



City of Mesquite, Texas

Minutes - Final City Council

Monday, July 2, 2018

4:00 PM

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

Present: Mayor Stan Pickett and Councilmembers Dan Aleman, Tandy Boroughs, Jeff Casper, Bruce Archer and Greg Noschese, City Manager Cliff Keheley and City Secretary Sonja Land.

Absent: Councilmember Robert Miklos.

PRE-MEETING - TRAINING ROOMS A&B - 4:00 P.M.

AGENDA REVIEW

STAFF PRESENTATIONS

- 1 Receive strategy presentations, as determined by City Management, related to City Council policy issues and strategic goals.

EXECUTIVE SESSION - EXECUTIVE CONFERENCE ROOM - 4:21 P.M.

Mayor Pickett 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 (Discuss economic development incentives for a prospective industrial business park in southeast Mesquite and Consider economic development incentives for a prospect seeking to locate within the Mesquite Rodeo City Reinvestment Zone Number One, City of Mesquite, Texas); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 5:17 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

EXECUTIVE SESSION - EXECUTIVE CONFERENCE ROOM - 5:17 P.M.

Mayor Pickett announced that the City Council would meet in Executive Session pursuant to Section 551.071 of the Texas Government Code to consider pending litigation subjects (Receive update on pending litigation cases); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 5:34 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

CITY COUNCIL/STAFF WORK SESSION - CITY COUNCIL CHAMBER - 6:35 P.M.

- 2 Receive quarterly activity report from the Economic Development Department.

Kim Buttram, Assistant Director of Economic Development, reviewed the highlights of the first half of 2018:

- The City of Mesquite received the Texas Economic Development Council Professional Excellence Award for the second year in a row.
- Ashley Furniture Industries, Inc., was recognized as a Top Three Best Industrial Deals of the Year by the Dallas Business Journal.
- A Downtown Development Manager was hired effective March 1, 2018.
- A new development map was completed that highlights Mesquite's economic development projects, major districts, Tax Increment Reinvestment Zones (TIRZ) and more.

Ms. Buttram stated that staff made 18 site and property tours, 13 new projects are in discussion, six Chapter 380 Agreements are in progress and four have been executed this year.

Ms. Buttram reviewed progress made towards the City Council's Economic Development priorities of job creation, retail vitality, small business development, shopping center revitalization, IH-20 corridor and downtown development, as follows:

- Job Creation – the "Turbo-Boost Your Workforce" event was hosted by the Business Retention and Expansion Team and was attended by 35 industry representatives.
- Retail Vitality – there is a 93 percent retail occupancy rate with rental rates ranging from \$10-\$32 per square foot.
- Small Business Development – an educational symposium will be held in the Fall to assist small business owners with marketing, business planning, financial tools and staffing their business. Staff is seeking partnerships to repurpose property in the downtown area to assist in the creation of small business. Small Business Week will continue to be recognized in partnership with the Communications and Marketing Department. A new program, "Monthly Business Spotlight," will begin next month, featuring Baker Brothers Plumbing.
- Shopping Center Revitalization – a shopping center inventory has been completed and two developers have toured 10-12 shopping centers for redevelopment purposes. Staff is preparing a policy formation for redevelopment for future Council consideration.
- IH-20 Corridor – the Trinity Pointe branding, a TIRZ and a Public Improvement District were recently approved by the City Council. Staff is marketing directly to the International Council of Shopping Centers and the Industrial Asset Management Council.
- Downtown Development – the Downtown Infrastructure Plan is underway, with two stakeholder workshops held and a third one scheduled for July 9, 2018. The design plans were presented and an infrastructure project is planned to begin in early 2019. The Main Street program application will be submitted this month.

Ms. Buttram reviewed population trends, number of households, median income, home values, residential permits and valuation, major employers, unemployment rate, higher education attainment, population distribution, top industries by job type, home ownership and rentals, commercial remodel permits and valuation, commercial new permits and valuation, local sales tax collected, estimated new jobs, estimated new square footage and certificates of occupancy issued. The Porch Swing restaurant will open soon and the Ashley building is nearing completion with the hiring of approximately 350 employees to begin as well. A pilot façade enhancement project, completion of infrastructure plan and creation

of Downtown Development Advisory Board and citizen committees for the Downtown area are scheduled over the next few months.

The work session ended at 6:52 p.m.

REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:02 P.M.

INVOCATION

John Lay, Pastor, Church on the Hill, Mesquite, Texas.

PLEDGE OF ALLEGIANCE

Mesquite Parks and Recreation Department staff members.

PRESENTATIONS

- 3 Receive presentation regarding the Mesquite Veterans Memorial.

Wayne Larson, Director of Communications and Marketing, stated that fundraising for the Mesquite Veterans Memorial began on Veterans Day 2017 with support through various efforts by citizens and corporate partners.

Bruce Sales, President of the Mesquite Police Association (MPA), stated that the MPA is comprised of a majority of the sworn employees as well as non-sworn employees such as dispatchers, detention officers and public safety professionals. The MPA is proud to support veterans and the Mesquite Veterans Memorial Campaign (MVMC). Mr. Sales presented a \$10,000.00 donation to the MVMC. Mayor Pickett, Randy Lawson, Jackie Frazier and Babbett Bradshaw accepted the check presentation on behalf of the MVMC.

Mayor Pickett thanked the MPA for their generous donation. Mr. Lawson thanked the Mayor and City Council and Wayne Larson for their efforts in raising funds for the MVMC.

SPECIAL ANNOUNCEMENTS

- (1) Mr. Archer reminded residents to celebrate safely this July 4th holiday.
- (2) Mr. Boroughs stated that Fire Captain Bradley Burney passed away on June 18, 2018, at the age of 51. Captain Burney had been employed with the Mesquite Fire Department for 25 years and Mr. Boroughs had the privilege of working alongside him. Mr. Boroughs suggested renaming Honorary Road, along Scyene Road, in Captain Burney's honor.
- (3) Mr. Aleman invited residents to attend the Creek Crossing Neighborhood Meeting on Tuesday, July 10, 2018, at 7:00 p.m., at The Crossing Baptist Church, 1060 Clay Mathis Road.
- (4) Mayor Pickett asked citizens to remember the true meaning of the July 4th holiday.

CITIZENS FORUM

- (1) Mary Bass, P.O. Box 852429, Mesquite, expressed appreciation to the Mesquite Police Department and City Council for recent improvements in her neighborhood and suggested several new ideas for the community.

(2) Kaki Smith, 1212 Case Drive, suggested making revisions to Ordinance No. 4547 regarding tethering and containment of dogs.

(3) Bennye Rice, 1004 Craig Drive, stated that she is a member of the Mesquite Fire Corps and commended Fire Chief Mark Kerby for the Mesquite Fire Department's participation in Captain Bradley Burney's funeral.

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. Archer and approved unanimously.

- 4** Minutes of the regular City Council meeting held June 18, 2018, and the special City Council meeting held June 25, 2018.

Approved on the Consent Agenda.

- 5** An ordinance amending the budget for the fiscal year of 2017-18 as heretofore approved by Ordinance No. 4505 of the City of Mesquite, Texas, adopted on September 5, 2017, and amended by Ordinance No. 4537 on January 16, 2018, by appropriating and setting aside the necessary funds out of the general and other revenues of the City of Mesquite for fiscal year 2017-18 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 amended budget.

Approved on the Consent Agenda.

Ordinance No. 4577, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE BUDGET FOR THE FISCAL YEAR OF 2017-18 AS HERETOFORE APPROVED BY ORDINANCE NO. 4505 OF THE CITY OF MESQUITE, TEXAS, ADOPTED ON SEPTEMBER 5, 2017, AND AMENDED BY ORDINANCE NO. 4537 ADOPTED ON JANUARY 16, 2018, BY APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES OF THE CITY OF MESQUITE FOR FISCAL YEAR 2017-18 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 AMENDED BUDGET; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY. (Ordinance No. 4577 recorded in Ordinance Book No. 112.)

- 6** A resolution authorizing participation as a Texas Main Street Urban City and designating City participation.

Approved on the Consent Agenda.

Resolution No. 35-2018, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING PARTICIPATION AS A TEXAS MAIN STREET URBAN CITY AND DESIGNATING CITY PARTICIPATION. (Resolution No. 35-2018 recorded in Resolution Book No. 54.)

- 7 A resolution amending Resolution No. 20-2018 approving a Development Agreement with CADG Kaufman 146, LLC and Kaufman County Fresh Water Supply District No. 5 (Heartland Town Center) by correcting typographical errors in Section 3(iii) of the resolution from "Section 16.1(b)" to "Section 17.1(b)" and from "Section 16.3(b)" to "Section 17.3(b)".

Approved on the Consent Agenda.

Resolution No. 36-2018, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AMENDING RESOLUTION NO. 20-2018 APPROVING A DEVELOPMENT AGREEMENT WITH CADG KAUFMAN 146, LLC AND KAUFMAN COUNTY FRESH WATER SUPPLY DISTRICT NO. 5 (HEARTLAND TOWN CENTER) BY CORRECTING TYPOGRAPHICAL ERRORS IN SECTION 3(iii) OF THE RESOLUTION FROM "SECTION 16.1(b)" TO "SECTION 17.1(b)" AND FROM "SECTION 16.3(b)" TO "SECTION 17.3(b)." (Resolution No. 36-2018 recorded in Resolution Book No. 54.)

- 8 Bid No. 2018-074 - Construction Management at Risk (CMaR) Services for the Construction of New Fire Station No. 4.
(Authorize the City Manager to finalize and execute a contract with SEDALCO, Inc., for CMaR services in connection with the design (Phase I) of New Fire Station No. 4 in the amount of \$15,000.00.)

Approved on the Consent Agenda.

- 9 Bid No. 2018-081 - Annual Vacant Landscaping & Property Preservation Maintenance for Environmental Code.
(Authorize the City Manager to finalize and execute a contract with DaltexPro Facility Services, LLC, in the amount of \$90,000.00. This contract is for a one-year period with two additional one-year renewal options.)

Approved on the Consent Agenda.

- 10 Bid No. 2018-086 - Long Branch Lift Station Fiber Project.
(Authorize the City Manager to finalize and execute a contract with Future Telecom, Inc., through an Interlocal Cooperative-Purchasing Agreement with Mesquite Independent School District, in the amount of \$62,200.70.)

Approved on the Consent Agenda.

- 11 Bid No. 2018-088 - Installation of Extractors in Fire Stations 2, 5, 6 and 7.
(Authorize the City Manager to finalize and execute the required documents with Concord Commercial Services through Bid No. 2018-037, Annual Facility Maintenance, Time and Material, Repair and Remodeling Contract, in the amount of \$35,387.50 and Aadvantage Laundry Systems, through BuyBoard Contract No. 518-16, in the amount of \$46,600.92, for a total amount of \$81,988.42.)

Approved on the Consent Agenda.

- 12 Authorize the City Manager to finalize and execute a change order to Bid No. E2017-008, Town East Boulevard Reconstruction of Paving, Drainage, Water and Sanitary Sewer Improvements from Military Parkway to Skyline Drive, with

Texas Sterling Construction Co., in the amount of \$331,162.51.

Approved on the Consent Agenda.

13

Authorize the City Manager to finalize and execute a Second Amendment to Renew Interlocal Agreement with the Dallas County Hospital District d/b/a Parkland Health & Hospital System for Biomedical Online and Offline Medical Supervision in an amount not to exceed \$61,890.00 for fiscal year 2018-19, effective October 1, 2018, through September 30, 2019.

Approved on the Consent Agenda.

PUBLIC HEARINGS

14

Conduct a public hearing for the purpose of considering annexation of 25.464 acres in the City's extraterritorial jurisdiction and generally located at the southeast corner of IH 20 and FM 741, in the Martha Music Survey, Abstract No. 312, Kaufman County, Texas, in connection with a voluntary petition submitted by Mehrdad Moayedhi of CADG Kaufman 146, LLC.

A public hearing was held for considering annexation of approximately 25.464 acres of land located at the southeast corner of IH 20 and FM 741.

Jeff Armstrong, Director of Planning and Development Services, stated that the City received a petition from the property owner requesting voluntary annexation of 25.464 acres of land located at the southeast corner of IH 20 and FM 741. The area is proposed to be developed with retail uses. This is the first of two public hearings, with the second public hearing scheduled for July 16, 2018.

No one appeared regarding the proposed annexation.

15

Conduct a public hearing and consider an ordinance for Application No. Z0518-0035, submitted by Patricia Duckworth of All 4 Paws, for a change of zoning from General Retail to General Retail with a Conditional Use Permit to allow dog boarding, located at 911 East Davis Street, Suite B.

(No responses in favor or in opposition to the application have been received from property owners within the statutory notification area. The Planning and Zoning Commission recommends approval of the application with a certain stipulation.)

A public hearing was held for Application No. Z0518-0035.

Jeff Armstrong, Director of Planning and Development Services, stated that All 4 Paws is requesting to add dog boarding in an adjacent suite to the existing business, which provides dog grooming, dog daycare services and sells dog supplies and care products. Mr. Armstrong reviewed the criteria and stipulation in the proposed ordinance.

Applicant Pat Duckworth stated that she submitted a petition of 335 signatures from customers who have requested All 4 Paws provide dog boarding services.

No others appeared regarding the application.

Mr. Noschese moved to approve Application No. Z0518-0035, as recommended by the Planning and Zoning Commission, with the following stipulation:

1. The tenant space shall be properly sealed and ventilated to prevent sound and odor from impacting adjacent businesses. The tenant space is properly sealed and ventilated only if an engineered design is submitted to the Building Official, bearing the seal of a registered professional engineer or architect, and showing that all openings in the premise, as applicable, are gasketed and weather-tight.

And to approve Ordinance No. 4578, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE ZONING ORDINANCE ADOPTED ON SEPTEMBER 4, 1973, AND RECODIFIED ON NOVEMBER 21, 1988, SO AS TO APPROVE A CONDITIONAL USE PERMIT ON PROPERTY ZONED GENERAL RETAIL AND LOCATED AT 911 EAST DAVIS STREET, SUITE B, THEREBY ALLOWING THE BOARDING OF DOGS SUBJECT TO A CERTAIN STIPULATION; REPEALING ALL ORDINANCES IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY NOT TO EXCEED TWO THOUSAND (\$2,000.00) DOLLARS FOR EACH OFFENSE; AND DECLARING AN EMERGENCY. Motion was seconded by Mr. Archer and approved unanimously. (Ordinance No. 4578 recorded in Ordinance Book No. 112.)

16

Conduct a public hearing and consider a resolution approving the terms and conditions of a program (Chapter 380 Agreement) to promote 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 Bloomfield Homes, L.P., for a proposed new residential development at Cartwright Road and Lawson Road in Mesquite, Texas, and authorizing the City Manager to administer the agreement on behalf of the City.

A public hearing was held to consider a Chapter 380 agreement with Bloomfield Homes, L.P., regarding a proposed new residential development at Cartwright Road and Lawson Road.

David Witcher, Director of Economic Development, stated that Bloomfield Homes (Bloomfield) is looking to expand in Mesquite in the Ridge Ranch development. The proposed Chapter 380 agreement would allow taxes to be collected through a Special Use Permit administered through the Texas Comptroller's Office with a percentage granted back to Bloomfield.

Doug Duffie, CPA, representing Bloomfield Homes, L.P., stated that Bloomfield is a top five homebuilder in the Dallas-Fort Worth area and recently purchased the Ridge Ranch property, which is one of Bloomfield's larger undeveloped land parcels. Mr. Duffie explained that homebuilders sell real property, which is not subject to sales tax, so they are not obligated to have sales/use tax permits; however, Bloomfield pays sales tax on building material purchases. Suppliers are required to collect state and local sales taxes based at their place of business, not where building materials are delivered. Mr. Duffie stated that paying use taxes at destination sites, as opposed to paying sales taxes at a supplier's place of business, allows Bloomfield to redirect local taxes to cities where new homes will be built and where Bloomfield's customers will live. Bloomfield will be obligated to pay state and local use taxes each month, but will request grant payments semi-annually to lower administrative costs for Mesquite.

No others appeared regarding the proposed Chapter 380 agreement.

Mr. Noschese moved to approve Resolution No. 37-2018, 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 BLOOMFIELD HOMES, L.P., FOR A PROPOSED NEW RESIDENTIAL DEVELOPMENT AT CARTWRIGHT ROAD AND LAWSON ROAD IN MESQUITE, TEXAS, AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY. (Resolution No. 37-2018 recorded in Resolution Book No. 54.)

17

Conduct a public hearing and consider an ordinance designating a contiguous geographic area consisting of approximately 248.1466 acres of land consisting of the following six tracts of land: (1) 4300 Lawson Road; (2) 3400 McKenzie Road; (3) 4800 Lasater Road; (4) 4900 Lasater Road; (5) 2700 McKenzie Road; and (6) 925 McKenzie Road, all six tracts of land being located within the corporate limits of the City of Mesquite, Texas, as a Reinvestment Zone pursuant to Chapter 311 of the Texas Tax Code, to be known as Reinvestment Zone Number Twelve, City of Mesquite, Texas (IH-20 Business Park), describing the boundaries of the Zone, creating a Board of Directors for the Zone, establishing a tax increment for the Zone, containing findings related to the creation of the Zone, providing a date for the termination of the Zone and providing that the Zone take effect immediately upon passage of the ordinance. (This item is continued from the June 18, 2018, City Council meeting.)

A public hearing was held to consider an ordinance for designating a contiguous geographic area within the corporate limits of the City of Mesquite as a Reinvestment Zone pursuant to Chapter 311 of the Texas Tax Code, to be known as Reinvestment Zone Number Twelve, City of Mesquite, Texas (IH-20 Business Park), describing the boundaries of the Zone and creating a Board of Directors.

David Witcher, Director of Economic Development, stated that the proposed Reinvestment Zone (Zone) encompasses six tracts of land. The Zone will consist of a future business park containing approximately 248 acres and will allow the developer to create future industrial and commercial development.

Mary Petty, Petty and Associates, stated that the current zoning on the properties is Agricultural and Industrial. The preliminary Project and Finance Plan will be submitted for Council approval at a later date with the project including water and sewer infrastructure, land grants and land swaps. The proposed City participation would be 50 percent for 20 years as well as the value of the land swap.

No one appeared regarding the IH-20 Business Park TIRZ.

Mr. Noschese moved to approve Ordinance No. 4579, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA CONSISTING OF APPROXIMATELY 248.1466 ACRES OF LAND CONSISTING OF THE FOLLOWING SIX (6) TRACTS OF LAND: (1) 4300 LAWSON ROAD; (2) 3400 MCKENZIE ROAD; (3) 4800 LASATER ROAD; (4) 4900 LASATER ROAD; (5) 2700 MCKENZIE ROAD; AND (6) 925 MCKENZIE ROAD, ALL SIX (6) TRACTS OF LAND BEING LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF MESQUITE, TEXAS, AS A REINVESTMENT ZONE PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE, TO BE KNOWN AS REINVESTMENT ZONE NUMBER TWELVE, CITY OF

MESQUITE, TEXAS (IH-20 BUSINESS PARK); DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE; ESTABLISHING A TAX INCREMENT FOR THE ZONE; ESTABLISHING A TAX INCREMENT FUND FOR THE ZONE; CONTAINING FINDINGS RELATED TO THE CREATION OF THE ZONE; PROVIDING A DATE FOR THE TERMINATION OF THE ZONE; PROVIDING THAT THE ZONE TAKE EFFECT IMMEDIATELY UPON PASSAGE OF THE ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE. Motion was seconded by Mr. Aleman and approved unanimously. (Ordinance No. 4579 recorded in Ordinance Book No. 112.)

EXECUTIVE SESSION - EXECUTIVE CONFERENCE ROOM - 8:00 P.M.

The City Council met in Executive Session pursuant to Section 551.074 of the Texas Government Code to consider the appointment, evaluation, employment, reassignment, duties, discipline or dismissal of the City Manager, City Attorney, Municipal Court Judge, City Secretary, members of the various City boards and commissions, and City officers or other City employees (Discuss the selection of a City Attorney); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 9:15 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

ADJOURNMENT

Mr. Aleman moved to adjourn the meeting. Motion was seconded by Mr. Casper and approved unanimously. The meeting adjourned at 9:15 p.m.

Attest:

Approved:

Sonja Land, City Secretary

Stan Pickett, Mayor