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KENNEDALE CITY COUNCIL MINUTES

REGULAR MEETING | May 21, 2018
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION - 5:30 PM | REGULAR SESSION - 7:00 PM

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 5:31 p.m.

II. WORK SESSION

A. Interviews for various Advisory Boards and Commissions

The City Council interviewed Lauren Warn, Chad Wandel, and Bob Gruenhagen.

Mayor Johnson recessed into Executive Session from 5:50 to 6:37 p.m. to discuss potential appointments. Mayor Johnson reconvened into the Work Session at 6:45 p.m.

B. Discuss Arlington Water Contract negotiations

Finance Director Brady Olsen provided a brief presentation regarding ongoing discussions with the City of Arlington relative to the purchase of water and, separately, the operations and maintenance (O&M) of Kennedale's utility system. He noted that this same presentation was recently made to the Arlington Council by Director of Water Utilities Buzz Pishkur.

GOALS AND HIGHLIGHTS

- Arlington will operate and maintain the water/wastewater system at significantly lower billing rates
- Kennedale will retain ownership of all utility assets in place at time of agreement
- Approximately ten Kennedale employees may be offered employment by the City of Arlington
- Kennedale will transition its water supply to Arlington to the fullest extent possible
- Arlington will honor all related existing contractual obligations
- Initial term of two years (renewable in five-year increments)
- The agreement will include a period during which each City can evaluate the viability
- Annual maintenance and repair limit; single maintenance expenditure limit
- Funding of an interconnect to deliver Arlington water to Kennedale
- Arlington will provide Kennedale with an annual Capital Improvement Plan (CIP)
- Kennedale grants Arlington water transmission rights (for distribution to homes) at a set fee

In response to Councilmember Gilley's question, Olsen stated that the City would continue purchasing water from Fort Worth through the end of that contract; and that Kennedale would continue utilizing its own wells until the interconnect is completed, at which time water purchased from Arlington would become the primary source.

In response to Mayor Pro Tem Joplin's question, City Manager George Campbell stated that he would estimate that the earliest a finalized contract might be presented would be 60 to 90 days. He also noted that the O&M agreement was separate from the water purchase agreement that was also currently under negotiation.

C. Discuss potential appointments to Charter Study Committee

City Manager George Campbell stated that it was his understanding that it was Council's direction that newly-elected Councilmembers Linda Rhodes and Chris Pugh should submit their nominations before discussion during the next Regular Meeting on June 18.

D. Discussion regarding a compensation survey and a climate survey being conducted for the Police and Fire Departments

City Manager George Campbell stated that he had engaged two outside firms to evaluate Police and Fire salaries and to conduct a climate survey in order to identify other potential issues that might be affecting the City's ability to retain public safety employees. He added that once the reports had been shared with any employees who might be affected, they would then be distributed to Council for review.

E. Discussion regarding budgeting strategies for Fiscal Year 2019

There was a brief discussion about several factors including the increase in Tarrant Appraisal District (TAD) property valuations, the "Current Tax Rate" versus the "Effective Tax Rate", a request to have more information about freezing seniors' taxes, the large increase in employee health insurance costs last year (which is projected to be much less significant this year), and the desire to offer the staff a larger raise than last year's 2%.

F. Hold a discussion and provide staff direction regarding calling of a public hearing to consider the business climate in the City of Kennedale

Councilmember Gilley proposed an open house with the business owners of Kennedale.

G. Discussion of the process to be used for the City Manager's annual performance review

There was no discussion at this time.

H. Discussion of items on Regular Session

There was no discussion at this time.

Mayor Johnson closed the Work Session at 7:07 p.m.

III. REGULAR SESSION

Mayor Johnson opened the Regular Session at 7:07 p.m.

IV. ROLL CALL

Present: Mayor Johnson; Mayor Pro Tem Joplin, Place 5; Rockie Gilley, Place 1; Chris Pugh, Place 2; Sandra Lee, Place 3; and Linda Rhodes, Place 4. **Absent:** NONE.

Staff: *City Manager George Campbell, City Secretary and Communications Coordinator Leslie Galloway, Finance Director Brady Olsen, Fire Chief Mike McMurray, Fire Lieutenant Brian King, Police Chief Tommy Williams, Public Works Superintendent Larry Hoover, Community Development Director Melissa Dailey, Library Director Amanda King, HR/EDC Manager Danielle Clarke, City Attorney Wayne Olson (TOASE)*

V. INVOCATION

Mayor Pro Tem Jan Joplin delivered the invocation.

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

VII. VISITOR/CITIZENS FORUM

There were no requests to speak at this time.

VIII. REPORTS/ANNOUNCEMENTS

A. Updates from the City Council

- **CHRIS PUGH, PLACE 2** stated that he enjoyed the Historical Society's presentation by Commissioner Nguyen about Vietnam, part of the Mayor's Historical Lecture Series that is the third Thursday of each month at the Community Center.
- **SANDRA LEE, PLACE 3** stated that she attended a budget workshop in Lubbock.
- **LINDA RHODES, PLACE 4** stated that she attended the Senior Synergy Expo; visited the Kennedale Seniors facility on New Hope Road; was planning to attend the EDC meeting; and echoed Councilmember Pugh's comments about Commissioner Nguyen's lecture.
- **MAYOR PRO TEM JAN JOPLIN, PLACE 5** stated that the election included failed recalls of herself and Councilmember Lee, a female ran for Mayor, the Mayoral race was separated by only 14 votes, Kennedale had the highest voter turnout in Tarrant County, and that all City and ISD races were contested. She urged everyone to stay informed and engaged.

B. Updates from the City Manager

City Manager George Campbell had no updates at this time.

C. Updates from the Mayor

Mayor Johnson stated that the inaugural Theatre in the Park production was a success; that there would likely be a comedy in the fall and another musical next spring; that the next topic in his Historical Lecture Series would be the history of the 4th Amendment, presented by Anthony Giardino; that public meetings were forthcoming regarding the redesign of the I-20, 820, 287 corridor; that the Sublett Road bridge was going before the Arlington City Council and could be a part of an upcoming bond; that he attended the opening of a portion of 360; that he would be speaking at Emerald Hills on Memorial Day; and that he recently attended the Muslim Community Center for Human Services annual fundraiser.

• Recognition of Public Works Director Larry Ledbetter's service to the City of Kennedale
Larry Ledbetter, Public Works Director | September 2007 – March 2018
Mayor Johnson thanked Mr. Ledbetter for his service and for the vast amount of specialized knowledge he had shared with the staff and Council. City Manager George Campbell noted that he had made some significant improvements to the water system in his tenure.

• Recognition of Fire Chief Mike McMurray's service to the City of Kennedale
Mike McMurray, Fire Chief | March 2008 – May 2018
Mayor Johnson thanked Chief McMurray for his service and City Manager George Campbell noted that he had made significant improvements to the Fire Department during his tenure and that he appreciated the leadership he had provided.

IX. MONITORING INFORMATION

A. Monthly Financials – April 2018
   There was no discussion at this time.

B. Schedule of Investment Activity for quarter ending March 31, 2018
   There was no discussion at this time.

C. Monthly EDC Financials and Activity Report
   There was no discussion at this time.

X. INCIDENTAL ITEMS

XI. REQUIRED APPROVAL ITEMS (CONSENT)

A. Consider approval of minutes from March 19, 2018 regular meeting

B. Consider approval of minutes from April 16, 2018 regular meeting

C. Consider approval of minutes from April 23, 2018 special meeting

D. Discuss and consider acceptance of independent auditor's report (Comprehensive Annual Financial Report (CAFR)) for the fiscal year ended September 30, 2017

E. Consider approval of Ordinance 642, reappointing Municipal Judge Bill Lane to a two-year term and approval of a two-year extension of the municipal judge's contract

F. Consider approval of tax collection contract with Tarrant County

G. Consider Approval of Amendment 2 to the Engineering Contract with Freese and Nichols for the TxDOT New Hope Road Bridge Replacement Project

H. Consider approval of the engineering contract with Freese and Nichols for the local match projects related to the New Hope Road Bridge TxDOT Bridge Replacement Project

I. Consider approval of Resolution 525, authorizing the Mayor to sign the Advanced Funding Agreement (AFA) for the New Hope Road Bridge Replacement Project with TXDOT

Mayor Pro Tem Jan Joplin requested that items B, G, H, and I be removed from Consent; and Councilmember Gilley requested that D be removed as well.

Motion To Approve Consent Agenda, except items B, D, G, H, and I. **Action** Approve, **Moved By** Mayor Pro Tem Joplin, **Seconded By** Lee. **Motion passed Unanimously.**

Motion To Approve Item XI.B. (April 16, 2018 minutes) as corrected (by removal of the words "she felt" in the narrative related to item VIII.A.; and addition of the clause "and a correction to the Management's Discussion and Analysis (MD&A) section" to the narrative related to item XI.D.). **Action** Approve, **Moved By** Mayor Pro Tem Jan Joplin, **Seconded By** Lee. **Motion passed Unanimously.**

Motion To Accept Item XI.D. (FY2017 CAFR) as corrected (by fixing the transposition of the numbers listed as the net position of the stormwater fund and the water/wastewater fund in the MD&A statement on page 10; and correcting the tax rate on page 11 to "*...increased the tax rate by one cent to $0.777500 per $100 assessed valuation...*"). **Action** Accept, **Moved By** Gilley, **Seconded By** Lee. **Motion passed Unanimously.**

Mayor Pro Tem Joplin requested a presentation regarding the New Hope Road project (items G, H, and I) at the next meeting.

Motion To Postpone Items XI.G., XI.H., and XI.I. until the June 18 Regular Meeting. **Action** Postpone, **Moved By** Mayor Pro Tem Joplin, **Seconded By** Lee. **Motion passed Unanimously.**

XII. DECISION ITEMS

A. **CASE # PZ 18-01** to conduct a public hearing, receive comments, and consider approval on a request by Skorburg Retail Corp., for a Zoning change and Concept Plan for approximately 23.1 acres from "AG" Agricultural District to "PD" Planned Development District for a new neighborhood consisting of 92 single-family lots on property located at 1118 and 1132 Kennedale Sublett Road, legal description of Lots 4R1 & 3B1, JM Estes Home Tracts, Tarrant County, Texas.

1. Staff Presentation

City Manager George Campbell introduced newly-hired Community Development Director Melissa Dailey, who provided a brief overview of the requested zoning change, stating that the surrounding areas are primarily residential, the Comprehensive Land Use Plan defines this land as neighborhood, the Planning & Zoning Commission (P&Z) approved this request at their April 19, 2018 meeting, and staff is recommending approval.

She noted that the lot sizes and setbacks (5' vs. 8') were somewhat smaller than other developments, but that the average lot size has increased since the initial plan (which was reduced from 96 to 92 lots at the request of P&Z), decreasing the density and increasing the open or greenspace. Notices were sent to property owners, and two expressed concerns about lot size at the P&Z meeting, but did not specifically speak for or against the development overall.

She noted that this neighborhood would form a corridor from Sublett to Swiney Hiett Road via Collett Sublett Road, increasing connectivity within the City. Councilmember Gilley expressed concern with the current state of Collett Sublett, and Public Works Superintendent Larry Hoover acknowledged that, like all asphalt streets in the city, Collett Sublett was in need of either an overlay or rebuild in the near future, regardless of tonight's decision.

2. Applicant Presentation

Rich Darragh, Land Acquisition Associate at Skorburg Company, gave a brief overview of the company and stated that he had been before P&Z four times now regarding this plot of land that lies just south of the roundabout at Wildcat Way and Sublett Road. He stated that the streets would be named after local historical figures, that the school district reported that the schools could absorb any additional students, that the Fire Chief had approved the reduced setbacks, that more kid-friendly elements had been added to the open space plan, that large-root trees would be used, and that decorative street lighting would be used.

Mayor Pro Tem Joplin stated her concern with the smaller lot sizes and setbacks. Councilmember Chris Pugh noted that the Glen of Village Creek (on Bowman Springs Road) had similarly reduced setbacks, and was selling quickly. Councilmember Sandra Lee stated that she also preferred larger lots, but not everyone did, and noted that this would help to increase the tax base allowing for Council to more quickly accomplish some of their priorities including raises for employees. Councilmember Rockie Gilley stated that he did not believe that additional homes equated to increased revenues for the City; and that it should be approved on the merit of the development. Mayor Johnson stated that he disagreed with Councilmember Gilley because new development led to increased annual tax revenue which more than covered any additional costs for supporting the neighborhood.

3. Public Hearing

Bob Gruenhagen, 913 Shady Vale Drive, spoke in favor of growth but felt the lot sizes were too small and voiced his concerns about emergency service access and drainage.

Jason Hogan, 716 W Kennedale Parkway #16, spoke against the development because of the small lots and voiced his concerns about the dedication of the developer to creating a healthy community and homeowners' association (HOA). He added that he desired to see unique neighborhoods rather than generic homes that can be found most anywhere.

Joan Good, 5690 White Settlement Road, Weatherford, spoke in favor of the development, stating that she and her husband bought 20 acres of this land in 1972 as an investment and grew to love the community and neighbors, but that she was now interested in selling the land.

Mark Daniel, 1152 Kennedale Sublett Road, stated that he had concerns about environmental impacts (including contamination of runoff) and that developments and reduced setbacks such as this diminish the small town feel. He added that he did speak against the development at the P&Z meeting.

Sara Johnson, 700 Crestview Drive, did not speak, but submitted a written statement against the proposed development noting that the lots were too small, that additional staffing would be required (specifically Police and Fire).

4. Applicant Response

Rich Darragh stated that these lots are adequate in size, that the detention or retention pond will be maintained by the HOA in perpetuity, that traffic calming devices (such as chicanes) will be implemented to slow vehicles. John Arnold, Director of Development at Skorburg, added that the environmental impacts and drainage had been discussed at length, which should not be the focus tonight, but that all aspects were being considered, studied, and engineered to adequately handle any impacts. He also noted that Skorburg had been creating communities in the Metroplex for 35 years and that they maintained a good reputation and prided themselves on repeat business and setting up the HOAs for success.

5. Staff Response and Summary

Motion To Postpone CASE # PZ 18-01 to the June 18 Meeting. **Action** Postpone, **Moved By** Mayor Pro Tem Joplin, There was no second. **Motion dies.**

Motion To Approve CASE # PZ 18-01, a request by Skorburg Retail Corp. for a Zoning change and Concept Plan for approximately 23.1 acres from "AG" Agricultural District to "PD" Planned Development District for a new neighborhood consisting of 92 single-family lots on property located at 1118 and 1132 Kennedale Sublett Road, legal description of Lots 4R1 & 3B1, JM Estes Home Tracts, Tarrant County, Texas.

Councilmember Rhodes noted that she agrees that the lot sizes are small; however, smaller homes are inevitable. She added that safety is always the primary concern, but the Fire Chief had approved these reduced setbacks along with higher fire rating standards being implemented on the walls between homes. She also stated that her questions about the flood plain and drainage related to the property had been addressed, of which staff indicated that the property was not in the flood plain and drainage should not be an issue.

Action Approve, **Moved By** Councilmember Pugh, Second by Lee. **Motion passes 3-2**, with Mayor Pro Tem Joplin and Gilley voting against.

B. Discuss and provide staff direction regarding the creation of a new bank account specifically for the Kennedale Economic Development Corporation and/or combined utility funds

City Manager George Campbell stated that staff concurred with the recommendation by Council to create a separate account for the EDC Fund, but did not recommend separating the Utility Fund from other City Funds at this point. Finance Director Brady Olsen stated that most all funds run through the same central bank account and that the trend in municipal finance is towards more internal accounting funds and fewer external bank accounts.

Council concurred with staff's recommendation to separate the EDC Fund into a separate account (but to leave the Water/Sewer Fund in the consolidated City bank account at this time), and directed staff to move forward with what was described in the staff report.

C. Consider making appointments to fill vacancies on various Advisory Boards and Commissions

Motion To Approve the appointment of Chad Wandel to Place 2, Jeff Nevarez to Place 4, and Bob Gruenhagen to Place 8 (Alternate) on the Planning & Zoning Commision (P&Z). **Action** Approve, **Moved By** Pugh, **Seconded By** Rhodes.

After a brief discussion and input from City Attorney Wayne Olson regarding the potential conflicts of interest for Jeff Nevarez (a member of the BOA/BBA), the motion was amended by Councilmember Pugh:

Motion To Approve the appointment of Chad Wandel to Place 2, promotion of Kayla Hughes (currently an Alternate) to Place 4, and Bob Gruenhagen to Place 8 (Alternate) on the Planning & Zoning Commision (P&Z). **Action** Approve, **Moved By** Pugh, **Seconded By** Lee. **Motion passes unanimously.**

Council postponed decisions about other appointments, including KKB, until a later meeting.

Mayor Johnson recessed to Executive Session at 8:55 p.m.

XIII. EXECUTIVE SESSION

A. Appointment and removal authority regarding members of City Boards and Commissions

B. Briefing on Arlington Water Contract

C. Discussion of City Manager's Annual Evaluation

XIV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

Mayor Johnson reconvened into Open Session at 9:10 p.m.

XV. ADJOURNMENT

Motion To Adjourn. **Action** Adjourn, **Moved By** Lee, **Seconded By** Gilley. **Motion passed unanimously.**

Mayor Johnson adjourned the meeting at 9:11 p.m.

APPROVED:

BRIAN JOHNSON, MAYOR

ATTEST:

Leslie Galloway

LESLIE GALLOWAY, CITY SECRETARY

CITY OF KENNEDALE SEAL TARRANT COUNTY, TEXAS