

**State of Texas
County of Denton
City of Lake Dallas**

The Lake Dallas City Council met in a regular meeting on June 26, 2014 in the Lake Dallas City Hall, 212 Main Street, with notice of the meeting given, as required by Title 5, Chapter 551.041 of the Texas Government Code. Mayor Marino called the meeting to order at 5:05 p.m.

A. ROLL CALL

Tony Marino	Mayor
James Harper	Councilmember 1
Mike McCaleb	Councilmember 2
April Estrada	Councilmember 4
Karl Hammond	Councilmember 5

Councilmember Brooks was out of town.

Staff Present: City Manager/Police Chief Nick Ristagno; City Secretary Joni Vaughn; Police Captain Wes Frazier; Finance Director Donna Boner, Municipal Court Clerk Donna Butler, Community Development Director Char Dupree, Public Works Superintendent Curt Miller, Community Relations Manager Stephanie Berndt, Animal Services Supervisor Chelsea Stachrya

B. INVOCATION

Councilmember Mike McCaleb gave the invocation.

C. PLEDGE OF ALLEGIANCE:

Mayor Marino led the pledges of allegiance.

D. ANNOUNCEMENTS

Our 4th of July celebration is coming up. We have added a special tent for a "cool down" area and more food and drink vendors for this year's event.

E. REPORTS

1) Boards and Commissions

EDC met and accepted a contract for the purchase of their Swisher Road property. Planning and Zoning will meet at 7:00 pm to approve the final plat for Champion Homes.

2) Finance

No report.

F. VISITORS/CITIZENS AGENDA *In accordance with the Open Meetings Act, the City Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to three (3) minutes.*

No one came to speak.

G. BUSINESS

1) Consideration and Action to approve the minutes of the June 12, 2014 meeting.

Motion to approve the minutes of the June 12, 2014 meeting was made by Councilmember Hammond and second by Councilmember McCaleb

Ayes: Councilmembers Hammond, McCaleb, Harper and Estrada

Noes: None

Motion Passed

2) Consideration and Action to approve a final plat for Champion Homes by the Lake.

Pulled until later in the evening after P and Z meets at 7:00 pm

3) Consideration and Action to approve a monument sign at Lake Dallas Elementary School, 401 Main Street, Lake Dallas.

Wes Eversole, Deputy Superintendent of LDISD, addressed Mayor and Council on behalf of the school district. The monument sign will be an electronic sign paid partially by a PTA fund raiser at the elementary school. Mr. Eversole and Jim Hagel, sign contractor, answered questions from Council regarding the sign. Also in attendance was David Talbert, campus director at the elementary school.

Motion to approve a monument sign at Lake Dallas Elementary School, 401 Main Street, Lake Dallas was made by Councilmember Hammond and second by Councilmember Estrada.

Ayes: Councilmembers Hammond, Estrada, Harper, and McCaleb

Noes: None

Motion Passed

4) Consideration and Action accept an offer to purchase the EDC Swisher Road property.

Motion to approve the EDC's acceptance of an offer to purchase their Swisher Road property was made by Councilmember McCaleb and second by Councilmember Hammond.

Ayes: Councilmembers McCaleb, Hammond, Harper and Estrada

Noes: None

Motion Passed

5) Consideration and Action to approve a resolution to nominate a candidate for appointment to the Denco Area 9-1-1 District Board of Directors.

Motion to approve a resolution to nominate Tom Newell for appointment to the Denco Area 9-1-1 District Board of Directors was made by Councilmember Hammond and second by Councilmember McCaleb.

Ayes: Councilmembers Hammond, McCaleb, Harper and Estrada

Noes: None

Motion Passed

H. Mayor Marino adjourned the meeting at 5:25 for a dinner break and reconvened at 6:20 pm.

I. BUDGET WORKSHOP

1) Review of preliminary 2015 revenues and expenses

2) Discussion of use of the I&S fund to pay down debt

Council and Staff went over the first draft of the Fiscal Year 2015 budget. Each department head was present to answer questions regarding their department budget, if necessary. The City is making great strides in restoring health to the City finances after a number of years of having a deficit. Last year's audit showed improvement. After a phone meeting with Standard and Poor's, we may see an improvement in our bond rating. It had dropped to an all time low several years ago due to the City's poor financial condition. The current fiscal year end budget projections show another year of small increase, which should finally end the fund balance deficit since 2010. The City's fund balance is finally going back in the right direction due to increased sales taxes, a decrease in total salary expense due to the combined position of City Manager/Police Chief and keeping expenses within budgeted amounts which was a problem in the recent past. One of the budgeting changes that had to be made was to project more realistic revenue figures and then budget expenses accordingly. Making these budgeting changes over the past year has paid off.

The Council expressed their appreciation to the employees for hanging in there with the City during the years of difficulty when raises were not an option and some benefits had to be cut. Last year, as an expression of their gratitude, Councilmember Harper had suggested paying a bonus to each employee once the permit money from the Champion Homes on the Lake apartments on Swisher Road came in. Council had hoped this would happen before the holidays last year, but construction was delayed. Recently, the apartments paid their permit fees and began construction. Council once again discussed using a portion of this revenue to fund a onetime 3% bonus to employees and agreed this is the unanimous desire of the Council. An action item will be placed on the next agenda for a formal vote and then employees will receive this compensation. Council also agreed that because of the improved financial condition, they want to pay the loan from Northstar Bank back in this fiscal year instead of January 2015.

Going forward to the Fiscal Year 2015 budget, the Council and Staff discussed the proposed capital expenditures that are necessary to replace old equipment and purchase needed equipment. Council expressed a desire to do a 5% step increase on the pay plan for the employees in Fiscal Year 2015. The budget is still in the planning stages and revenues and expenses have been very conservatively projected. Final figures for property taxes are not available until August. However, even using conservative figures and planning for the step increase and capital purchase, the draft budget for 2015 still allows for a fund balance increase at the end of the fiscal year. The Council and Staff are working toward restoring the fund balance back to a reserve of three months in expenses as recommended by the auditor. Council is very pleased to see the City making progress to restore its financial health more quickly than anticipated.

Council and Staff also discussed the possibility of paying one bond off early, but it was determined by the City's bond counsel that there would be an early payment penalty so it was decided not to pay the bond early.

2) Consideration and Action to approve a final plat for Champion Homes by the Lake.

Char Dupree reported that the Planning and Zoning Commission had approved the final plat for Champion Homes on the Lake at their 7:00 p.m. meeting.

Motion to approve a final plat for Champion Homes by the Lake was made by Councilmember Hammond and second by Councilmember McCaleb.

Ayes: Councilmembers Hammond, McCaleb, Harper and Estrada

Noes: None

Motion Passed

Mayor Marino adjourned to Executive Session at 7:30 p.m.

J. EXECUTIVE SESSION

The Council will convene in closed door executive session under Section 551.0729, Texas Government Code (Real Property).

Mayor Marino reconvened the meeting at 7:52 p.m.

K. ACTION, IF ANY, FROM EXECUTIVE SESSION

Motion to direct Staff to approach the Lake Dallas Economic Development Corporation regarding the purchase of a property on Betchan was made by Councilmember Harper and second by Councilmember McCaleb.

Ayes: Councilmembers Harper, McCaleb, Estrada, and Hammond

Noes: None

Motion Passed

L. CITY MANAGER REPORT

City Manager Ristagno reported that Lakeview is slated for completion in mid-July. We will do a ribbon cutting when it is finished. We have been getting bids for work on the Veteran's Memorial. Terry Lantrip will be bringing his latest business plan and request for an incentive grant before the CDC next month. Beer Barn may be coming to CDC for assistance in improving their business. The County is going to help us with improvements to Shady Shores Road and has approved funding assistance for the concrete paving of Main Street from Betchan into Hickory Creek. The City will move ahead with the rezoning of Swisher Road from R-1-6000 to C-1 Overlay. The City will also approach Andrews Distributing about possibly rezoning their property from M-1 to C-1 since it is on the market. Former Parks Board Chair and City Councilmember Richard Martin's family would like to purchase a park bench in Richard's memory for Willow Grove Park. We are trying to clean up an area in Lake Haven in order to stop flooding on Beck Street. We went out for RFP for our trash service. We have three potential bidders. We will be getting some estimates for doing a crushed granite path around the pond at Thousand Oaks. We have some sidewalks we are repairing. Corinth has approached us about possibly contracting with us for animal shelter services.

M. NEW AGENDA ITEMS

Road repair work, charter amendments

N. ADJOURNMENT

Mayor Marino adjourned the meeting at 8:08 p.m.




Joni Vaughn, City Secretary