

**MINUTES OF THE REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HELD AT THE HIGHLAND VILLAGE MUNICIPAL COMPLEX
LOCATED AT 1000 HIGHLAND VILLAGE ROAD
TUESDAY, JULY 25, 2017**

The City Council of the City of Highland Village, Texas met in Early Work Session on the 25th day of July, 2017 prior to the Regular Council Meeting.

Call to Order

Mayor Charlotte J. Wilcox called the meeting to order at 6:00 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Michelle Schwolert	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Fred Busche	Councilmember
	John McGee	Councilmember
	Daniel Jaworski	Councilmember
Absent:	Mike Lombardo	Councilmember
Staff Members:	Michael Leavitt	City Manager
	Kevin Laughlin	City Attorney
	Ken Heerman	Assistant City Manager
	Angela Miller	City Secretary
	Brad Goudie	Fire Chief
	Doug Reim	Police Chief
	Mark Stewart	Assistant Police Chief
	Scott Kriston	Public Works Director
	Linda Cornelius	Parks and Recreation Director
	Jana Onstead	Human Resources Director
	Sunny Lindsey	IT Director
	Jeff Sun	Staff Accountant
	Laurie Mullens	Public Affairs Manager
	Andrew Boyd	Media Specialist
	Karen Bradley	Administrative Assistant

EARLY WORK SESSION

1. Discuss the General Fund Budget and Special Revenue Funds for Fiscal Year 2017-2018

Assistant City Manager Ken Heerman reported Fiscal Year 2016-2017 is expected to have an ending fund balance of 28%, which is higher than originally anticipated. He also provided information relating to the increase in homestead exemption from \$50,000 to \$75,000 for persons age 65 and over and those with a disability. He stated approximately 22% of the homeowners in Highland Village will benefit from this exemption.

The City received final assessed valuations, which reflect an overall 6% increase. Mr. Heerman reported despite being under the current 8% threshold for a rollback, the reduced debt service this year resulted in the City rate exceeding the rollback of

\$.568022. Mr. Heerman presented scenarios for maintaining the current tax rate of \$0.56963 and reducing the tax rate to \$.56. Reducing the tax rate would eliminate the potential of having to hold an election, while still maintaining services. City Attorney Kevin Laughlin also reminded everyone of the cost of holding an election. Councilmember Jaworski asked if the projections being presented included future property taxes that will be generated from the Ladera Development. Mr. Heerman stated it was included.

Mr. Heerman presented the proposed General Fund Budget for Fiscal Year 2017-2018. The proposed base General Fund Budget expenditures total \$16,692,194, which is a 2% increase over last year. A Supplemental Budget totaling nearly \$600,000 is also included, resulting in a total increase of 4%. Mr. Heerman also provided information on a proposed Bond Election in Fiscal Year 2017-2018, which would include Street Projects, Park Projects, and Utility Projects.

For the Fiscal Year 2017-2018 Budget, Mr. Heerman stated he would need direction from Council regarding the tax rate, if Council wished to move forward with a bond election in November or May, and projects to include in the bond package. Budget presentations will continue at the August 8 City Council meeting.

Councilmembers McGee and Busche voiced caution with reducing the tax rate while not knowing the outcome of the special session of the Texas Legislature and the potential impact on cities. Councilmember Jaworski stated staff has demonstrated the tax rate can be reduced and still maintain services. Mayor Pro Tem Schwolert stated staff has always been very cautious when it comes to the budget and has confidence in staff's projections that the tax rate can be reduced without affecting services.

2. Clarification of Consent or Action Items listed on today's City Council Regular Meeting Agenda of July 25, 2017

No items were discussed.

Early Work Session ended at 7:29 p.m.

CLOSED SESSION

- 3. Hold a closed meeting in accordance with the following sections of the Texas Government Code:**
(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

Council did not meet in Closed Session.

OPEN SESSION

4. Call to Order

Mayor Charlotte J. Wilcox called the meeting to order at 7:35 p.m.

Roll Call

Present: Charlotte J. Wilcox Mayor

Michelle Schwolert	Mayor Pro Tem
Barbara Fleming	Deputy Mayor Pro Tem
Fred Busche	Councilmember
John McGee	Councilmember
Daniel Jaworski	Councilmember

Absent: Mike Lombardo Councilmember

Staff Members:	Michael Leavitt	City Manager
	Kevin Laughlin	City Attorney
	Ken Heerman	Assistant City Manager
	Angela Miller	City Secretary
	Brad Goudie	Fire Chief
	Mark Stewart	Assistant Police Chief
	Scott Kriston	Public Works Director
	Laurie Mullens	Public Affairs Manager
	Andrew Boyd	Media Specialist

5. Prayer to be led by Councilmember Fred Busche

Councilmember Busche gave the invocation.

6. Pledge of Allegiance to the U.S. and Texas Flags to be led by Councilmember Fred Busche

Councilmember Busche led the pledge to the U.S. and Texas flags.

7. Visitor Comments

No one wished to speak.

8. City Manager/Staff Reports

- **HVTV Update**

Volunteer for a Board or Commission – Volunteer to serve on one of the City’s boards or commissions; to be considered by Council for this year’s fall appointments, be sure to submit your completed application by July 31; to learn about our different boards & commissions, or to submit your application online, be sure to visit the City’s website at www.highlandvillage.org

Non-Profit of the Year – The HVBA, Flower Mound and Lewisville Chambers of Commerce hosted the Unity in Communities Luncheon on July 25th; the luncheon recognizes our local non-profit organizations and introduces them to the business community; Loving Community was chosen as Non-Profit of the Year; Loving Community is a faith based community organization that partners with non-profit, business and government communities to come together to serve those in need that may not currently be receiving help or assistance

City News and Information Updates – Sign up to receive important notifications via email or text messages by visiting the City’s website and going to the “Notify Me” section

City Manager Michael Leavitt reported the City’s own Laurie Mullens, Andrew Boyd and Crystal Babcock produced the videos that highlighted the top three non-profit

organizations that were competing for Non-Profit of the Year. The videos were shown at today's Unity in Communities Luncheon. Mr. Leavitt thanked them for their hard work.

9. **Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety**

Deputy Mayor Pro Tem Fleming commented the quality of the videos produced by staff for the Non-Profit of the Year finalists was excellent. She also invited everyone to come out to attend the next Concert in the Park, which will be held the evening of Saturday, August 26 at Doubletree Ranch Park featuring Infinite Journey.

Councilmember Busche asked people to please clean up after their dog when visiting the City's dog park. Councilmember McGee reminded everyone to get a permit for work being done at your home and of the importance of having an inspection conducted afterwards.

CONSENT AGENDA

10. **Consider Approval of Minutes of the Regular Meeting held on July 11, 2017**
11. **Consider Ordinance 2017-1228 Amending the Code of Ordinances by Increasing the City Homestead Exemption for Disabled Persons and Persons Age 65 and Over (2nd and final read)**
12. **Consider Resolution 2017-2689 Authorizing the City Manager to Enter into an Interlocal Agreement with Denton County for Collection of Ad Valorem Taxes**
13. **Consider Resolution 2017-2690 Authorizing the City Manager to Execute an Agreement with Weisinger, Inc. for Repairs to the Southwood Water Well**
14. **Consider Resolution 2017-2691 Casting the City's Vote for Representation to the Denco Area 9-1-1 District Board of Managers**
15. **Receive Budget Report for Period Ending May 31, 2017**

Motion by Deputy Mayor Pro Tem Fleming, seconded by Councilmember Busche, to approve Consent Agenda Items #10 through #15. Motion carried 6-0.

ACTION AGENDA

16. **Take action, if any, on matters discussed in closed session in accordance with the following sections of the Texas Government Code:**
 - (a) **Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**

NO ACTION TAKEN

Council did not meet in Closed Session.

17. Consider Ordinance 2017-1229 Adopting Amendments to the Fiscal Year 2016-2017 Budget (1st of two reads)

APPROVED 1ST READ (6 – 0)

Assistant City Manager Ken Heerman reported this is the first amendment presented to Council this fiscal year. This amendment mirrors the year-end projections detailed in the budget discussions. Some of the proposed adjustments reflect encumbrances from FY 2015-2016 that were actually paid in FY 2016-2017. He stated this amendment is to ensure sufficient appropriation for the year-end projections. In total, projected expenditures of \$17,707,147 are \$1,367,298 more than the original budget of \$16,339,849. In addition, projected GF transfers to other funds totals \$311,179, compared to the original budgeted amount of \$266,000. Projected revenues of \$16,967,384 reflect an increase of \$1,210,735 over the original budget, which largely offsets the expenditure increase. The projected FY 2017 year-end fund balance is \$4,939,282 – exceeding the original budgeted projected amount of \$3,709,786.

Motion by Mayor Pro Tem Schwolert, seconded by Councilmember Jaworski, to approve the first read of Ordinance 2017-1229 adopting amendments to the Fiscal Year 2016-2017 Budget. Motion carried 6-0.

LATE WORK SESSION

18. Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)

City Manager Michael Leavitt reported Highland Village is about to be home to a European-Style Farmer's Market. On Sunday, August 6 the Highland Village Farmer's Market is set to open in the Highland Village Towne Center parking lot. The Market will take place every Sunday from 10:00 a.m. to 2:00 p.m. and will feature fresh produce, Texas meats, prepared foods, specialty foods, beauty and skin care, arts and accessories.

Mayor Wilcox read an email she received from resident Nicholas Borrelli voicing concern about speeding in Highland Village. She stated a speed study has been done previously and asked for a future agenda item to discuss. Councilmember Jaworski stated he had also been notified about the same issue and that the survey did not appear to have an impact. Councilmembers reminded everyone to slow down, come to a full stop at stop signs, and pay more attention. Mr. Leavitt also voiced concern about distracted drivers. He reported speed is monitored every day in the City and the data that is collected is used to help with the location of enforcement efforts.

Councilmember Jaworski reported he seemed to recall the traffic study showed approximately 15% of drivers were over the tolerant zone for speeding. Residents have voiced to him this percentage is worrisome. He also voiced his concern that Sellmeyer has become a speedway and would like to see more focus there. In addition, he reported he has noticed more commercial vehicles that are not obeying traffic laws. He encouraged people to contact the company and report that activity.

- **35Express Project Update**

Mr. Leavitt provided the following update:

The final surface paving for the northbound and southbound main lanes will continue through late summer. There will be various nightly main lane closures along the I-35E corridor for this work and motorists should be prepared for short term uneven pavement conditions.

The additional northbound and southbound I-35E main lanes, frontage road lanes and pedestrian/bike paths on the Lewisville Lake bridges are scheduled to open by mid-August.

Work on Highland Village Road at the southbound I-35E frontage road is scheduled to be completed in mid-August.

19. Adjournment

Mayor Wilcox adjourned the meeting at 8:07 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary