medical Supplies.
(Authorize the City Manager to finalize and execute a contract with BoundTree Medical, through an Interlocal Cooperative Purchasing Agreement with the City of Cedar Hill, in an amount not to exceed \$175,000.00.)

Approved on the Consent Agenda.

- 11 Bid No. 2017-043 - Camp Rorie Galloway Sports Courts.
(Authorize the City Manager to finalize and execute a contract with Henneberger Construction, Inc., in the amount of \$70,421.00.)

Approved on the Consent Agenda.

CONSENT AGENDA ITEMS CONSIDERED SEPARATELY

- 12 Receive the January 2017 semiannual report for roadway impact fees from the Capital Improvements Advisory Committee in accordance with Section 395.058(c)(4) of the Texas Local Government Code.

Jeff Armstrong, Assistant Director of Planning and Development Services, stated that impact fees are assessments imposed by the City against new development and additions to existing development in order to generate revenue for funding and/or recovering the costs of capital improvements based on the new development's impact on the City's infrastructure system. The City collects roadway, water and sewer impact fees. Mr. Armstrong reviewed the impact fees collected in calendar year 2016 and stated that there is no indication that the impact fees have affected development, there are no perceived inequities in the impact fee program and it is in conformance with State law.

Mr. Tarpley moved to approve the January 2017 semiannual report for roadway impact fees from the Capital Improvements Advisory Committee in accordance with Section 395.058(c)(4) of the Texas Local Government Code. Motion was seconded by Mr. Porter and approved unanimously.

- 13 Receive the Fiscal Year 2015-16 annual report from the Mesquite Quality of Life Corporation Board of Directors.

Tom Palmer, Manager of Economic Development, stated that the Mesquite Quality of Life Corporation (MQOLC) was created following an election by the

citizens of Mesquite on August 14, 1999, which authorized an additional, one-half cent sales tax known as the economic development sales tax Type 4B to be used for transportation, public safety and public parks and recreation. During Fiscal Year 2015-16, MQOLC Board of Directors approved 22 projects totaling \$12,498,641, received total revenues of \$11,156,035 and had an ending fund balance of \$8,024,711. Since its inception in 1999, the MQOLC has received \$164,733,497 in revenue. Mr. Palmer recognized MQOLC Director Bennye Rice who was present.

Mr. Tarpley moved to receive the Fiscal Year 2015-16 annual report from the Mesquite Quality of Life Corporation Board of Directors. Motion was seconded by Mr. Aleman and approved unanimously.

END OF CONSENT AGENDA

PUBLIC HEARINGS

14

Conduct a public hearing and consider an ordinance for a request submitted by Days Inn, located at 140 Commerce Way, to allow truck parking for hotel guests.

(Abutting property owners were notified as required by City Code Section 9-169. No responses have been received from those property owners.)

A public hearing was held for a request to allow truck parking at Days Inn, located at 140 Commerce Way.

Jeff Armstrong, Assistant Director of Planning and Development Services, stated that Days Inn has requested six designated truck parking spaces for registered hotel guests. The proposed spaces would be located north of the hotel building and would not affect existing parking or access on the site. A revised site plan, with the proposed improvements, would be required for approval. One adjacent property owner submitted opposition to the proposed request.

Cary Moon, representing the applicant, stated that he owns an adjacent site and the applicant requested his assistance with securing truck parking for the site in order to compete with the neighboring hotel.

Charlie Baker, 1713 Huntington, spoke in opposition to the proposed truck parking. John Huth, 1817 Island View, and Rose Grimsley, 1713 Woodlawn Parkway, spoke in favor of the proposed truck parking. No others appeared regarding the proposed truck parking.

Mr. Noschese moved to deny a request submitted by Days Inn, located at 140 Commerce Way, to allow truck parking for registered hotel guests. Motion was seconded by Mr. Aleman. On call for a vote on the motion, the following votes were cast:

Ayes: Noschese, Aleman, Porter, Casper, Tarpley

Nays: Pickett

Motion carried.

15

A. Conduct a public hearing to consider transferring City park property to the Mesquite Independent School District (MISD) in exchange for adjacent MISD

property to allow for the expansion of Rutherford Elementary School. The property to be transferred and received by MISD is an 8.22-acre tract generally described as located south of Sea Shell Drive, east of Rutherford Drive and north of Sierra Drive, Mesquite, Dallas County, Texas. The property to be transferred by the MISD to the City will be used as City park property.

B. Consider a resolution authorizing the exchange of property with the Mesquite Independent School District (MISD) for the reconstruction of Rutherford Elementary School and authorizing the Mayor to execute the Exchange Agreement with MISD for such purpose.

A public hearing was held to consider a property exchange between the City of Mesquite and the Mesquite Independent School District (MISD).

Elizabeth Harrell, Director of Parks and Recreation, stated that MISD requested an exchange of property for the Rutherford Elementary School Reconstruction Project. The property exchange would allow MISD to build a new school facility to meet the needs of the growing enrollment without disrupting instructional programming. Staff finds all reasonable planning has been undertaken to minimize any harm to City park property. The tracts to be exchanged are an acre for acre exchange and would not result in any net loss of City park property. The property to be transferred by the MISD to the City would be used as City park property and will include the following amenities: a baseball practice field, two lighted basketball courts, open play field, perimeter walking trail and the school gymnasium will remain. This exchange will also allow Rutherford Recreation Center to become a freestanding building. Park improvements are slated to be completed by Fall of 2018.

No one appeared regarding the property exchange.

Mr. Noschese moved to approve Resolution No. 06-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE EXCHANGE OF PROPERTY WITH THE MESQUITE INDEPENDENT SCHOOL DISTRICT ("MISD") FOR THE RECONSTRUCTION OF RUTHERFORD ELEMENTARY SCHOOL; AND AUTHORIZING THE MAYOR TO EXECUTE THE EXCHANGE AGREEMENT WITH THE MISD FOR SUCH PURPOSE. Motion was seconded by Mr. Tarpley. On call for a vote on the motion, the following votes were cast:

Ayes: Noschese, Tarpley, Pickett, Aleman

Nays: None

Abstentions: Porter, Casper

Motion carried. (Resolution No. 06-2017 recorded on page

of

Resolution Book No. 50.)

16

A. Conduct a public hearing to consider transferring City park property to the Mesquite Independent School District (MISD) in exchange for MISD property to allow for the expansion of Hanby Elementary School. The property to be transferred to and received by MISD is an 8.045-acre tract generally described as located north of Gross Road, west of the alley of Chappell Drive and east of Evans Park, Mesquite, Dallas County, Texas. The property to be transferred by the MISD to the City will be used as City park property.

B. Consider a resolution authorizing the exchange of property with Mesquite Independent School District (MISD) for the reconstruction of Hanby Elementary School and authorizing the Mayor to execute the Exchange Agreement with MISD for such purpose.

A public hearing was held to consider a property exchange between the City of Mesquite and the Mesquite Independent School District (MISD).

Elizabeth Harrell, Director of Parks and Recreation, stated that MISD requested an exchange of property for the Hanby Elementary School Reconstruction Project. The property exchange would allow MISD to build a new school facility on the current Evans Practice Fields in exchange for MISD property currently utilized for Hanby Elementary School. The property exchange will not result in any net loss of City park property. The property to be transferred by the MISD to the City would be used as City park property and will include the following amenities: three baseball fields, two lighted basketball courts and perimeter walking trail. Park improvements are slated to be completed by late 2018.

No one appeared regarding the property exchange.

Mr. Aleman moved to approve Resolution No. 07-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE EXCHANGE OF PROPERTY WITH THE MESQUITE INDEPENDENT SCHOOL DISTRICT ("MISD") FOR THE RECONSTRUCTION OF HANBY ELEMENTARY SCHOOL; AND AUTHORIZING THE MAYOR TO EXECUTE THE EXCHANGE AGREEMENT WITH THE MISD FOR SUCH PURPOSE. Motion was seconded by Mr. Noschese. On call for a vote on the motion, the following votes were cast:

Ayes: Aleman, Noschese, Pickett, Tarpley

Nayes: None

Abstentions: Porter, Casper

Motion carried. (Resolution No. 07-2017 recorded on page _____ of Resolution Book No. 50.)

17

Conduct a public hearing and consider a resolution approving the terms and conditions of a program (Chapter 380 agreement) to promote local economic development and stimulate business and commercial activity in the City and authorizing the City Manager to finalize and execute an agreement for such purposes with Ashley Furniture Industries, Inc., regarding a new state-of-the-art distribution and manufacturing facility on approximately 358 acres commonly known as 3790 Faithon P. Lucas, Sr. Boulevard, Mesquite, Texas.

A public hearing was held to approve a Chapter 380 agreement with Ashley Furniture, Inc., regarding a new distribution and manufacturing facility located at 3790 Faithon P. Lucas, Sr., Boulevard.

Tom Palmer, Manager of Economic Development, stated that Ashley Furniture, Inc., (Ashley) a Wisconsin-based corporation, will purchase a 358-acre tract of land located west of the Mesquite Metro Airport and will build an 850,000-square-foot distribution facility as its South Central Distribution and Fulfillment Center.

John Leighty, Executive Vice President of Distribution and Transportation for

Ashley, introduced Ashley staff in attendance – Manny Martinez, Senior Director of California, Mississippi, Texas and Asia Distribution; Nate Tabbert, Facility Engineer; Cole Bawek, Director of Public Relations; Mike Lotlarz, Facilities Development Manager; Nate Carhart, Corporate Facility Designer; and Brooke Miles, Executive Assistant to John Leighty. Ashley is privately owned and was founded in 1970 by Ron Wanek, Chairman, with Todd Wanek serving as President and CEO since 2002.

Mr. Leighty stated that Ashley is the world's largest manufacturer of furniture and the number one selling furniture store brand in North America, approaching 30 million pieces sold annually. Ashley maintains the largest transportation fleet in the industry with 800 tractors and 2,700 trailers and employ over 25,000 worldwide associates. Mr. Leighty reviewed the history of the company, the products Ashley offers to its customers as well as the distribution facilities located in the United States. The current facilities are producing 242,000 pieces per week and has approximately 2,340,000 pieces of inventory on hand. Ashley has invested over \$1 Billion since 2012 and much of Ashley's growth has been from e-commerce. Ashley focuses on inspiration through leadership and supports the communities in which they are located through various programs. Mr. Leighty stated that Ashley chose Mesquite due to its business friendly environment, strong workforce, physical site with opportunity for growth, the geographic location to service Texas, as well as surrounding states and the strong rail and intermodal access. The estimated capital investment through 2022 is \$65 million with projected employment opportunities of 347 employees.

No others appeared regarding the proposed Chapter 380 agreement.

Councilmembers expressed appreciation for Ashley's investment and commitment to the Mesquite community and welcomed Ashley to Mesquite.

Mr. Noschese moved to approve Resolution No. 08-2017, 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 AGREEMENT FOR SUCH PURPOSES WITH ASHLEY FURNITURE INDUSTRIES, INC., REGARDING A NEW STATE-OF-THE-ART DISTRIBUTION AND MANUFACTURING FACILITY ON APPROXIMATELY 358 ACRES COMMONLY KNOWN AS 3790 FAITHON P. LUCAS, SR. BOULEVARD, MESQUITE, TEXAS AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY. Motion was seconded by Mr. Porter and approved unanimously. (Resolution No. 08-2017 recorded on page of Resolution Book No. 50.)

CONSIDERATION OF RESOLUTIONS

18

A resolution authorizing the City Manager to execute and approve the Project Specific Agreement (PSA) amending the Master Agreement Governing Major Capital Transportation Improvement Projects with Dallas County for the purpose of transportation improvements on Scyene Road beginning at Clay Mathis Road and ending at Lawson Road, Dallas County Major Capital Improvement Program Project 31904.

Mr. Noschese moved to approve Resolution No. 09-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY

MANAGER TO EXECUTE AND APPROVE THE PROJECT SPECIFIC AGREEMENT AMENDING THE MASTER AGREEMENT GOVERNING MAJOR CAPITAL TRANSPORTATION IMPROVEMENT PROJECTS WITH DALLAS COUNTY FOR THE PURPOSE OF TRANSPORTATION IMPROVEMENTS ON SCYENE ROAD BEGINNING AT CLAY MATHIS ROAD AND ENDING AT LAWSON ROAD, DALLAS COUNTY MAJOR CAPITAL IMPROVEMENT PROGRAM PROJECT 31904. Motion was seconded by Mr. Aleman and approved unanimously. (Resolution No. 09-2017 recorded on page of Resolution Book No. 50.)

19

A resolution stating its opposition to Senate Bill 2 and any other legislation imposing revenue caps on local government inhibiting the City's ability to provide basic public services.

Mr. Casper stated that Senate Bill 2 would severely limit the City's ability to provide essential services and bring economic development to the City.

Mr. Noschese expressed opposition to Senate Bill 2 and explained that Police, Fire, Parks and Recreation as well as Solid Waste services would be negatively impacted.

Mr. Casper moved to approve Resolution No. 10-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, STATING ITS OPPOSITION TO SENATE BILL 2 AND ANY OTHER HARMFUL LEGISLATION IMPOSING REVENUE CAPS ON LOCAL GOVERNMENT INHIBITING THE CITY'S ABILITY TO PROVIDE BASIC PUBLIC SERVICES. Motion was seconded by Mr. Noschese and approved unanimously. (Resolution No. 10-2017 recorded on page of Resolution Book No. 50.)

20

A resolution authorizing the City Manager to consent to the sale, transfer or assignment of a controlling interest in the corporate shares of Baker Brothers Rotovision, Inc., to Fort Acquisition Corp and to waive, as to the Fort Acquisition transfer only, the requirement that the company obtain the city's prior written consent to the Fort Acquisition transfer.

Mr. Noschese stated that Baker Brothers Plumbing moved their headquarters to Mesquite and due to exceptional growth and management, the company has been acquired by a larger company, who has committed to remain in Mesquite.

Mr. Noschese moved to approve Resolution No. 11-2017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO CONSENT TO THE SALE, TRANSFER OR ASSIGNMENT OF A CONTROLLING INTEREST IN THE CORPORATE SHARES OF BAKER BROTHERS ROTOVISION, INC. (THE "COMPANY") TO FORT ACQUISITION CORP (THE "FORT ACQUISITION TRANSFER") AND TO WAIVE, AS TO THE FORT ACQUISITION TRANSFER ONLY, THE REQUIREMENT THAT THE COMPANY OBTAIN THE CITY'S PRIOR WRITTEN CONSENT TO THE FORT ACQUISITION TRANSFER. Motion was seconded by Mr. Aleman and approved unanimously. (Resolution No. 11-2017 recorded on page of Resolution Book No. 50.)

ADJOURNMENT

Mr. Casper moved to adjourn the meeting. Motion was seconded by Mr. Noschese and approved unanimously. The meeting adjourned at 8:17 p.m.

Attest:

Approved:

Sonja Land, City Secretary

Stan Pickett, Mayor