



*** PUBLIC NOTICE ***

**NOTICE OF A CITY COUNCIL REGULAR SESSION IMMEDIATELY FOLLOWING
A WORKSHOP SESSION
OF THE CITY OF CORINTH**

**Thursday, September 6, 2018, 5:30 P.M.
CITY HALL - 3300 CORINTH PARKWAY**

CALL TO ORDER:

WORKSHOP BUSINESS AGENDA

1. Discuss Regular Meeting Items on Regular Session Agenda, including the consideration of closed session items as set forth in the Closed Session agenda items below.
2. Hold a discussion on the Texas Municipal League Legislative update.
3. Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2018-2019 Annual Program of Services and Capital Improvement Program.

ADJOURN WORKSHOP SESSION

***NOTICE IS HEREBY GIVEN** of a Regular Session of the Corinth City Council to be held at Corinth City Hall located at 3300 Corinth Parkway, Corinth, Texas. The agenda is as follows:

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

"Honor the Texas Flag: I pledge allegiance to thee, Texas, one state under God, one and indivisible".

PRESENTATION:

Receive a Presentation on the STAR Communities Certification.

Receive a Presentation on the SolSmart Designation.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

1. Consider and act on minutes from the August 2, 2018 Workshop Session.
2. Consider and act on minutes from the August 2, 2018 Regular Session.
3. Consider and act on minutes from the August 9, 2018 Workshop Session.
4. Consider and act on minutes from the August 9, 2018 Special Session.
5. Consider and act on minutes from the August 16, 2018 Workshop Session.
6. Consider and act on minutes from the August 16, 2018 Regular Session.
7. Consider and act on a Resolution approving a negotiated settlement between the Atmos Steering Committee and Atmos Energy Corp, Mid-Tex Division regarding the company's 2018 Rate Review Mechanism filings.

CITIZENS COMMENTS

In accordance with the Open Meetings Act, 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 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

PUBLIC HEARING

8. Hold a public hearing to receive community input on the FY 2018-2019 Annual Program of Services (Budget).
9. Hold a public hearing on a proposal to consider a tax rate, which will exceed the lower of the rollback rate or the effective tax rate and will increase total tax revenues from properties on the tax roll in the preceding tax year by 9.17 percent.

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

- a. Consider acquisition of Right-of-way at 1708 Post Oak Drive.

b. Consider acquisition of Right-of-way at 2101 Lake Sharon Blvd.

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

a. MCM Contract for the Lake Sharon Roadway Extension

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

a. City Manager evaluation

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

ADJOURN:

Posted this 31st day of August, 2018 at 11:30 a.m. on the bulletin board at Corinth City Hall.

Kimberly Pence
Kimberly Pence, City Secretary
City of Corinth, Texas

WORKSHOP BUSINESS ITEM 2.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: Legislative Briefing

Submitted For: Bob Hart, City Manager **Submitted By:** Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Hold a discussion on the Texas Municipal League Legislative update.

AGENDA ITEM SUMMARY/BACKGROUND

The Texas Municipal League changed the legislative position process in anticipation of the 2019 session by consolidating the three committees (personnel, land use and utilities). The committee met on August 23 & 24. Following are the recommended positions. These positions will be presented to the board and the membership in October.

The second memo is based on positions adopted by the utility steering committees (Oncor and Atmos).

RECOMMENDATION

N/A

Attachments

Summary/Actions
Legislative Update

Municipal Policy Summit

Summary of Actions

August 23-24, 2018

Harmful Legislation in General/Preemption

The Summit delegates voted to recommend that the League:

1. oppose legislation that would erode municipal authority in any way, would impose an unfunded mandate, or would otherwise be detrimental to cities.
2. oppose legislation that would provide for state preemption of municipal authority in general.

Revenue and Finance

The Summit delegates voted to recommend that the League:

1. oppose legislation that would impose a revenue and/or tax cap of any type, including a reduced rollback rate, mandatory tax rate ratification elections, lowered rollback petition requirements, limitations on overall city expenditures, exclusion of the new property adjustment in effective rate and rollback rate calculations, or legislation that lowers the rollback rate and gives a city council the option to re-raise the rollback rate.
2. oppose legislation that would negatively expand appraisal caps but take no position on legislation that would authorize a council-option reduction in the current ten-percent cap on annual appraisal growth.
3. support legislation that would simplify the effective tax rate calculation for notice purposes only, provided the legislation would have no effect on either the underlying effective tax rate and rollback tax rate calculations themselves, or upon the hold harmless exemptions to those rates.
4. support legislation extending the sunset date for Chapter 312 tax abatement authority only if the business lobby groups whose members benefit from tax abatement agreements refrain from any support for harmful revenue and expenditure caps.
5. oppose legislation that would impose new property tax or sales tax exemptions that substantially erode the tax base.
6. support: (1) legislation that would make beneficial amendments to the equity appraisal statute; (2) legislation that would close the “dark store” theory of appraisal loophole; and (3) legislation that would require mandatory disclosure of real estate sales prices.
7. support: (1) legislation that would authorize a council-option property tax exemption of a portion of the appraised value of property damaged by a disaster; and (2) legislation that

would authorize a council-option city homestead exemption expressed as a percentage or flat-dollar amount.

8. support legislation that would convert the sales tax reallocation process from a ministerial process into a more formalized administrative process.
9. with regard to economic development: (1) take no position on legislation that would broaden the authority of Type A or Type B economic development corporations; and (2) oppose legislation that would limit the authority of Type A or Type B economic development corporations statewide, but take no position on legislation that is regional in scope and that is supported by some cities in that region.
10. oppose legislation that would erode the ability of a city to issue debt.
11. oppose legislation that would limit or eliminate the current flexibility of the Major Events Reimbursement Program as a tool for cities to attract or host major events and conventions.

Regulation of Development

The Summit delegates voted to recommend that the League:

1. oppose legislation that would erode municipal authority related to development matters, including with respect to the following issues: (1) annexation, (2) eminent domain, (3) zoning, (4) regulatory takings; (5) building codes, (6) tree preservation, and (7) short-term rentals.
2. support legislation that would expand municipal annexation authority.
3. support legislation that would authorize a city council to opt-in to requiring residential fire sprinklers in newly constructed single-family dwellings.

Utilities and Transportation

The Summit delegates voted to recommend that the League:

1. oppose state or federal legislation or rules that would erode the authority of a city to be adequately compensated for the use of its rights-of-way and/or erode municipal authority over the management and control of rights-of-way.
2. support legislation that would: (1) allow for greater flexibility by cities to fund local transportation projects; (2) amend or otherwise modify state law to help cities fund transportation projects; or (3) provide cities with additional funding options and resources to address transportation needs that the state and federal governments are unable or unwilling to address.
3. support legislation that would: (1) provide additional funding to the Texas Department of Transportation for transportation projects that would benefit cities; and (2) provide local,

state, and federal transportation funding for rail as one component of transportation infrastructure.

4. oppose legislation that would erode municipal authority over billboards or place any unfunded mandate on cities relating to billboards.

Miscellaneous (Public Safety, Personnel, Elections, Municipal Court, Member-Submitted Items):

The Summit delegates voted to recommend that the League:

1. take no position on legislation that would standardize red light photo enforcement systems, so long as the underlying authority is not eliminated. (Further, the committee recommends that TML defer to the Texas Red Light Coalition on more detailed matters relating to revisions to red light camera policy.)
2. take no position on legislation that would amend the affected provisions of the Texas Government Code relating to the Texas Municipal Retirement System to allow for greater flexibility in retiree pension increases and provide for a forgiveness provision for cities that stopped the regular repeating COLA payments without reference to a cost of living index.
3. oppose legislation that would further erode local control as it pertains to retirement issues.
4. oppose legislation that would substantively change or expand the scope of the current disease presumption law, unless doing so is supported by reputable, independent scientific research.
5. oppose legislation that would require candidates for city office to declare party affiliation in order to run for office.
6. oppose legislation that would eliminate any of the current uniform election dates.
7. in relation to municipal courts: (1) oppose legislation that would impose additional state fees or costs on municipal court convictions or require municipal courts to collect fine revenue for the state; and (2) support legislation that would allow a more equitable way of distributing court fines that would result a higher percentage of fines being kept local, where the laws are enforced, the court is held, and the fines collected.
8. oppose legislation that would: (1) require the reporting of lobbying activities beyond the requirements in current law; (2) limit or prohibit the authority of city officials to use municipal funds to communicate with legislators; and (3) limit or prohibit the authority of the Texas Municipal League to use any revenue, however derived, to communicate with legislators.
9. support additional appropriations for the Texas Veterans Commission and the Texas Workforce Commission skills for veterans initiative that dedicates state funding to address the training needs of veterans returning home and entering the Texas workforce.

10. support legislation that: (1) clarifies federal congressional intent of federal transit law to protect cities across the United States from being penalized due a to a population drop suffered as a direct result of a natural disaster, retroactive to 2000; (2) explicitly states that only presidentially declared major disasters are covered, in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 100-707); and (3) protects federal transit funding streams for urbanized areas until the execution of the next decennial census.
11. support legislation that would request that the legislature increase funding for the Texas Intrastate Fire Mutual Aid System to \$3 million annually.
12. support legislation that would allow cities the option of using either an official newspaper or a website for the publication of legal notices.
13. support legislation that would allow a city to lower the prima facie speed limit from 30 to 25 miles per hour without the need for a traffic study.

Other

The Summit delegates directed League staff to seek the guidance of the TML executive committee in relation to tax abatement agreements should the “support” position included elsewhere in this program no longer encompass evolving scenarios.

The Summit delegates directed League staff to seek the guidance of the TML board of directors on issues related to sales taxes on remote sales.

The Summit delegates requested that, after the 2019 legislative session, the TML President appoint a committee to study seeking additional local option transportation funding mechanisms.

The Summit delegates requested that the TML President appoint a committee to study and make recommendations to the TML board of directors on issues related to initiative and referendum.

The Summit delegates concurred with the [legislative program](#) of the Texas Recreation and Park Society, but disapproved the provision in that program relating to prohibiting firearms at certain types of city events.

The Summit delegates directed League staff to work with the City of Leary on legislation that would reduce cost drivers for small city audits, so long as appropriate statutory safeguards remain in place.

MEMORANDUM

TO: Steering Committee of Cities Served by Oncor
Atmos Cities Steering Committee
Texas Coalition for Affordable Power

FROM: Thomas Brocato

DATE: August 23, 2018

RE: Legislative Update

BACKGROUND

The purpose of this memorandum is to provide an update on the interim legislative activities on behalf of the Steering Committee of Cities Served by Oncor ("OCSC"), the Steering Committee of Cities Served by Atmos ("ACSC") and the Texas Coalition for Affordable Power ("TCAP").

HOUSE SPEAKER RACE

On August 20, State Representative Travis Clardy (R-Nacogdoches) announced that he is entering the Speakers race. Clardy becomes the fifth candidate to succeed Joe Straus. Straus announced on October 23 he will not seek re-election in 2018. He has served as Speaker since first elected in 2009. Clardy becomes the fourth Republican to enter the race. The other candidates are John Zerwas of Richmond, Phil King of Weatherford and Tan Parker of Flower Mound. In addition, Democrat Eric Johnson of Dallas has announced that he will run for the position.

Last year, Texas House Republicans voted to pre-select their House speaker candidate for the 2019 legislative session. The Texas Constitution requires the 150 members of the House to select a speaker in a vote to be held on the first day of each legislative session. Under the new procedure, Republican members will meet in December 2018 to vote, via secret ballot, on a speaker candidate to present to the entire House. The winner must have support of two-thirds of those voting. Once selected, the bylaw calls for all Republican House members to support the winning candidate when the full House elects a speaker. Currently, there are 95 Republican House members and 55 Democrats.

GRIP INTERIM CHARGE

As reported previously, the House Energy Resources Committee held a hearing on April 18 on its interim charge to study the Gas Reliability Infrastructure Program ("GRIP") and its effect on gas utility ratemaking and ratepayers. As you may be aware, GRIP has been a longstanding concern to cities. Cities were instrumental in getting the issue added to the interim charges.

Cities would like to see the Legislature make the following four changes to GRIP: (1) if

an utility is overearning, it should not be allowed to increase its rates; (2) GRIP filings should account for load growth; (3) the definition of “invested capital” should be narrowed; and (4) the number of filings should be reduced from six to three before the utility must file a comprehensive rate case. Later this summer, the Committee will prepare a summary of the hearing including recommendations. Once we receive report, we will provide you with an update.

LOOKING AHEAD

Early indications are that the legislative session will be a busy one with respect to utility issues. Specifically, we anticipate bills related to electricity pricing, the ERCOT market, grid hardening, cyber security, energy storage, GRIP, gas utility earnings monitoring and other issues. As we prepare to address these issues, we will work over the next few months to finalize our legislative agenda for the upcoming session.

WORKSHOP BUSINESS ITEM 3.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018
Title: Annual Budget Workshop
Submitted For: Lee Ann Bunselmeyer, Director
Submitted By: Lee Ann Bunselmeyer, Director
City Manager Review: Bob Hart, City Manager

AGENDA ITEM

Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2018-2019 Annual Program of Services and Capital Improvement Program.

AGENDA ITEM SUMMARY/BACKGROUND

The City Charter, Section 9.02, requires that the City Manager be responsible for submitting an annual budget not later than sixty (60) days prior to the first day of the new fiscal year. In compliance with the Charter requirement, the Fiscal Year 2018-2019 budget was submitted to the Council by July 31, 2018 and can also be found on the City's website. This budget workshop is one of several for Council to deliberate on the Fiscal 2018-2019 annual budget and to provide staff direction.

The City's budget development procedures are in conformance with State Law outlined in the Truth in Taxation process. The complete budget timeline is provided below.

Meeting Date	Budget Agenda Item
July 31	Publication of the Proposed Annual Program of Services (Budget)
August 2	Council Workshop - Budget Overview
August 9	Council Workshop- Discuss Governmental Funds Council vote on Published tax rate and to set the public hearing dates
August 16	Council Workshop- Discuss Proprietary Funds
August 21	Council Workshop on the Budget Approve Crime Control & Prevention District Budget First Public Hearing on the Tax Rate
September 6	Council Workshop on the Budget Second Public Hearing on the Tax Rate Public Hearing on the Annual Budget
September 20	Adoption of the Annual Program of Services (Budget) Adoption of the Tax Rates and Tax Rolls

RECOMMENDATION

PRESENTATION ITEM

City Council Regular and Workshop Session

Meeting Date: 09/06/2018
Title: Receive a Presentation on the STAR Communities Certification.
Submitted For: Helen-Eve Liebman, Director
Submitted By: Patrick Hubbard, Development Coordinator
City Manager Review:

AGENDA ITEM

Receive a Presentation on the STAR Communities Certification.

AGENDA ITEM SUMMARY/BACKGROUND

Effective August 27, 2018 the City of Corinth is formally certified in the STAR Community Rating System, having achieved a 3-STAR Community Rating®. Obtaining a 3-STAR Community certification designates Corinth as a community recognized for sustainability leadership. The STAR Community Rating System (STAR) is the nation's leading framework and certification program for local sustainability. Corinth was accepted in the Fall 2017 Leadership STAR Communities Program. This program is designed to help communities to baseline their current sustainability status by achieving STAR certification. Currently, only 5 other Texas cities (Austin, Denton, Houston, Plano and San Antonio) have obtained STAR Certification. This makes Corinth the smallest community in Texas to have obtained this certification.

STAR certification provides a clear, data-driven approach to assessing communities' sustainability efforts. Certification allows communities to credibly and transparently track progress toward overall sustainability objectives. The STAR Community Rating System encompasses economic, environmental and social performance measures for both local governments and the broader community. The rating system includes 7 goal areas and 45 sustainability objectives, with over 500 different measurable indicators, including both quantitative and qualitative measures.

The STAR Community Rating System supports three leadership certifications: 3-STAR Community, 4-STAR Community and 5-STAR Community. Hundreds of cities, towns, and counties are actively using the STAR Community Rating System to set goals, measure progress, and improve their communities. At the time of writing, STAR Communities lists 73 other certified communities nationwide, with only 4 cities (Baltimore, MD; Cambridge, MA; Northhampton, MA; Seattle WA) achieving a 5-STAR Community Rating.

The STAR Community Rating System was initiated and supported by founding partners ICLEI-Local Governments for Sustainability USA, the U.S. Green Building Council, National League of Cities and the Center for American Progress. A STAR Community Rating lasts for four years after the award date, at which point the community is expected to measure and report progress through recertification.

RECOMMENDATION

N/A

PRESENTATION ITEM

City Council Regular and Workshop Session

Meeting Date: 09/06/2018
Title: Receive a presentation and hold a discussion on the SolSmart Designation
Submitted For: Helen-Eve Liebman, Director
Submitted By: Patrick Hubbard, Development Coordinator
City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Receive a Presentation on the SolSmart Designation.

AGENDA ITEM SUMMARY/BACKGROUND

The City of Corinth received a Gold designation from the national SolSmart program for making it faster, easier, and more affordable for homes and businesses to go solar. This designation recognizes Corinth for taking bold steps to encourage solar energy growth and remove obstacles to solar development. For companies looking to expand, a SolSmart Gold designation is a signal that Corinth is “open for solar business.”

SolSmart is led by The Solar Foundation and the International City/County Management Association (ICMA) and funded by the U.S. Department of Energy Solar Energy Technologies Office. More than 180 cities, counties, and small towns have achieved SolSmart designation since the program launched in 2016. The Planning & Development Department submitted an application to become a SolSmart designated city in March 2018. SolSmart uses objective criteria to award communities points based on the actions they take to reduce barriers to solar energy development. Communities that take sufficient action are designated either gold, silver, or bronze.

As a SolSmart designee, Corinth is helping solar companies greatly reduce the cost of installations and pass those savings on to consumers. This allows even more local homes and businesses to obtain affordable, clean, and reliable electricity through solar. The actions Corinth has taken will help encourage solar companies to do business in the area, driving economic development and creating local jobs.

To receive designation, cities and counties make changes to their local processes to reduce the time and money it takes to install a solar energy system. This includes evaluating local permitting processes, as well as planning and zoning procedures. SolSmart designees also develop innovations in areas such as market development and finance. The City is currently implementing improvements to local processes including solar applications as well as integrating the SolSmart designation goals within the permit process. In connection with this application, the City Council approved an update to the Unified Development Code to permit the installation of attached and detached photovoltaic systems in all districts in the city and to provide zoning standards for the installation of detached photovoltaic arrays.

As part of the SolSmart program, a team of national experts provides no-cost technical assistance to help communities achieve designation. All cities and counties are eligible to join the SolSmart program and receive this technical assistance. Interested communities can learn more at SolSmart.org.

RECOMMENDATION

N/A

CONSENT ITEM 1.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: August 2, 2018 Workshop

Submitted For: Kim Pence, City Secretary

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on minutes from the August 2, 2018 Workshop Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are minutes from the August 2, 2018 Workshop Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the August 2, 2018 Workshop Session minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 2nd day of August 2018 the City Council of the City of Corinth, Texas met in a Workshop Session at the Corinth City Hall at 5:30 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Tina Henderson, Council Member
Lowell Johnson, Council Member
Scott Garber, Council Member
Don Glockel, Council Member, Arrived at 6:05 p.m.

Members Absent:

None

Staff Members Present:

Bob Hart, City Manager
Kimberly Pence, City Secretary
Cody Collier, Director of Public Works, Park Maintenance, Recreation, and Utility Operations
Shea Rodgers, Technology Services Manager
Helen-Eve Liebman, Planning and Development Director
Jason Alexander, Economic Development Corporation Director
Curtis Birt, Lake Cities Fire Chief
Lee Ann Bunselmeyer, Director of Finance & Administrative Services
Chris Rodriquez, Assistant Finance Director
Jamaine Walker, Controller
Guadalupe Ruiz, Director of Human Resources
Alan Upchurch, City Engineer
Jimmy Gregg, Police Lieutenant
Kevin Tyson, Police Lieutenant
Melissa Cranford, Messer, Rockefeller, & Fort

WORKSHOP BUSINESS AGENDA:

1. Discuss Regular Meeting Items on Regular Session Agenda, including the consideration of closed session items as set forth in the Closed Session agenda items below.

No discussion on Regular Session Agenda items.

2. Receive a report, hold a discussion and give staff direction on the Capital Improvement Projects.

Bob Hart, City Manager - presented the proposed Capital Improvement Plan (CIP).

- To be included in the Capital Improvement Program, the project should cost more than \$50,000 and must have an expected useful life greater than the life-span of any debt used to fund the projects.

- Projects include construction and major renovations of buildings; acquisition of property; improvements to roadways and sidewalks; and the efficient operation of the water, wastewater, and drainage systems.
- Other costs associated with the capital budget can include, but are not limited to, architectural and engineering fees and site development.

When staff and I discussed the CIP we talked about a priority of 1-4. I had spoken to some of the Council on this and you can make adjustments.

Priority I: IMPERATIVE (Must-Do) –Projects that cannot reasonably be postponed in order to avoid harmful or otherwise undesirable consequences.

- A. Corrects a condition dangerous to public health or safety
- B. Satisfies a legal obligation
- C. Alleviates an emergency service disruption or deficiency
- D. Prevents irreparable damage to a valuable public facility.

Priority II: ESSENTIAL (Should-Do) –Projects that address clearly demonstrated needs or objectives.

- A. Rehabilitates or replaces an obsolete public facility
- B. Stimulates economic growth or private capital investment
- C. Reduces future operating and maintenance costs
- D. Leverages available local, state, or federal funding

Priority III: IMPORTANT (Could-Do) –Projects that benefit the community but may be delayed without detrimental effects to basic services.

- A. Provides a new or expanded level of service
- B. Promotes intergovernmental cooperation
- C. Reduces energy consumption
- D. Enhances cultural or natural resources.

Priority IV: DESIRABLE – Desirable projects that are not included within five-year program because of funding limitations.

CIP Summary:

CAPITAL IMPROVEMENT PROGRAM

FY 2019-2023

Project Title	Proposed FY2018-19	Planned					Total
		FY2019-20	FY2020-21	FY2021-22	FY2022-23	5 Plus Years	
General Fund Capital							
Streets	\$ 3,000,000	\$ 2,100,000	\$ 1,525,000	\$ 2,621,000	\$ 1,598,000	\$ 11,675,000	\$ 22,519,000
Parks & Recreation	-	-	-	490,000	950,000	1,160,000	2,600,000
Technology & Public Safety	272,000	322,000	172,000	322,000	376,000	-	1,464,000
	3,272,000	2,422,000	1,697,000	3,433,000	2,924,000	12,835,000	26,583,000
Utility Fund Capital							
Water	7,451,000	-	90,000	800,000	-	2,300,000	10,641,000
Wastewater	-	500,000	150,000	-	-	9,525,000	10,175,000
	7,451,000	500,000	240,000	800,000	-	11,825,000	20,816,000
Storm Drainage Fund Capital							
Storm Drainage	7,070,000	-	-	-	-	500,000	7,570,000
Total	\$ 17,793,000	\$ 2,922,000	\$ 1,937,000	\$ 4,233,000	\$ 2,924,000	\$ 25,160,000	\$ 54,969,000

CIP - STREETS

CAPITAL IMPROVEMENT PROGRAM

FY 2019-2023

Project Title	Dept Priority	Total Project Cost	Proposed FY2018-19	Planned					Total	
				FY2019-20	FY2020-21	FY2021-22	FY2022-23	5 Plus Years		
General Fund Capital										
Streets										
Lake Sharon/Corinth Parkway Extension & Quail Run Reconstruction	I	\$ 5,100,000	\$ 3,000,000	\$ 2,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,100,000
Cliff Oak Drive	II	1,525,000			\$ 1,525,000					1,525,000
Walton Drive	III	1,473,000					1,473,000			1,473,000
Vintage	III	125,000					125,000			125,000
Parkridge Collector Road	III	2,621,000				2,621,000				2,621,000
Post Oak Road	IV	6,475,000						6,475,000		6,475,000
Shady Shores Road	IV	3,500,000						3,500,000		3,500,000
Tower Ridge Drive	IV	800,000						800,000		800,000
South Garrison Street	IV	900,000						900,000		900,000
										-
Subtotal: Streets		\$ 22,519,000	\$ 3,000,000	\$ 2,100,000	\$ 1,525,000	\$ 2,621,000	\$ 1,598,000	\$ 11,675,000		\$ 22,519,000

LAKE SHARON / CORINTH PARKWAY EXTENSION AND QUAIL RUN RECONSTRUCTION

Project Description

This project consists of the reconstruction of a two lane asphalt facility to a 4 lane divided greenway minor arterial. The arterial will be constructed of concrete and have a curb and gutter underground drainage system and concrete sidewalks.

Project Justification, Priority Ranking, and Projected Cost

	Priority I Imperative	\$5,100,000 Projected Cost
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History and Comments

With the increase interest in Corinth's undeveloped property, especially the I-35E corridor area along with the recent Millennium project it is important for the City to start planning for the design and construction of the proposed arterial section. This project will connect via an underpass to the west to Lake Sharon to make the Corinth Parkway loop complete. This will help facilitate future traffic demands for our urban core area in the City. It will also help move traffic efficiently in this area when all of the future land uses are in place.

Project Location and Supporting Master Plan

<u>ADDRESS</u> I35E NBFR to Quail Run Drive	<u>SUPPORTING CITY PLANS</u> Comprehensive Plan/Thoroughfare Plan
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Mayor Heidemann - this dollar amount will be financed through debt?

Bob Hart, City Manager - yes. It will be financed through the general fund or the tax rate portion and the waterlines and the elevated storage tank will be financed through the utility fund.

CLIFF OAK DRIVE

Project Description

This project consists of the reconstruction of a two lane asphalt facility to a collector. The collector will be constructed of concrete and have a curb and gutter underground drainage system and concrete sidewalks.

Project Justification, Priority Ranking, and Projected Cost

Priority II
Essential

\$1,525,000
Projected Cost

History and Comments

This roadway has received some increased traffic with the development of the commercial tract to the south that currently has ALDI, Chicken Express and will soon be the future home of North Texas Storage. In addition, a new Fire Station will front onto this roadway across from the Corinth Elementary School and will be its main access. The new Public Safety Building directly south of the new Fire Station on the same lot, will also have its secondary access to Cliff Oak. With the increased activity of local development and two new proposed City Facilities, this roadway will need to be planned for reconstruction of the two lane asphalt roadway to a collector to help facilitate current and future growth.

Project Location and Supporting Master Plan

ADDRESS
South Garrison to Tower Ridge Road

SUPPORTING CITY PLANS
Comprehensive Plan/Thoroughfare Plan



WALTON DRIVE

Project Description

This project consists of the reconstruction of a two lane asphalt facility to a collector. The collector will be constructed of concrete and have a curb and gutter underground drainage system and concrete sidewalks.

Project Justification, Priority Ranking, and Projected Cost

Priority III
Important

\$1,473,000
Projected Cost

History and Comments

With the increase interest in Corinth's undeveloped property, especially the I-35E corridor area along with the recent Millennium project it is important for the City to start planning for the design and construction of the proposed arterial section. This project will connect via an underpass to the west to Lake Sharon to make the Corinth Parkway loop complete. This will help facilitate future traffic demands for our urban core area in the City. It will also help move traffic efficiently in this area when all of the future land uses are in place.

Project Location and Supporting Master Plan

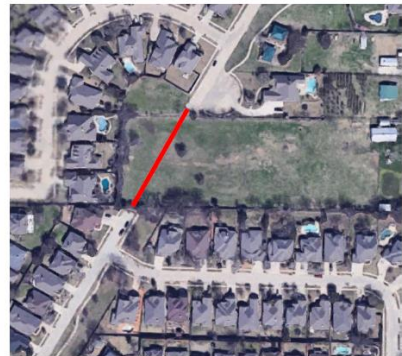
ADDRESS
North Corinth Street to Shady Rest Lane

SUPPORTING CITY PLANS
Comprehensive Plan/Thoroughfare Plan



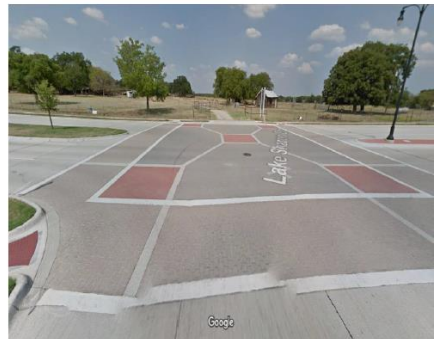
VINTAGE

Project Description		
The extension of Vintage Dr. from Glen Aerie Rd to Covington Rd.		
Project Justification, Priority Ranking, and Projected Cost		
Will improve traffic flow within residential area and to school.	Priority III Important	\$125,000 Projected Cost
History and Comments		
Project Location and Supporting Master Plan		
<u>ADDRESS</u>	<u>SUPPORTING CITY PLANS</u>	



PARKRIDGE COLLECTOR ROAD

Project Description		
This project is a new north/south collector road section that will help facilitate the collecting of traffic from the future land uses that are proposed in this undeveloped area. This collector road section will be a 2 lane facility that will connect to the existing Parkridge collector Road at Lake Sharon Drive. The collector road will be constructed of concrete and have a curb and gutter underground drainage system along with a concrete sidewalk.		
Project Justification, Priority Ranking, and Projected Cost		
	Priority III Important	\$2,621,000 Projected Cost
History and Comments		
With the increase interest in Corinth's undeveloped property, especially in the City Center/Terrace Oaks I-35E corridor area it is good planning for the City to start planning for the design and construction of the proposed collector section to help facilitate future traffic demands. It will help move traffic efficiently in this area when all of the future land uses are in place.		
Project Location and Supporting Master Plan		
<u>ADDRESS</u> Between Church & Lake Sharon	<u>SUPPORTING CITY PLANS</u> Comprehensive Plan/Thoroughfare Plan	



Bob Hart, City Manager - you will see this on the street portion, the water and wastewater side. Parkridge will be designed to be a collector street that will run from Lake Sharon over to Church.

Typically you would have a developer go in and do that when they develop the property. The issue is you have all the multiple landowners through here so the ability for someone to go in and tackle that is almost impossible. What you probably want to think about is putting this in the CIP at some stage. You would want to figure out a way to use some city funds, some developer funds and on the city part, you go back and recover your costs through impact fees or you look at a street assessment program or you do something with a development agreement to get paid back in the future. You may want to start thinking about some kind of an agreement to make this happen at some point in the future. I think it will be incredible difficult and expensive for someone to assemble all that land.

POST OAK ROAD

Project Description

This project consists of the widening of a two-lane facility to a greenway minor arterial that will consist of a 4 lane divided roadway with concrete construction and a curb

Project Justification, Priority Ranking, and Projected Cost

	Priority IV Desirable	\$6,475,000 Projected Cost
--	---------------------------------	--------------------------------------

History and Comments

With the current and future increase in development along Post Oak, it is imperative the City starts planning for the design and construction of the proposed 4 lane divided roadway to help facilitate the current and future traffic demands. It will also eliminate the current bottle neck situation that presently exists. Currently the proposed 4 lane divided roadway bottle necks along Post Oak Drive. This bottle neck is between Robinson Road and Lake Sharon Drive. North of Robinson Road, Post Oak is a 4 lane divided roadway. South of Lake Sharon, Post Oak is also a 4 lane divided roadway.

Project Location and Supporting Master Plan

<u>ADDRESS</u> Between Robinson Road & Lake Sharon	<u>SUPPORTING CITY PLANS</u> Comprehensive Plan/Thoroughfare Plan
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SHADY SHORES ROAD

Project Description

This project consists of the reconstruction of a two lane asphalt facility to a collector. The collector will be constructed of concrete and have a curb and gutter underground drainage system and concrete sidewalks.

Project Justification, Priority Ranking, and Projected Cost

	Priority IV Desirable	\$3,500,000 Projected Cost
--	---------------------------------	--------------------------------------

History and Comments

This area carries traffic from multiple jurisdictions including Corinth, Denton, Shady Shores and Lake Dallas. This roadway would have to be a joint effort between those municipalities in order to construct a roadway that would ultimately facilitate traffic flows in this area. Most of this area is built out along Shady Shores in Corinth, but is utilized by our residents that frequent the area schools and other roadways. This construction will also help facilitate an ongoing drainage issue in some low lying areas along Shady Shores in Corinth.

Project Location and Supporting Master Plan

<u>ADDRESS</u> Light Rail to Dalton Drive	<u>SUPPORTING CITY PLANS</u> Comprehensive Plan/Thoroughfare Plan
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Bob Hart, City Manager - of all the streets that need to be a high priority this should be one of them. The problem with this is part of the street is in Shady Shores, part of it is in the City of Denton and part of it is in Denton County and some here in Corinth.

We have been having discussions with the other 3 Lake Cities about trying to do a Joint Council meeting on October 22, 2018. The primary topic we would like to have on the agenda is transportation. I think that is where this conversation can begin.

TOWER RIDGE DRIVE

Project Description					
This project consists of the reconstruction of a two lane asphalt facility to a collector. The collector will be constructed of concrete and have a curb and gutter underground drainage system and concrete sidewalks.					
Project Justification, Priority Ranking, and Projected Cost					
	<table border="1"> <tr> <td>Priority IV Desirable</td> <td>\$800,000 Projected Cost</td> </tr> </table>	Priority IV Desirable	\$800,000 Projected Cost		
Priority IV Desirable	\$800,000 Projected Cost				
History and Comments					
This roadway is the last section of Tower Ridge that is unimproved. It carries local traffic primary due to the proximity of Corinth Elementary School. This roadway could also receive an increase in trips due to the new Fire Station that will be located east along Cliff Oaks Drive. The construction of the new collector will also help with drainage in the area.					
Project Location and Supporting Master Plan					
<table border="1"> <tr> <th>ADDRESS</th> </tr> <tr> <td>215' South of Brookview Drive to Cliff Oaks Drive</td> </tr> </table>	ADDRESS	215' South of Brookview Drive to Cliff Oaks Drive	<table border="1"> <tr> <th>SUPPORTING CITY PLANS</th> </tr> <tr> <td>Comprehensive Plan/Thoroughfare Plan</td> </tr> </table>	SUPPORTING CITY PLANS	Comprehensive Plan/Thoroughfare Plan
ADDRESS					
215' South of Brookview Drive to Cliff Oaks Drive					
SUPPORTING CITY PLANS					
Comprehensive Plan/Thoroughfare Plan					



SOUTH GARRISON STREET

Project Description					
This project consists of the reconstruction of a two lane asphalt facility to a collector. The collector will be constructed of concrete and have a curb and gutter underground drainage system and concrete sidewalks.					
Project Justification, Priority Ranking, and Projected Cost					
	<table border="1"> <tr> <td>Ranking IV Desirable</td> <td>\$900,000 Projected Cost</td> </tr> </table>	Ranking IV Desirable	\$900,000 Projected Cost		
Ranking IV Desirable	\$900,000 Projected Cost				
History and Comments					
This roadway is the last section of South Garrison that is unimproved. It carries local traffic primary from FM 2181/I-35E to access Cliff Oak Drive, the Fire Administration Building, Fairview Park and Corinth's commercial properties along FM 2181. This roadway could also receive an increase in trips due to the new Fire Station that will be located east along Cliff Oaks Drive. The construction of the new collector will also help with drainage in the area.					
Project Location and Supporting Master Plan					
<table border="1"> <tr> <th>ADDRESS</th> </tr> <tr> <td></td> </tr> </table>	ADDRESS		<table border="1"> <tr> <th>SUPPORTING CITY PLANS</th> </tr> <tr> <td>Comprehensive Plan/Thoroughfare Plan</td> </tr> </table>	SUPPORTING CITY PLANS	Comprehensive Plan/Thoroughfare Plan
ADDRESS					
SUPPORTING CITY PLANS					
Comprehensive Plan/Thoroughfare Plan					



Councilmember Johnson - is that projected cost also include the funds that were escrowed from the apartment complex several years?

Alan Upchurch, Temp City Engineer - that would be the project cost. If there is funds available it would reduce that amount as far as the City's participation.

Parks and Recreation:

CAPITAL IMPROVEMENT PROGRAM							FY 2019-2023			
Project Title	Dept	Total	Proposed	Planned					Total	
	Priority	Project Cost	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23	5 Plus Years		
General Fund Capital										
Parks & Recreation										
Corinth Parkway Street Lighting	II	\$ 490,000	\$ -	\$ -	\$ -	\$ 490,000	\$ -	\$ -	\$ 490,000	
Field Lights for Multipurpose Fields	II	550,000	-	-	-	-	550,000	-	550,000	
Additional 14U Baseball Fields	IV	400,000	-	-	-	-	-	400,000	400,000	
Additional 12U Baseball Fields	IV	400,000	-	-	-	-	400,000	-	400,000	
Additional Fast Pitch Softball Field	IV	400,000	-	-	-	-	-	400,000	400,000	
Field Lights for Football	IV	360,000	-	-	-	-	-	360,000	360,000	
									-	
									-	
									-	
Subtotal: Parks & Recreation		\$ 2,600,000	\$ -	\$ -	\$ -	\$ 490,000	\$ 950,000	\$ 1,160,000	\$ 2,600,000	

Bob Hart, City Manager - we don't have anything proposed in the current fiscal year and they really bounce out in the future years.

CORINTH PARKWAY STREET LIGHTING

Project Description

Installation of street lights along the Corinth Parkway corridor east of I-35 to Quail Run, similar to lighting on the west side of I-35. .

Project Justification, Priority Ranking, and Projected Cost

Traffic and pedestrian safety as well as conformity and uniform appearance of our thoroughfares along all of Corinth Parkway and Lake Sharon.

Priority II
Essential

\$490,000
Projected Cost

History and Comments

This project would require 20 street light poles at \$13,000 each and approximately \$200,000 for electrical stations and multiple bores from median to median to pull required electrical lines.

Project Location and Supporting Master Plan

ADDRESS
Corinth Parkway

SUPPORTING CITY PLANS



FIELD LIGHTS FOR MULTIPURPOSE FIELDS

Project Description

Addition of lighting for the multipurpose fields similar to what is currently in place on the neighboring soccer fields.

Project Justification, Priority Ranking, and Projected Cost

Increased requests for field space for associations, field usage agreement holders (i.e. Celtics Soccer) and private field rentals have indicated a benefit to have additional fields with lighting.

Priority II
Essential

\$550,000
Projected Cost

History and Comments

The multi purpose fields were constructed by staff in 2012 to accommodate more practice field space requests from all associations. The fields are utilized by baseball, softball, soccer, and misc. field space rentals. Current field usage contract holder is providing their own lighting for the fields, but field lighting would allow for more practice areas for all sport teams.

Project Location and Supporting Master Plan

ADDRESS
3700 Corinth Parkway

SUPPORTING CITY PLANS
2015 Strategic Plan, Goal 4 Action 2



ADDITIONAL 14U BASEBALL FIELDS

Project Description

Addition of full size 14U lighted baseball field to assist with growing demand for field space

Project Justification, Priority Ranking, and Projected Cost

Increased requests for field space for associations and private tournament rentals have indicated a benefit to have an additional baseball field.

Priority IV
Desirable

\$400,000
Projected Cost

History and Comments

The vacant space in the community park was intended for the future placement of additional fields as usage increased. With increased field usage and more tournaments being requested every year, the additional field space would accommodate those requests.

Project Location and Supporting Master Plan

ADDRESS
3700 Corinth Parkway

SUPPORTING CITY PLANS
2015 Strategic Plan, Goal 4 Action 2



ADDITIONAL 12U BASEBALL FIELDS

Project Description

Addition of full size 12U lighted baseball field to assist with growing demand for field space. This field addition would complete the baseball complex and reach full building for the baseball field locations

Project Justification, Priority Ranking, and Projected Cost

Increased requests for field space for associations and private tournament rentals have indicated a benefit to have an additional baseball field.

Priority IV
Desirable

\$400,000
Projected Cost

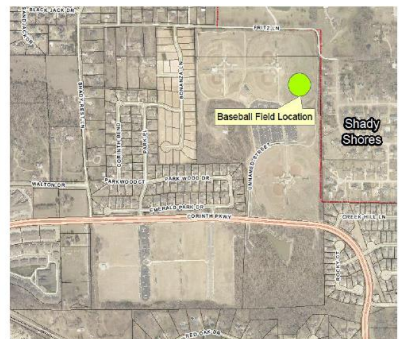
History and Comments

The vacant space in the community park was intended for the future placement of additional fields as usage increased. With increased field usage and more tournaments being requested every year, the additional field space would accommodate those requests.

Project Location and Supporting Master Plan

ADDRESS
3700 Corinth Parkway

SUPPORTING CITY PLANS
2015 Strategic Plan, Goal 4 Action 2



ADDITIONAL FAST PITCH SOFTBALL FIELD

Project Description

Addition of a smaller (child) sized fast pitch lighted softball field to assist with growing demand for field space, and the need for a fast pitch field size.

Project Justification, Priority Ranking, and Projected Cost

Increased requests for field space for associations and private tournament rentals have indicated a benefit to have a fast pitch softball field.

Priority IV
Desirable

\$400,000
Projected Cost

History and Comments

The community park does not currently have a fast pitch softball field with shorter fence distances for youth. They are using the adult softball fields with removable temporary fences in the outfield to make the correct field size for that application. An additional field would be beneficial for increased field requests and to accommodate more tournaments.

Project Location and Supporting Master Plan

ADDRESS
3700 Corinth Parkway

SUPPORTING CITY PLANS
2015 Strategic Plan, Goal 4 Action 2



FIELD LIGHTS FOR FOOTBALL

Project Description

Addition of lighting for the football fields similar to what is currently in place on the neighboring soccer fields.

Project Justification, Priority Ranking, and Projected Cost

Increased requests for field space for associations, field usage agreement holders (i.e. Celtics Soccer) and private field rentals have indicated a benefit to have additional fields with lighting.

Priority IV
Desirable

\$360,000
Projected Cost

History and Comments

Additional field lighting on the current football fields has been requested for use by the soccer association, field usage contract holders, and Lacrosse. Providing this additional space will remove the high demand for use of the soccer game fields.

Project Location and Supporting Master Plan

ADDRESS
3700 Corinth Parkway

SUPPORTING CITY PLANS
2015 Strategic Plan, Goal 4 Action 2



CAPITAL IMPROVEMENT PROGRAM

FY 2019-2023

Project Title	Dept Priority	Total Project Cost	Proposed FY2018-19	Planned					Total
				FY2019-20	FY2020-21	FY2021-22	FY2022-23	5 Plus Years	
General Fund Capital									
Technology and Public Safety									
Public Safety Communication	I	770,000	82,000	172,000	172,000	172,000	172,000	-	770,000
Fire House Station Alerting	I	90,000	90,000	-	-	-	-	-	90,000
Fiber Optic Lines (CH to FH2/PW)	II	150,000		150,000					150,000
Fiber Optic Lines (CH to PSF)	II	100,000	100,000		-				100,000
PSF-Covered Parking	II	150,000				150,000			150,000
Point to Point Microwave (CH to PSF)	III	75,000					75,000		75,000
FH3/Sally Port Epoxy Floor	III	129,000					129,000		129,000
									-
									-
Subtotal: Technology & Public Safety		\$ 1,464,000	\$ 272,000	\$ 322,000	\$ 172,000	\$ 322,000	\$ 376,000	\$ -	\$ 1,464,000

PUBLIC SAFETY COMMUNICATION

Project Description

Motorola will be eliminating the maintenance on our current model radios; both mobiles and portables.

Project Justification, Priority Ranking, and Projected Cost

Public Safety's radio systems are due for replacement in 2021 in order to maintain a radio system that the manufacturer supports. \$300,000 Police (Portables & Motorcycles), Fire (\$336,000 Portables and \$134,000 Mobiles)

Priority I
Imperative

\$770K
Projected Cost

History and Comments

Motorola is phasing out the current model and will stop supporting the repair and replacement of the units we currently use. The life cycle of the units will coincide with the phase out so there will be no impact outside the expected replacement cycle. That being said it will be imperative we transition to the new radio's to ensure our communication system maintains operability.

Project Location and Supporting Master Plan

ADDRESS
3501 F.M. 2181

SUPPORTING CITY PLANS
Safety and Security, Goal 2 Action 2



FIRE HOUSE-STATION ALERTING

Project Description

The Firehouse alerting systems notify the crews when there is an emergency. The System is currently outdated and is not fully functional.

Project Justification, Priority Ranking, and Projected Cost

Upgrades and repairs to the system are being worked on by the Denton County Sheriff's Office; Once the project is completed there will be a need to provide integration with our Firehouse alerting hardware. \$30K x 3 = 90K

Priority I
Imperative

\$90K
Projected Cost

History and Comments

Motorola engineers and County Radio Department have determined the current system is no longer compatible the new radio technology and the Dispatch consoles and procedures. It has been determined that a third-party solution is needed to connect Denton County Dispatch with the LCFD Firehouses to ensure prompt and secure alerting for emergency response.

Project Location and Supporting Master Plan

ADDRESS
3501 F.M. 2181

SUPPORTING CITY PLANS
Safety and Security, Goal 2 Action 2



Bob Hart, City Manager - this is being triggered by the dispatch center and will allow the dispatch all 3 fire stations simultaneously.

FIBER OPTIC LINES (CITY HALL TO FIRE STATION 2/PUBLIC WORKS)

Project Description

Technology Services also needs to extend its fiber capability to Fire Station 2 and Public Works. Leasing a dark fiber line from a private firm would connect FS2 to City Hall, at which point, Technology Services would trench an owned fiber optic line from FS2 to the Public Works facility, bringing both buildings into the fiber circuit.

Project Justification, Priority Ranking, and Projected Cost

Priority II
Essential

\$150,000
(\$1,200 recurring
Projected Cost)

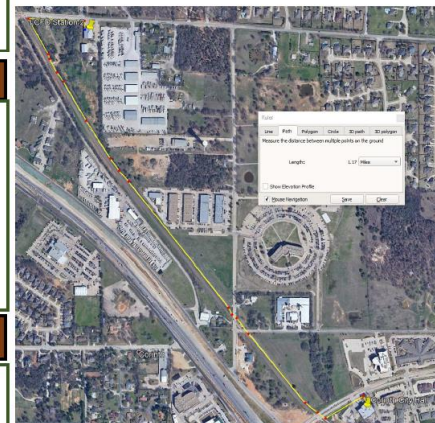
History and Comments

Bringing all the City's buildings into the fiber network has been a need of Technology Services for several years. The current Charter Metro Ethernet connection provides connectivity between the buildings, but at the current speed of 50 Mbps, the operations at Fire Station 2 and especially Public Works are severely limited. For example, GIS is unusable in the Public Works facility – the bandwidth is simply too low. The traditional approach in Corinth has been to develop localized duplicate services, which is very inefficient and not cost-effective.

Project Location and Supporting Master Plan

ADDRESS
Corinth City Hall to
Fire Station 2/Public Works

SUPPORTING CITY PLANS
Strategic Plan



FIBER OPTIC LINES (CITY HALL TO PUBLIC SAFETY FACILITY)

Project Description

With the completion of the new Public Safety Facility, the Technology Services Department is examining different alternatives to the existing Charter Metro Ethernet connection. The standard connection the City uses operates at 50 Mbps currently. In addition to operating point-to-point microwave radios at either facility as a backup, the Technology Services Department recommends installing a dark fiber link in between the two facilities.

Project Justification, Priority Ranking, and Projected Cost

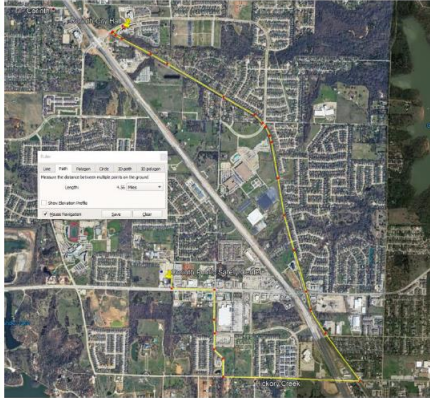
	Priority II Essential	\$100,000 (\$1,200 recurring Projected Cost)
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History and Comments

The network usage between the Public Safety Facility and City Hall/City of Denton will continue to grow. The current 50 Mbps connection is nearing its capacity at the new facility, straining under the concentration of users at there. The lower bandwidth prevents a true disaster-recovery model from being implemented between the two facilities. Additionally, there is the issue of data security. The City cannot verify the security of its data, since it is passing through a third party that will not provide network diagrams or participate in data certification processes with the City, such as TLETS, PCI, or HIPAA. Having a City-owned fiber connection between these two points would solve both issues at once.

Project Location and Supporting Master Plan

<u>ADDRESS</u> Corinth City Hall to Public Safety Facility	<u>SUPPORTING CITY PLANS</u> Strategic Plan
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PUBLIC SAFETY COMPLEX-COVERED PARKING

Project Description

Provide 56 protective/covered parking spaces for City vehicles

Project Justification, Priority Ranking, and Projected Cost

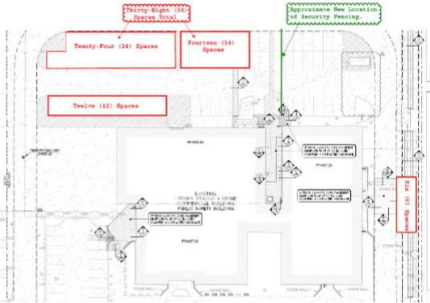
The new facility has no protected parking for City vehicles to keep them from suffering effects of the sun and storms.	Priority II Essential	\$150,000 Projected Cost
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History and Comments

The Covered parking structures were outside the budgetary limitations of the construction/remodel project. 56 vehicles at an average cost of \$35,000 each represent a \$1.96 million value on unprotected City property. Two options are Fabric at \$300,000 and metal at \$150,000.

Project Location and Supporting Master Plan

<u>ADDRESS</u> 3501 F.M. 2181	<u>SUPPORTING CITY PLANS</u> Safety and Security, Goal 2 Action 1
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POINT-TO-POINT MICROWAVE (CITY HALL TO PUBLIC SAFETY FACILITY)

Project Description

In addition to the fiber optic connection to the new Public Safety Facility, Technology Services would like to set up a redundant link using point-to-point microwave antennae between City Hall and the Public Safety Facility via the water tower at the Public Works facility. Doing this will ensure that there is always connectivity between the buildings in the event of some fiber damage/disaster. Redundancy would also incidentally be provided to the Public Works facility with this project.

Project Justification, Priority Ranking, and Projected Cost

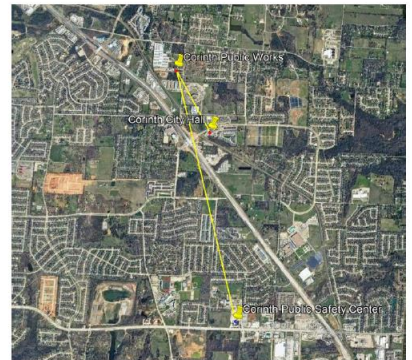
	Priority III Important	\$75,000 Projected Cost
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History and Comments

Due to the sensitive nature of the Public Safety Facility, Technology Services suggests there be a redundant link between Public Safety and City Hall (and ostensibly the City of Denton server farm). Provided the other fiber optic link between City Hall and the Public Safety Facility is established, network redundancy between the buildings could be achieved with the Charter Metro Ethernet connection. However, the limited speeds and recurring costs mean that this redundancy could be more effectively and efficiently provided by point-to-point microwave antennae. Setting up this microwave link means that the City will not be paying for something that it is only using in the event of a disaster.

Project Location and Supporting Master Plan

<u>ADDRESS</u> Corinth City Hall to Public Safety Facility	<u>SUPPORTING CITY PLANS</u> Strategic Plan
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FIRE HOUSE #3/PD-EPOXY FLOOR

Project Description

The Fire House, PD sally port and holding area floors are exposed concrete. The Project would include an epoxy covering on the floor and 4-6" up the wall to seal the floor and wall joints.

Project Justification, Priority Ranking, and Projected Cost

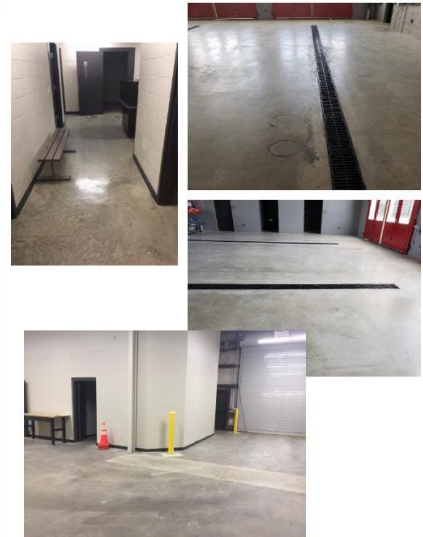
The Epoxy floor coating is a protective barrier for floors where water is prevalent. It protects from water penetrating under the walls and provides more traction and a safer surface when walking on wet surfaces.	Priority III Important	\$129K Projected Cost
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History and Comments

The Epoxy floor was outside the budgetary limitations of the construction/remodel project. The apparatus bay of Fire House #3 along with work rooms, The PD sally port and holding area are both surfaces that will be frequently exposed to water, along with snow and ice in the winter. The covering will protect the building and provide a safer walking surface. The Firehouse floor is \$87,000 and the Sally Port and holding area is \$42,000.

Project Location and Supporting Master Plan

<u>ADDRESS</u> 3501 F.M. 2181	<u>SUPPORTING CITY PLANS</u> Safety and Security, Goal 1 Action 1
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Councilmember Garber - were these not things that we looked at during construction? Like the covered parking

and epoxy floors?

Curtis Birt, Lake Cities Fire Chief - they were all put in we just didn't have the money. They were on our wish list and were just below the line of what we could afford. We were hoping to do this through savings or things that we cut during construction but it didn't happen.

CIP - Utility Fund

CAPITAL IMPROVEMENT PROGRAM							FY 2019-2023			
Project Title	Dept	Total	Proposed	Planned					Total	
	Priority	Project Cost	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23	5 Plus Years		
Utility Fund Capital										
Water										
Quail Run Drive/Dobbs Road 12", 16" & 20" Waterlines	I	\$ 2,600,000	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,600,000	
Lake Sharon/Oakmont to FM2499	I	601,000	601,000	-	-	-	-	-	601,000	
Quail Run 1.0 MG Elevated Tank	II	4,600,000	4,250,000	-	-	-	-	-	4,250,000	
Trim Impellers on Existing Lake Sharon Pumps	II	90,000	-	-	90,000	-	-	-	90,000	
Parkridge Waterline	III	800,000	-	-	-	800,000	-	-	800,000	
Lake Sharon Pump Station Expansion	IV	600,000	-	-	-	-	-	600,000	600,000	
Lake Sharon 3 MG Ground Storage Tank Rehabilitation	IV	1,700,000	-	-	-	-	-	1,700,000	1,700,000	
									-	
Subtotal: Water		\$ 10,991,000	\$ 7,451,000	\$ -	\$ 90,000	\$ 800,000	\$ -	\$ 2,300,000	\$ 10,641,000	

QUAIL RUN/DOBBS 12", 16" and 20" WATERLINE

Project Description		
Installation of 12", 16", and 20" water line along the railroad and Quail Road Drive/Dobbs Road.		
Project Justification, Priority Ranking, and Projected Cost		
This project will support the proposed elevated tank on the east side of IH35E by bringing a large diameter waterline to distribute water across IH35E to the east side of town.	Priority I Imperative	\$2,600,000 Projected Cost
History and Comments		
The 20" WL will carry water from IH35E to the proposed tank site. The 12" and 16" WL will loop back into the water system at the IH35E frontage road and Dobbs Road.		
Project Location and Supporting Master Plan		
<u>ADDRESS</u> Quail Run Drive/Dobbs Road	<u>SUPPORTING CITY PLANS</u> 2016 Water Master Plan	



Bob Hart, City Manager - this is getting the waterlines in that area and getting it to the water tank. This is going to have to be debt financed also. We have some impact fees we can put on this. Part of that is I am suggesting is part of that \$10 million dollar issue for this year and some more next year.

We did the rate adjustments in Feb/March of last year and we have not been through a full summer cycle yet. Right now, our revenues are trending such that I think it is going to take a very minimal rate adjustment to cover. We are in the 2nd month of collection and you really want to get through a full cycle so you can figure out how the rates are doing and not doing. We would like to come back in January and look at all the rates and issue the debt in March.

On July 23, 2018, Upper Trinity set an all-time peak at 60.2 million gallons of water. On that same day the City of Corinth used 6.1 million gallons of water (about 10% of the system).

LAKE SHARON FROM OAKMONT TO FM 2499

Project Description

The Extension of a 12" water line to road project at FM 2499.

Project Justification, Priority Ranking, and Projected Cost

The 12" water line will improve fire protection and help facilitate the development of the area.

Priority I
Imperative

\$601,000
Projected Cost

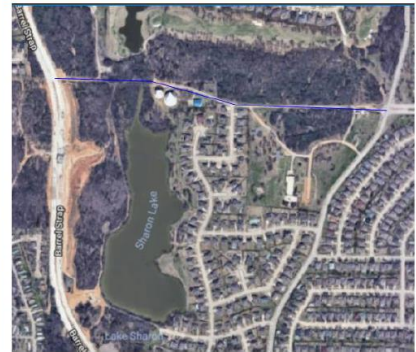


History and Comments

Project Location and Supporting Master Plan

ADDRESS
Lake Sharon Pump Station

SUPPORTING CITY PLANS
Thoroughfare Plan



QUAIL RUN 1.0MG ELEVATED STORAGE TANK

Project Description

Quail Run 1.0 MG elevated tank.

Project Justification, Priority Ranking, and Projected Cost

The proposed tank will increase operational capacity of the water system to deal with peak flows as the city's population increases.

Priority II
Essential

\$4,250,000
Projected Cost



History and Comments

Adding additional elevated storage increases the ability to maintain reliable system pressures during max days and peak hours. Does not include land acquisition costs which could be upwards of \$250,000 if not already owned by the city.

Project Location and Supporting Master Plan

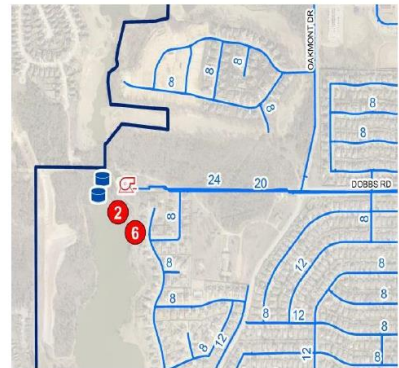
ADDRESS
Quail Run south of Dobbs Road

SUPPORTING CITY PLANS
2016 Water Master Plan



TRIM IMPELLERS ON EXISTING LAKE SHARON PUMPS

Project Description		
The project will “trim” the impellers existing pumps. The modification will change the operating characteristics of the pump making it more efficient at the station’s operating point.		
Project Justification, Priority Ranking, and Projected Cost		
This project will support the proposed elevated tank on the east side of IH35E by bringing a large diameter waterline to distribute water across IH35E to the east side of town.	Priority II Essential	\$90,000 Projected Cost
History and Comments		
Increasing the efficiency of existing pumps by modification is cheaper than replacing a pump. Trimming the impeller will lower the cost of operating the water system by increasing energy savings when water is pumped from ground storage into the system.		
Project Location and Supporting Master Plan		
<u>ADDRESS</u> Lake Sharon Pump Station	<u>SUPPORTING CITY PLANS:</u>	



Alan Upchurch, City Engineer - with this project it is improving the efficiency of the pumps.

PARKRIDGE WATER LINE

Project Description		
Sharon Drive 12” Waterline project is a 4,200’ waterline intended to create a looped system for additional hydraulic capacity.		
Project Justification, Priority Ranking, and Projected Cost		
The new line will increase the hydraulic capacity of the water system and help to support new growth in the city center.	Priority III Important	\$800,000 Projected Cost
History and Comments		
Project Location and Supporting Master Plan		
<u>ADDRESS</u> Sharon Drive from Lake Sharon to Church Street	<u>SUPPORTING CITY PLANS:</u> 2016 Impact Fee Study	



LAKE SHARON PUMP STATION EXPANSION

Project Description

Lake Sharon Pump Station Expansion will increase the firm capacity of the pump station to 20.7 MGD by adding a 4,800 gpm pump.

Project Justification, Priority Ranking, and Projected Cost

The pumping capacity is need to support the continued growth of the city towards projected buildout.

Priority IV
Desirable

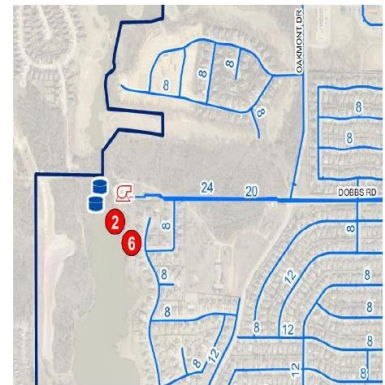
\$600,000
Projected Cost

History and Comments

Project Location and Supporting Master Plan

ADDRESS
Lake Sharon Pump Station

SUPPORTING CITY PLANS
2016 Water Master Plan



LAKE SHARON 3MG GROUND STORAGE TANK REHABILITATION

Project Description

Lake Sharon 3 MG Tank Rehabilitation consists of painting, structural repairs and yard piping for continued operation of the existing tank.

Project Justification, Priority Ranking, and Projected Cost

Regular scheduled maintenance of existing water tanks can extend their life indefinitely.

Priority IV
Desirable

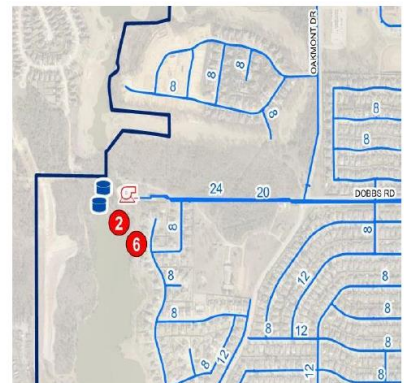
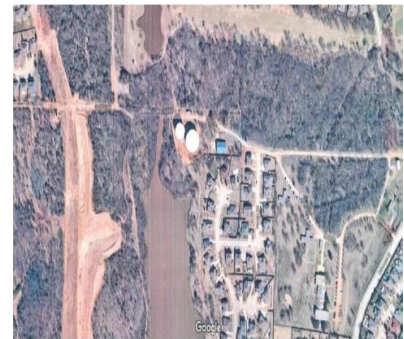
\$1,700,000
Projected Cost

History and Comments

Project Location and Supporting Master Plan

ADDRESS
Lake Sharon Pump Station

SUPPORTING CITY PLANS
2016 Water Master Plan



CIP - Wastewater

CAPITAL IMPROVEMENT PROGRAM

FY 2019-2023

Project Title	Dept Priority	Total Project Cost	Proposed FY2018-19	Planned					Total
				FY2019-20	FY2020-21	FY2021-22	FY2022-23	5 Plus Years	
Utility Fund Capital									
Wastewater									
Parkridge Sewer Line	II	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
LCMUA (Liftstation/Sewer Main)	II	1,500,000						\$ 1,500,000	1,500,000
Old Highway 77 Clay Tile Sewer Rehab	II	150,000			150,000				150,000
Shady Rest Lane 12" W/W Line	IV	500,000						500,000	500,000
Lift Station 3A Upgrade	IV	470,000						470,000	470,000
South Lift Station, Force Main and Gravity Improvements	IV	2,200,000						2,200,000	2,200,000
Southwest Lift Station, Force Main and Gravity Improvements	IV	2,200,000						2,200,000	2,200,000
North Corinth 8" WW Improvements	IV	555,000						555,000	555,000
Parkridge Gravity Sewer Improvements	IV	2,100,000						2,100,000	2,100,000
									-
									-
Subtotal: Wastewater		\$ 10,175,000	\$ -	\$ 500,000	\$ 150,000	\$ -	\$ -	\$ 9,525,000	\$ 10,175,000

Nothing in the proposed budget.

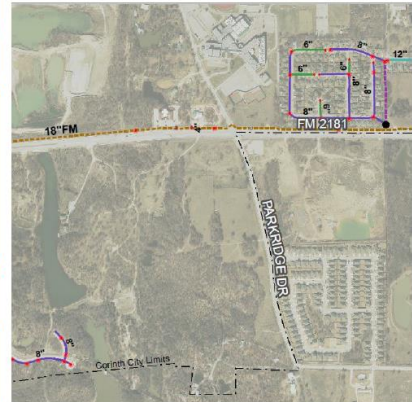
PARKRIDGE SEWER LINE

Project Description		
This project would extend sanitary sewer line in Parkridge to the LCMUA lift station.		
Project Justification, Priority Ranking, and Projected Cost		
Connecting to the LCUMA could reduce sewer and maintenance costs.	Priority II Essential	\$500,000 Projected Cost
History and Comments		
The study is on going and will be compared to the cost of installing a lift station and sewer line in Corinth.		
Project Location and Supporting Master Plan		
<u>ADDRESS</u>	<u>SUPPORTING CITY PLANS:</u> Study by LCMUA	



LCMUA (LIFTSTATION/SEWER MAIN)

Project Description		
The City is reviewing a possible agreement with LCMUA to provide sewer service to the area southwest of Parkridge and south of 2199 which would connect to the LCMUA Lift Station.		
Project Justification, Priority Ranking, and Projected Cost		
Connecting to the LCMUA could reduce sewer and maintenance costs.	Priority II Essential	\$1,500,000 Projected Cost
History and Comments		
The study is on going and will be compared to the cost of installing a lift station and sewer line in Corinth. Working with LCMUA until sufficient development materializes along Parkridge to build the required facility.		
Project Location and Supporting Master Plan		
<u>ADDRESS</u>	<u>SUPPORTING CITY PLANS:</u> Study by LCMUA	



Alan Upchurch, Temp City Engineer - discussions began even before I came to the City about what we can do from an interim bases and possibly long term basis to provide sewer to this area without the possibility of having to install additional lift stations. We are working with the Lake City's Municipal Utility District to see if we can gravity flow to their lift stations and eventually move back up to FM 2181. We are supposed to meet with them in the next couple of weeks to fine tune what we may be able to do from an engineering standpoint and the cost. Depends on how that goes we will come back to Council with some possible agreement of cost-sharing and arrangement on this sewer. We have to resolve the sewer issue before we can develop the property.

Councilmember Glockel - I didn't see anything in the budget through 2023 that resolves the bottle neck at I-35 where we are getting into someone else's line. I believe it goes into Lantana to have some extra capacity for a period of time. When they run out of capacity we have to get out so before Interstate 35 is widened to its full extent, I would think that we would be looking at somehow trying to get to the east side of Interstate 35 before that happens. Especially if we bring this sewer up and bring it down FM 2181 we will be taking more capacity from Lantana.

Bob Hart, City Manager - that is right. We have met with Upper Trinity and they are working on it.

Cody Collier, Public Works Director - this is one of the major items on their list to have all that straighten out so that we can tie into it.

Councilmember Glockel - I know you serve on that board but I spoke to Upper Trinity in September of last year and they told me that until the Lantana pipe capacity is gone we are more than welcome to use it but when it is gone we have to find our own way to get across Interstate 35.

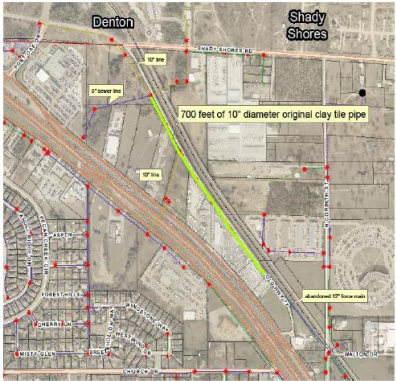
Cody Collier, Public Works Director - the last conversation I had with Larry Patterson is Upper Trinity was working on that with TXDOT and they are trying to get everything set before Phase II and they were trying to get the rights to go in there and repair all of that and how they were going to divide it out. They presented a plan to the

board and they were working on a solution for that exact issue.

Bob Hart, City Manager - we would look to Upper Trinity to take care of the line that goes underneath but we will end up paying for it but Upper Trinity will be in the front agency on that in dealing with TXDOT and all the issues that go on. When that happens we will have one of two options. One, Upper Trinity can design it and build it and we just pay for it directly or two, they will design it, build it and we will pay them back through our rates over a 20 year period.

OLD HIGHWAY 77 CLAY TILE SEWER REHAB

Project Description		
Replace 700 feet of original 10 inch diameter clay tile sewer line.		
Project Justification, Priority Ranking, and Projected Cost		
The sewer line is a constant maintenance issue due to severe root infiltration, cracks and breaks in the line	Priority II Essential	\$150,000 Projected Cost
History and Comments		
The 10" Clay sewer line was installed approximately 40 years ago and is suffering sever root infiltration, cracks, and breaks. The integrity of the line is compromised and could collapse resulting in a sewer backup and overflow. There are three sewer taps from two businesses on the line. Staff will recommend replacing with a 10" PVC line.		
Project Location and Supporting Master Plan		
<u>ADDRESS</u> Old Highway 77	<u>SUPPORTING CITY PLANS:</u>	



SHADY REST LANE 12" WASTEWATER LINE

Project Description

Shady Rest 12" Wastewater Line – replacement of about 1,480' an existing 6" to 8" sewer line with a 12" pipe by pipe bursting.

Project Justification, Priority Ranking, and Projected Cost

The 12" diameter will replace the smaller line providing increased hydraulic capacity.

Priority IV
Desirable

\$500,000
Projected Cost

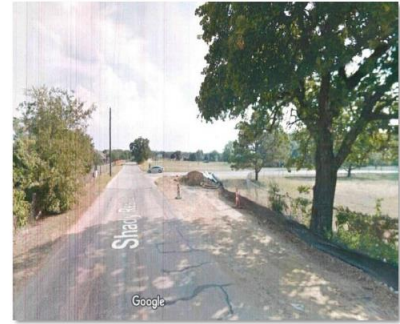
History and Comments

While at the same time reducing infiltration and inflow (I&I) into the city's collection system. The new line will reduce regular maintenance required to clean the line and remove root intrusions and provide additional capacity for growth.

Project Location and Supporting Master Plan

LOCATION: Shady Rest from north of Walton, south across Corinth Parkway and to the southern boundary of the park/soccer fields.

SUPPORTING CITY PLANS:
2016 Wastewater Master Plan Updates



LIFT STATION 3A UPGRADE

Project Description

Lift Station 3A upgrade - The project will add a 4th pump to the existing lift station to increase water output.

Project Justification, Priority Ranking, and Projected Cost

This project will provide additional capacity in the wastewater collection system.

Priority IV
Desirable

\$470,000
Projected Cost

History and Comments

Project Location and Supporting Master Plan

ADDRESS
Corinth Parkway and Creek Bend Drive

SUPPORTING CITY PLANS:
2016 Wastewater Master Plan Updates



SOUTH LIFT STATION, FORCE MAIN AND GRAVITY IMPROVEMENTS

Project Description		
South Lift Station, Force Main and Gravity Improvements. The project will include a 0.5 MGD lift station with an 8" wastewater collection system and a 6" force main to carry sewer to the existing collection system to the west.		
Project Justification, Priority Ranking, and Projected Cost		
Improvements are needed to cohesively develop the area for wastewater service SW of Parkridge Drive and FM 2181 for new development.	<p>Priority IV Desirable</p>	<p>\$2,200,000 Projected Cost</p>
History and Comments		
Project Location and Supporting Master Plan		
<p><u>ADDRESS</u> Area SW of the intersection of FM 2181 and Parkridge Drive.</p>	<p><u>SUPPORTING CITY PLANS:</u> 2016 Wastewater Master Plan Updates</p>	



SOUTHWEST LIFT STATION, FORCE MAIN AND GRAVITY IMPROVEMENTS

Project Description		
The Southwest Lift Station, Force Main and Gravity Improvements will provide a regional solution to serve the undeveloped area in the far SW corner of the city.		
Project Justification, Priority Ranking, and Projected Cost		
A regional Solution is need to provide sewer service to an unserved area of the city.	<p>Priority IV Desirable</p>	<p>\$2,200,000 Projected Cost</p>
History and Comments		
Project Location and Supporting Master Plan		
<p><u>ADDRESS</u> SW corner of the city, south of FM 2181</p>	<p><u>SUPPORTING CITY PLANS:</u> 2016 Wastewater Master Plan Updates</p>	



NORTH CORINTH 8" WASTEWATER IMPROVEMENTS

Project Description

The North Corinth Street 8" Wastewater Line will provide wastewater service to an undeveloped area between Shady Shores by extending an 8" wastewater main north

Project Justification, Priority Ranking, and Projected Cost

A new gravity sewer main would provide service to an unserved area inside the city. There are multiple parcels that would be forced to build septic systems since there is no public sewer located in proximity.

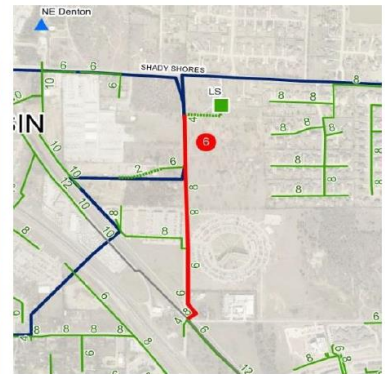
Priority IV
Desirable

\$555,000
Projected Cost



History and Comments

In the absence of a large developer it is sometimes cost prohibitive for an individual to extend public sewer lines offsite to reach existing utilities. This may force individuals to consider septic systems as an alternative to connecting to city sewer. The project would be reimbursable under impact fees as individual properties develop.



Project Location and Supporting Master Plan

ADDRESS

North Corinth Street from Old Hwy 77 north 1,850

SUPPORTING CITY PLANS:

2016 Wastewater Master Plan Updates

PARKRIDGE GRAVITY SEWER IMPROVEMENTS

Project Description

The proposed City Center Gravity Sewer Improvements would serve the undeveloped city center east of Post Oak and north of Corinth Parkway.

Project Justification, Priority Ranking, and Projected Cost

A new gravity sewer main would provide service to an unserved area inside the city.

Priority IV
Desirable

\$2,100,000
Projected Cost



History and Comments

There are multiple septic tanks in this area served by this sewer line that could be phased out with gravity sewer service. Adding gravity sewer will help promote growth of an unserved area. The project would divert wastewater from LS 3A where it is now re-pumped to the Burl St. LS. This would reduce the peak load on LS 3A and reduce pumping costs.



Project Location and Supporting Master Plan

ADDRESS

From undeveloped area in the central area of city, across IH35E and south to Dobbs Road

SUPPORTING CITY PLANS:

2016 Wastewater Master Plan Updates

CIP - Storm Drainage Fund:

CAPITAL IMPROVEMENT PROGRAM

FY 2019-2023

Project Title	Dept Priority	Total Project Cost	Proposed FY2018-19	Planned					Total
				FY2019-20	FY2020-21	FY2021-22	FY2022-23	5 Plus Years	
Storm Drainage Fund Capital									
Drainage									
Lynchburg Creek Watershed	I	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
Lake Sharon/Oakmont to FM2499	I	\$ 2,070,000	\$ 2,070,000						2,070,000
Meadowview Pond Dredging	III	500,000						\$ 500,000	500,000
									-
									-
									-
									-
									-
									-
									-
									-
									-
Subtotal: Storm Drainage		\$ 7,570,000	\$ 7,070,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 7,570,000

LYNCHBURG CREEK WATERSHED

Project Description

The Lynchburg basin is located in the central and eastern portion of the city, and contains most of the drainage problems in the city. The area is about 2.2 square miles and has mixed development with quite a bit of undeveloped land. The westernmost reach is located in the Amity Village. Projects in this basin include: City Park Pond Improvements, Floodwall Improvements, Red Oak Drive, Tributary 2 Channel Erosion, and the IH35E Regional Detention Pond. Jones & Carter engineering team is preparing to study and plan project.

Project Justification, Priority Ranking, and Projected Cost

The Lynchburg basin contains most of the drainage problems in the city. Flooding in this basin has gotten progressively worse over the years and changes to the IH35E drainage will also have an impact on property downstream of the new (larger) box culvert.

Priority I
Imperative

\$5,000,000
Projected Cost
(\$4,000,000
Projected Grant funding)

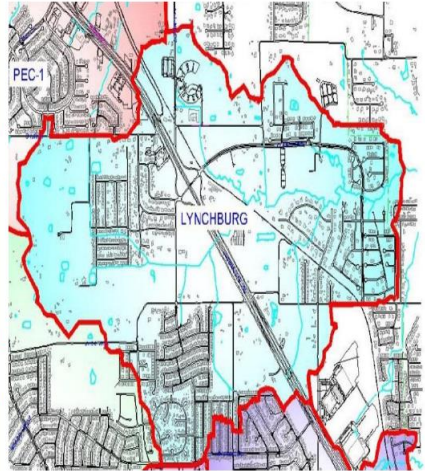
History and Comments

The basin is being studied by NCTCOG and FEMA to map the basin and provide a tool to developers for future work in the basin. The City of Corinth participated in the study. Will seek grant funding to pay for upto 75% of the project.

Project Location and Supporting Master Plan

ADDRESS

SUPPORTING CITY PLANS:
Jones and Carter study 2017 Flood Plain Maps

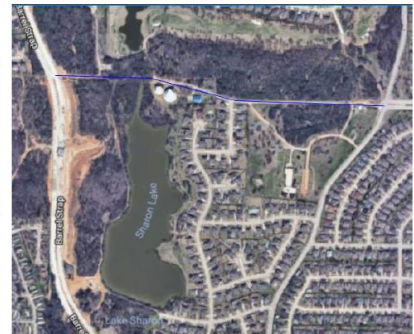


Bob Hart, City Manager - Carter Jones is doing the plan for us and they should have that ready in the next 60 days. The state grant cycles start in November and we are recommending and we put together in the budget is that we want to be in that first cycle of funding. At the time we do the application and contract we have to certify that we got the local funds.

We are assuming we can do a \$5 million dollar project and \$4 million out of grant funds and \$1 million out of local funds. That is how we have assembled this. This is when the FEMA maps are going to come out with all the changes in the floodplain.

LAKE SHARON FROM OAKMONT TO FM 2499

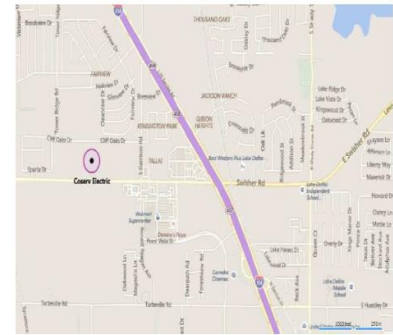
Project Description		
This projects include the drainage system under the roadway		
Project Justification, Priority Ranking, and Projected Cost		
Storm Sewer is included in the road project for the capture of storm water and discharge into Lake Sharon.	Priority I Imperative	\$2,070,000 Projected Cost
History and Comments		
Project Location and Supporting Master Plan		
<u>ADDRESS</u> 1723 Meadowview Drive	<u>SUPPORTING CITY PLANS:</u> Thoroughfare Plan	



Alan Upchurch, Temp City Engineer - There is a lot of drainage on that project. This funding is already included in the contract you have awarded.

MEADOWVIEW POND DREDGING

Project Description		
Dredging of the pond is required to remove approximately two feet of silt which has accumulated, reducing the storage capacity of the retention function of this storm water control structure.		
Project Justification, Priority Ranking, and Projected Cost		
Texas Commission on Environmental Quality (TCEQ) Storm Water Management Program requires maintenance of all storm water structures which includes retention ponds. Silt accumulation causes loss of storage capacity and increases storm water runoff downstream, which could create potential flooding conditions	Priority III Important	\$500,000 Projected Cost
History and Comments		
Meadowview Pond was created as a retention pond in the early 1990's to serve as a collection point for: Fairview West Phase 4, Cypress Point Estates, Cypress Point Phase 1, 6, & 7 and Lake Sharon Drive. Since then, the pond has been accumulating silt and has lost approximately two feet of storage capacity. The additional silt needs to be removed to provide post development runoff protection from having negative impacts down stream.		
Project Location and Supporting Master Plan		
ADDRESS 1723 Meadowview Drive	SUPPORTING CITY PLANS:	



Bob Hart, City Manager - that was the summary of the CIP.

Mayor Heidemann recessed the Workshop at 6:38 p.m.* See Closed Session

CLOSED SESSION:

The City Council will convene in such executive or closed session to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code.

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Council met in Closed Session from 6:38 p.m. until 7:00 p.m.

a. Consider acquisition of Right-of-way at 1708 Post Oak Drive.

b. Consider acquisition of Right-of way at 2101 Lake Sharon Blvd.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Council met in Closed Session from 6:38 p.m. until 7:00 p.m.

a. Marcus Mote v. Debra Walthall, Case No. 4:16-cv-00203-RC, United States District Court for the Eastern District of Texas.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

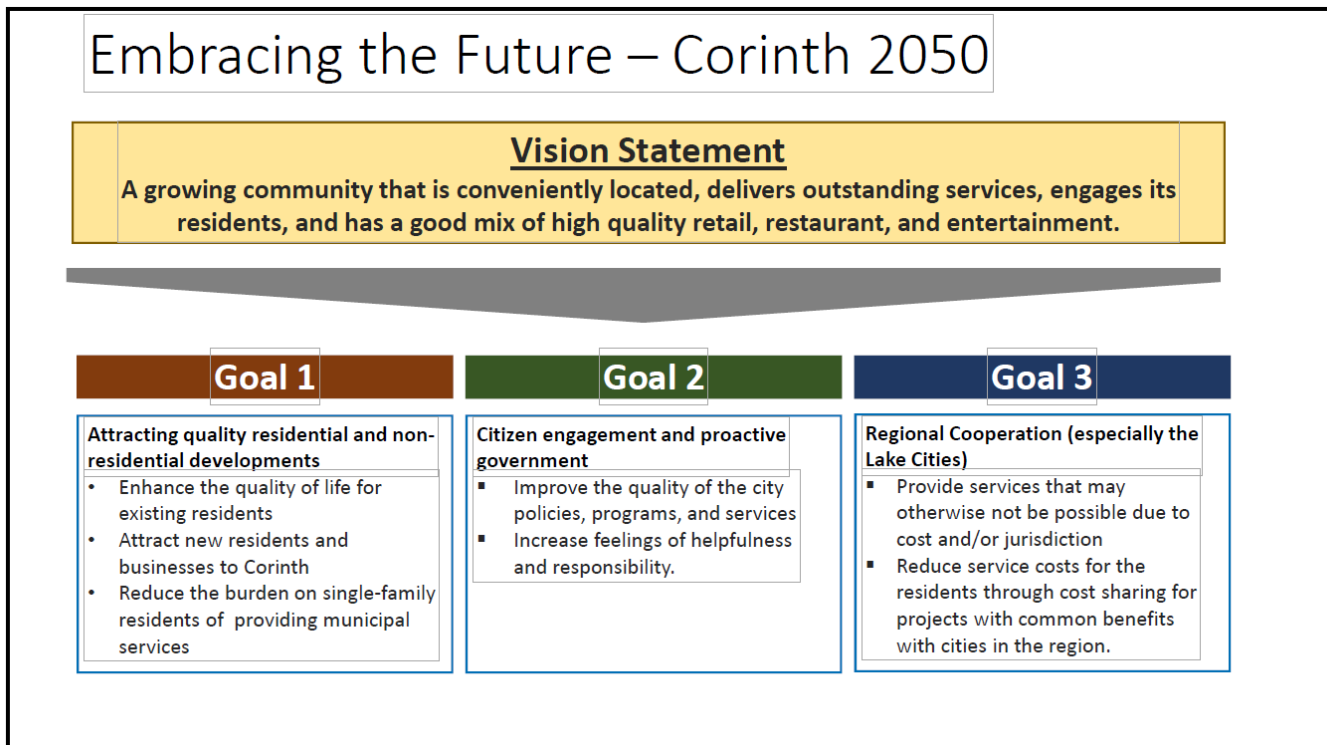
There was no action taken from Closed Session.

Mayor Heidemann adjourned the Workshop at 6:59 p.m. (Council met in Regular Session).

Mayor Heidemann opened the Workshop Session at 7:55 p.m.

3. Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2018-2019 Annual Program of Services and Capital Improvement Program.

Bob Hart, City Manager - presented an overview of the budget.



Goal 1: Attracting Quality Development

Land Development	Infrastructure	Economic
<p>Land development strategies include policies that will determine the use of land and the aesthetics for all public and private development in town.</p>	<p>Infrastructure development strategies relate to physical infrastructure such as water, sewer, roadways, & drainage, as well as funding related policies that relate to human capacity building.</p>	<p>Economic Development strategies are those that relate to activities that will ultimately increase tax revenues in town.</p>
<p>Strategy 1: Evaluate all Planned Development (PD) zoned properties in the City and change to straight zoning and/or codify all PDs as a part of the development regulations.</p> <p>Strategy 2: Ensure that all rezoning and land development requests are decided based on the updates land use plan and development regulations.</p> <p>Strategy 3: Update the City's Comprehensive Plan to determine the appropriate uses, types of developments, densities, and location in the City.</p> <p>Strategy 4: Update the City's development regulations (zoning and subdivision) ordinances to align with the updated land use plan and provide higher flexibility in regulations than the traditional ordinances.</p>	<p>Strategy 1: Update the City's Thoroughfare Plan & mobility policies in Chapter 3 of the 2010 Comprehensive Plan to align with the updated land use plan.</p> <p>Strategy 2: Analyze & update the infrastructure assessment in Chapter 7 of the 2010 Comprehensive Plan, and the Water/Wastewater improvement plan adopted with ordinance 17-03-02-02 in March 2017 to align with the updated land use plan.</p> <p>Strategy 3: Develop a Capital Improvement Program (CIP) to fund the infrastructure and mobility projects, parks & open space projects, and create funding for economic development incentives to support private development with public infrastructure.</p> <p>Strategy 4: Create a Tax Increment Financing District (TIRZ) and use its bonding capacity to invest in infrastructure projects to use as an incentive to promote private investment in high-quality built environment.</p>	<p>Strategy 1: Reorganize the City's Economic Development functions similar to the other cities in DFW metroplex and according to the best practices so that the developers know what to expect and provide clarity to those looking to invest in the City.</p> <p>Strategy 2: Develop a Retention Program to keep the businesses that are already in Corinth.</p> <p>Strategy 3: Conduct a target industry study to identify the types of developments that Corinth's market can support and also identify the gaps if any for the types of developments Corinth wants to attract.</p> <p>Strategy 4: Develop a strategic approach to attracting new businesses and developments to the City through a well-defined Business Development Program.</p>

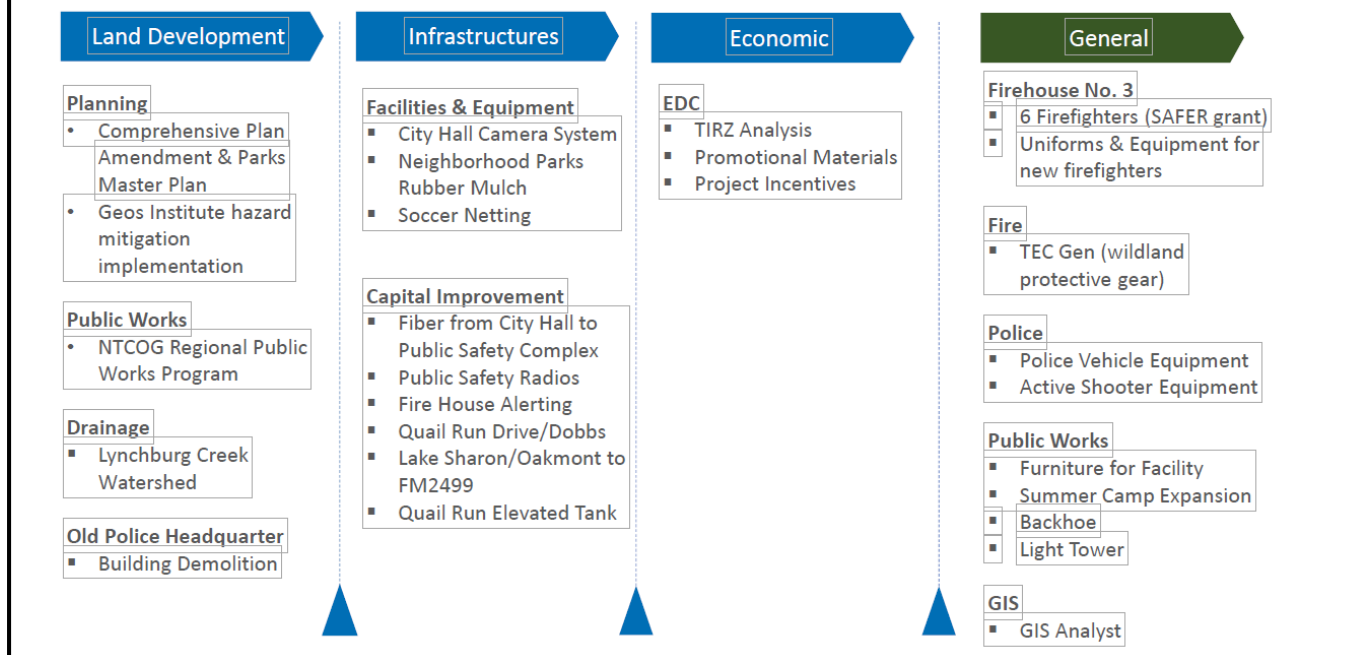
Goal 2: Citizen Engagement and Proactive Government

Land Development	Infrastructure	Economic
<p>Land development strategies include policies that will determine the use of land and the aesthetics for all public and private development in town.</p>	<p>Infrastructure development strategies relate to physical infrastructure such as water, sewer, roadways, & drainage, as well as funding related policies and policies that relate to human capacity building.</p>	<p>Economic Development strategies are those that relate to activities that will ultimately increase tax revenues in town.</p>
<p>Strategy 1: Invest in assisting Corinth's citizens understand the City processes, participate in these processes, and help the City staff with identifying solutions for any issues that arise in their neighborhoods.</p>	<p>Strategy 1: Invest in building infrastructure that supports citizen outreach and volunteering.</p>	<p>Strategy 1: Support projects and programs that show prospective businesses and residents that Corinth is a welcoming City with commitment to open communication and diversity.</p>

Goal 3: Regional Cooperation

Land Development	Infrastructure	Economic
Land development strategies include policies that will determine the use of land and the aesthetics for all public and private development in town.	Infrastructure development strategies relate to physical infrastructure such as water, sewer, roadways, & drainage, as well as funding related policies and policies that relate to human capacity building.	Economic Development strategies are those that relate to activities that will ultimately increase tax revenues in town.
Strategy 1: Invest in updating the citywide land use and infrastructure plans.	Strategy 1: Partner with neighboring cities and regional entities to invest in building infrastructure that supports regional growth and development.	Strategy 1: Support projects and programs that show prospective businesses and residents that Corinth is a regional leader in this part of DFW metroplex.

Summary of New Budget Packages



Bob Hart, City Manager - the general recommendation is you should be updating your Comprehensive Land Use Plan about every 5 years. We started ours 10 years ago and adopted it 9 years ago. We are at the point where we are due for doing that now and that is part of the recommendation.

The Geos Institute is a group of technical assistance in terms of hazard mitigation, flooding and other types of hazard mitigation. We were a Beta South Community during this Fiscal Year with them on developing some of their public documents and based on that we can roll over into getting services from them at a much discounted approach. This will help with both the planning function and also Emergency Management function.

Participating with Council of Governments in the Regional Public Works Program. The Council of Governments has for years got cities to work together to develop standards for contracts, specifications on how drainage is done, storm water management and how water lines and sewer lines are done and they create documents and policies to do that. We are wanting Corinth to participate in that.

The drainage with Lynchburg Creek Watershed. We talked about that under the CIP and having the match money in there and also going after some of the grants to do those. We are in a position to submit in November/December time-frame. That is when we will be making those judgement calls on which grant program to go with.

The demolition of the police building on Corinth Parkway will be used temporarily for public works while that is being remodeled. Following that we are recommending is we tear down the building and it will end up being part of an incentive of how that land area will be developed along Interstate 35. The reason for tearing it down is because it is in a flood plain and partially in the flood way. Under our contract with FEMA to be able to offer flood insurance, we agreed not to have buildings and release Certificates of Occupancy and permits in the flood plain and flood way.

We have in the budget to put in a security camera system for the building internal and external. We have had one here but it has not been working for about 3 years and this would give us some security of the building.

In the neighborhood parks we would like to put in a rubber mulch that would go in under all the playground equipment and that would be partially funded through the parks funding and the Economic Development Corporation.

The soccer netting is a safety issue by Lynchburg Creek. The soccer balls go over there and there is a lot of snakes and so we would like to put up netting over in that area.

Capital Improvement we touched on earlier in the discussions.

Councilmember Glockel - on the Lake Sharon/Oakmont to FM 2499 in the CIP, I have seen the plans where it talks about the paving and all of that but is there any water and sewer going to be put in that street?

Bob Hart, City Manager - the biggest part of it is crossing over the Upper Trinity line. We would have a water line down that south side to feed those tanks.

Councilmember Glockel - are going to have water and sewer so that the land can be developed? If you build Lake Sharon from Oakmont all the way to Parkridge, we need to put water and sewer in that street.

Bob Hart, City Manager - Let me get with Alan and bring you back a good answer on that next week.

We are looking at a Tax Increment Financing operation. I think that I would suggest we start to look at how we put together something is working close with NCTC and then working with Texas Health Resources (THR) to figure out what we can do to get the atrium hospital and get that back in to play. Texas Health Resources are ready for some conversations regarding what to do with that building.

If you look at some of the needs that NCTC has on long term plans for this campus dealing with a commuter rail stop becomes an issue. DCTA is certainly open to conversations about allowing us to fund part of that transportation fee through a TIF/TIRZ so you step around the issue of needing to do that with the sales tax. I call them TIF's but they are now called TIRZ Tax Increment Reinvestment Zone and they used to be called Tax Increment Financing Districts.

Looking at the opening of the Fire House #3 and what we would do is pick up 6 fire fighters through the safer grant. All the preliminary information that we are receiving states that grant will be approved. We will continue to have the conversations with the Lake Cities.

We also have in place some protective gear for the fire fighters. You want to keep those kind of things less than 10 years of replacing and ours is sitting at about 12 years old.

The police vehicle equipment that goes inside the vehicles are in our budgeting process and not part of the Enterprise program we are doing now.

In the Public Works department we are going to bid for the furniture for that facility and that is included in the budget.

The summer camp that we do we have waiting list for that and we would like to double the size of that. Those things pay for themselves.

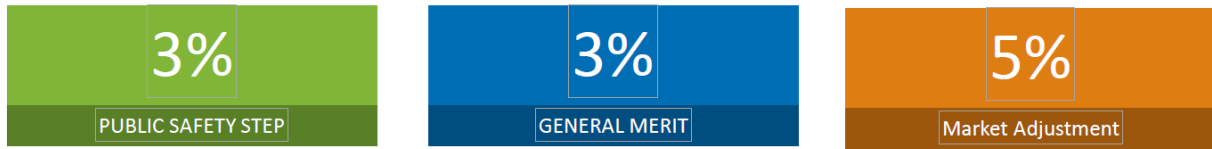
The light tower is the light so when individuals are called out in the middle of the night working they will have some good light out there.

We have been having conversation with LCMUA about us doing the GIS system for them and so bringing that in house and doing that. They are very interested in doing it. We need a little more help Garrett does a great job and he keeps up mainly because he works six days a week about 10 hours a day. We are proposing another analyst and use them for the City and through LCMUA. So the staffing increase that we are asking for in this budget are the 6 firefighters under the Safer Grant so that will be partially funded. One GIS Analyst which will be 50% funded through LCMUA and two part time people to work at the summer camp.

Health Insurance		CITY CONTRIBUTION			
Council consideration August 16, 2018		Current (75%)	Proposed (70%)	City Impact	
<ul style="list-style-type: none"> ▣ Projected 26.56% decrease -\$641,545 ▣ Continues Health Employee Insurance Benefits Trust – 1.75% premium savings ▣ Changes City dependent contribution from 75% to 70% 		EE Only	\$744.25	\$583.18	(\$161.07)
		EE/Children	1,190.79	912.75	(278.04)
		EE/Spouse	1,414.08	1,062.60	(351.48)
		EE/Family	1,972.26	1,478.72	(493.54)
		EMPLOYEE "BASE PLAN" CONTRIBUTION			
		Current (25%)	Proposed (30%)	Employee Impact	
<ul style="list-style-type: none"> ▣ BASE PLAN: ▣ Continue High Deductible Insurance Plan with a Health Savings Account (H.S.A.) ▣ Continues contribution to employee Health Savings Account of \$1,000 ▣ Deductible increase from \$2,600 to \$2,700 for individual ▣ Network from Blue Essentials to Blue Choice 		EE Only	\$0	\$0	\$0
		EE/Children	148.84	141.24	(7.60)
		EE/Spouse	223.26	205.46	(17.80)
		EE/Family	409.32	383.80	(25.52)
		EMPLOYEE "BUY UP" CONTRIBUTION			
		Current (25%)	Proposed (30%)	Employee Impact	
<ul style="list-style-type: none"> ▣ BUY UP PLAN: ▣ Plan option with deductibles and copays (traditional PPO Plan) ▣ Deductible of \$1,000 ▣ Co-insurance Benefit 80% to \$3,000 out of pocket maximum ▣ Copays (Emergency room -\$200, Urgent care-\$50, Office Visit \$25, Specialist \$50, Prescriptions \$10/\$35/\$70/\$150) 		EE Only	\$33.38	\$66.35	\$32.97
		EE/Children	208.92	261.16	52.24
		EE/Spouse	296.68	349.74	53.06
		EE/Family	516.12	595.72	79.60

Wages Analysis

Proposed Merit and Market Adjustment



Proposed Merit and Market Adjustment Impact

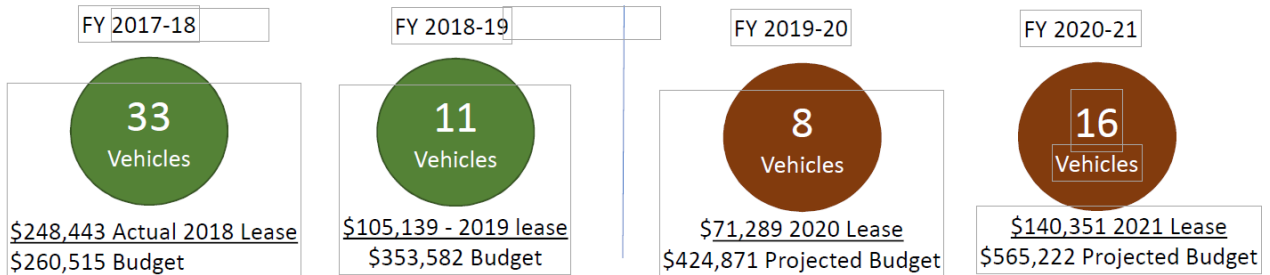
Funds	Market Adj	Merit/Step	Total
Public Safety	\$199,109	\$119,465	\$318,574
General Fund	189,000	113,246	302,246
Utility Fund	60,330	36,198	96,528
Drainage Fund	5,086	3,052	8,138
Crime Control Fund	4,392	2,635	7,027
Economic Dev. Fund	5,238	3,143	8,381
Child Safety Fund	600	360	960
Total	\$463,755	\$278,099	\$741,854

- Most of the employees' salaries are under the Mid of Corinth's current pay ranges. Ideally, salaries should be at the Mid of the pay ranges.
- Corinth's current pay ranges, when compared to our target market, are below the median minimum (50th percentile – where half of the employers pay more and half pay less).
- The budget contains funding for the following:
 - 5% adjustment to the Public Safety and General Government Pay Schedules
 - Continuation of a 3% step plan progression for Public Safety and a 3% merit pay increase for the General Government employees.

The Council looked at this extensively a few years ago and we have about 15 cities that we use to compare ourselves to. Right now in terms of salaries we rank about 14th or 15th out of those cities depending on what positions you are looking at. We are recommending in this budget to maintain the 3% merit but then on top of that doing a 5% cost of living adjustment. We would take everybody and the pay plan and move it 5%.

Enterprise Lease Summary

Vehicle Replacement Program



Program Summary

Budget included replacement of 32 Vehicles
1 Patrol unit added from Insurance Claim

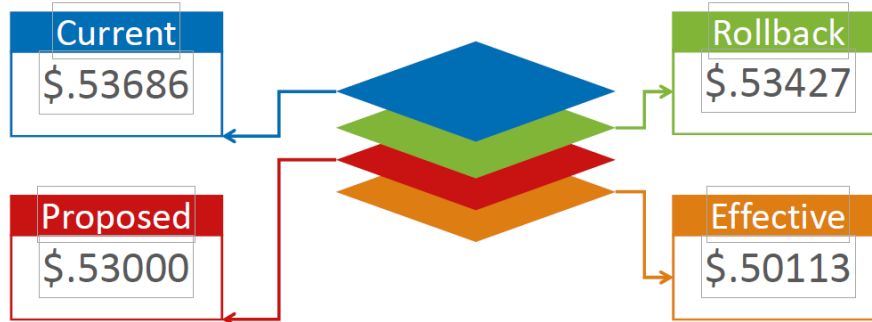
28 Vehicles have been sold - \$159,203
Total Budgeted sale of 46 vehicles - \$281,500

25 Vehicles have been replaced YTD
8 Vehicles are still pending delivery

18 Vehicles still to be sold
4 have been picked up and are pending sale

Property Tax Rate Analysis

Fiscal Year 2018-2019



What is the Effective Tax Rate?

Tax Rate that provides about the same amount of revenue as the prior year

What is the Rollback Tax Rate?

Maximum rate allowed without voter approval

Bob Hart, City Manager - This budget has been put together with the recommendation of \$.53000 for the tax rate. The four big areas that will cover is the drainage, opening fire station #3, Comp Plan update, and the Lake Sharon/Dobbs alignment and the elevated storage tank.

Councilmember Burke - what is the difference between the rollback and the proposed tax rate?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - the difference between the rollback and the proposed is \$286,000.

Councilmember Burke - what is our overall debt capacity? How much debt can we issue and I am not suggesting we issue any without raising taxes?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - today we have zero without raising taxes because our debt rate actually lowered this year. We went from 10895 to 10289 and by state statute you cannot collect a debt rate if you haven't issued the debt for it. We had to lower that debt rate down so today we have none. Next year if we have some bonds that are maturing and making some payments we may have a little bit throughout the year. I think in 2021 we will have a big jump of debt capacity.

Mayor Heidemann - are we going to have the capacity to issue debt in the spring of next year?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - yes, you can raise your tax rate as much as you want there is no limit as to how much debt you can issue you just have to be able to pay for it. For every cent on the tax rate on the debt side you can issue about \$3 million dollars of debt.

Councilmember Burke - realistically from where we are, we have about \$15 million dollars capacity.

Bob Hart, City Manager - based on the current level of valuation. You get more value and you get more capacity.

Tax Rate Comparison

	2014	2015	2016	2017	2018 Final (as of July 25, 2017)
Certified Value	\$1,538,127,064	\$1,638,520,892	\$1,799,383,154	\$1,952,654,794	\$2,159,281,283
Change in Value	7.64%	6.53%	9.82%	8.52%	10.58%
Property Tax Rate					
General Fund	\$0.45143	\$0.44143	\$0.44298	\$0.42791	\$0.42711
Debt Service	0.14346	0.14346	0.13895	0.10895	0.10289
Total Tax Rate	\$0.59489	\$0.58489	\$0.58193	\$0.53686	\$0.53000
Change in Tax Rate	(1C)	(1C)	(0.296C)	(4.50C)	(0.686C)

Average Home Value Comparison



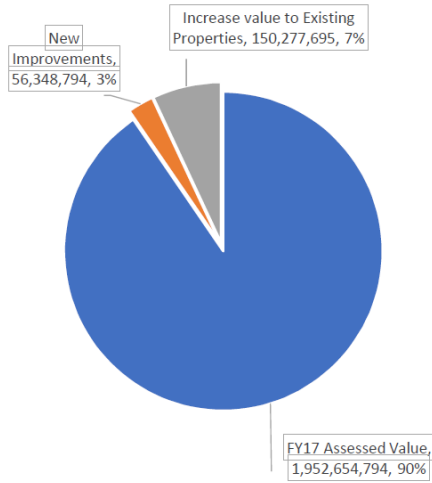
*Average Home Values increase:
\$20,556 or 8.3% over the 2017 home values = \$92 increase in tax bill*

\$71,420 or 36% since 2014 = \$249 increase in tax bill

	2014	2015	2016	2017	2018 Final (as of July 25, 2018)
Avg Home Value	\$198,248	\$211,926	\$229,765	\$249,112	\$269,668
Tax Rate	.59489	.58489	.58193	.53686	.53000
Average Tax Bill:					
General Fund	\$895	\$936	\$1,018	\$1,066	\$1,152
Debt Service Fund	284	304	319	271	277
Total Taxes Due	\$1,179	\$1,240	\$1,337	\$1,337	\$1,429

Tax Revenue Analysis

Certified Value as of July 25
\$2,159,281,283



Property Tax Revenue	General Fund	Debt Service Fund	Total
Tax Rate	.42711	.10289	.53000
FY17 Assessed Value	\$8,355,605	\$2,127,417	\$10,483,022
Increase in Existing Properties	626,230	36,291	662,521
New Improvements	240,671	57,977	298,648
Total Property Tax Revenue	\$9,222,506	\$2,221,685	\$11,444,191

Total 2018 Tax Revenue Increase = \$961,169

General Fund = \$662,521
Debt Service Fund = \$298,648

New Value Comparison

	2014	2015	2016	2017	2018 Final (as of July 25, 2018)
New Value Added	\$8,830,118	\$15,403,173	\$33,390,497	\$19,490,199	\$56,348,794
Tax Rate	.59489	.58489	.58913	.53686	.53000
Tax Bill Allocation:					
General Fund	\$39,862	\$67,994	\$147,913	\$83,400	\$240,671
Debt Service Fund	12,668	22,097	46,396	21,235	57,977
Total New Taxes	\$52,529	\$90,092	\$194,309	\$104,635	\$298,648

Five Year Average Growth of \$26,692,556

5 Year Average Annual Tax Revenue Increase on New Value Added = \$148,033
General Fund = \$115,958 and Debt Service Fund = \$32,075

Operating Budget Overview

	General Fund	Debt Service Fund	Utility Fund	Storm Drainage Fund	Economic Development Fund	Street Maint Sales Tax	Crime Control Fund
Estimated Beginning Fund Balance 10/1/18	\$5,009,308	\$ 246,938	\$ 3,241,250	\$ 600,028	\$ 3,676,075	\$ 953,084	\$ 433,041
Revenues	18,488,049	2,221,685	12,919,945	724,930	849,775	419,001	379,675
Use of Fund Balance	1,073,432			334,887			
Total Resources	\$ 19,561,481	\$2,221,685	\$12,919,945	\$ 1,059,817	\$849,775	\$419,001	\$379,675
Expenditures	17,331,373	2,220,358	12,795,037	659,817	697,781	212,333	335,784
New on-going Programs	820,696	-	4,500		-	-	-
One-time Programs	1,409,412		59,500	400,000		55,000	17,500
Total Expenditures	\$ 19,561,481	\$2,220,358	\$12,859,037	\$1,059,817	\$ 697,781	\$ 267,333	\$ 353,284
Estimated Ending Fund Balance 9/30/19	\$3,935,876	\$ 248,265	\$ 3,302,158	\$ 265,141	\$ 3,828,069	\$ 1,104,752	\$ 459,432
% of Total Expenditures	20.12%		25.68%	25.02%			
Policy Target	20.00%		25.00%	25.00%			

Bob Hart, City Manager - your policy target for fund balance are all here in all three of these key funds and that is crucial because if we look at a March Bond Sale these numbers become critical.

Capital Improvement Program Overview

Capital Program by Fund	2018-19	2019-20	2020-21	2021-22	2022-23	Total	Over 5 Years
Water	\$7,451,000	\$-	\$90,000	\$800,000	\$0	\$8,341,000	\$2,300,000
Wastewater	-	500,000	150,000	-	-	650,000	9,525,000
Drainage	7,070,000	-	-	-	-	7,070,000	500,000
Streets	3,000,000	2,100,000	1,525,000	2,621,000	1,598,000	10,844,000	11,675,000
Parks	-	-	-	490,000	950,000	1,440,000	1,160,000
General	272,000	322,000	172,000	322,000	376,000	1,464,000	-
Total Capital Improvement Plan	\$17,793,000	\$2,922,000	\$1,937,000	\$4,233,000	\$2,924,000	\$29,809,000	\$25,160,000

Funding Sources	2018-19	2019-20	2020-21	2021-22	2022-23	Total	Over 5 Years
Unissued/Unauthorized Bond Proceeds	\$10,000,000	\$2,100,000	\$1,525,000	\$3,911,000	\$2,548,000	\$20,084,000	\$25,160,000
Issued Bond Proceeds	1,468,997					1,468,997	
Water Impact Fees/Escrow	400,000		90,000			490,000	
Wastewater Impact Fees/Escrow	-	500,000	150,000			650,000	
General Operating	872,000	322,000	172,000	322,000	376,000	2,064,000	
Drainage Operating	400,000					400,000	
Grants	4,000,000					4,000,000	
General Capital Improvement	419,376					419,376	
Utility Capital Improvement	232,627					232,627	
Total Resources	\$17,793,000	\$2,922,000	\$1,937,000	\$4,233,000	\$2,924,000	\$29,809,000	\$25,160,000

A bond sale for the 2018-19 capital program of \$10 million is anticipated in March 2019.

Budget Calendar

Meeting Date		Budget Agenda Item
August 2	Thursday	Budget Work session – Budget Overview
August 9	Thursday	Budget Work session – Review Governmental Funds Vote on Published tax Rate and public hearing dates
August 16	Thursday	Budget Work session – Proprietary Funds
August 21	Tuesday	Budget Work session First Public Hearing on Tax Rate Approve Crime Control & Prevention District Budget
September 6	Thursday	Budget Work session Second Public Hearing on Tax Rate Public Hearing on Annual Budget
September 20	Thursday	Adoption of Annual Program of Services (Budget) Adoption of the Tax Rates and Tax Rolls
October 1		Fiscal year begins; implementation of adopted budget

ADJOURN:

Mayor Heidemann adjourned the meeting at 8:50 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2018.

Kimberly Pence, City Secretary
City of Corinth, Texas

CONSENT ITEM 2.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: August 2, 2018 Regular Session

Submitted For: Kim Pence, City Secretary

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on minutes from the August 2, 2018 Regular Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are the minutes from the August 2, 2018 Regular Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the August 2, 2018 Regular Session minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 2nd day of August 2018 the City Council of the City of Corinth, Texas met in Regular Session at the Corinth City Hall at 7:00 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Lowell Johnson, Council Member
Tina Henderson, Council Member
Scott Garber, Council Member
Don Glockel, Council Member

Members Absent:

None

Staff Members Present:

Bob Hart, City Manager
Kimberly Pence, City Secretary
Cody Collier, Director of Public Works, Park Maintenance, Recreation, and Utility Operations
Shea Rodgers, Technology Services Manager
Helen-Eve Liebman, Planning and Development Director
Jason Alexander, Economic Development Corporation Director
Curtis Birt, Lake Cities Fire Chief
Lee Ann Bunselmeyer, Director of Finance & Administrative Services
Chris Rodriguez, Assistant Finance Director
Jamaine Walker, Controller
Guadalupe Ruiz, Director of Human Resources
Alan Upchurch, City Engineer
Jimmy Gregg, Police Lieutenant
Kevin Tyson, Police Lieutenant
Melissa Cranford, Messer, Rockefeller, & Fort

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

"Honor the Texas Flag: I pledge allegiance to thee, Texas, one state under God, one and indivisible".

Mayor Heidemann called the meeting to order at 7:00 p.m., Councilmember Garber delivered the invocation and led in the Pledge of Allegiance and Texas Pledge.

CITIZENS COMMENTS

In accordance with the Open Meetings Act, 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 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

No citizen comments were made.

BUSINESS:

1. Consider and act on an amendment to the Corinth Economic Development Corporation Bylaws.

Bob Hart, City Manager - the Economic Development Board reviewed the bylaws and voted 4-2 to recommend changes. The City Attorney attended the Economic Development meeting and prepared the language based on the discussions of that meeting and is also here tonight to answer any questions.

Councilmember Glockel - most of us on City Council has served on the Economic Development Board and we know how it works. The thrust of this whole thing as I recollect is that we feel as a Council that we were not given the information that we wanted from EDC. It was the Council's fault that the information did not flow. Had we asked the Economic Development Board to provide that information that could have been given to the Council and not violated the law but we chose to put it under the City Manager so that he could get the information to us.

I think it boils down to that was not the problem at all. The problem was that we have EDC sitting out here as an arm by itself and the city would not support EDC unless EDC was part of the click so that is what the real thrust of this is, is trying to get EDC under the control of the City Manager and not to say that is good or bad or indifferent it could work either way but it is not information that is stopping us and making this move because we are getting the information out and all we have to do is ask the EDC to give us the information.

If you want it weekly we could get it so for us to hide behind the fact that we are moving it under the City Manager so that we could have better information flow I believe is not correct. The sad part about it, the way we operate today EDC really has no assistance from the city and sometimes the information from the Planning and Zoning and so on doesn't flow. So the only way we can get it to flow is put everything under Bob Hart's name then maybe that is what we have to do but that is why I wanted to bring it to Council and let Council decide and if that is what the Council wants to do then so be it. But we hired a man under a contract and told him how he would be working and he took us at face value and the last time we talked and decided to massage his job career and the way he reports and the things he could do and we never asked him his opinion and I felt like we really left him out in the cold.

Now, I don't expect Bob Hart to fire him tomorrow but my point is he was hired under an agreement with the EDC as a board and we are failing out on him under this "we need more information excuse" and I think that is just an excuse.

Councilmember Burke - I support the change to the bylaws and I think it will help with information flow and I also think we have a director levels position that needs daily management and we have a bylaw situation that will make that clear. That is my reasoning and basis. I am certainly not trying to hide behind anything else.

Councilmember Garber - In my opinion I do share the same feelings that Councilman Burke does. We talked a lot about information flow and in my opinion that is a challenge but that is just a symptom of something that could be a larger problem. Certainly not hiding behind the information flow I think that there are other things that could be fixed and addressed and so the information flow would be a very small piece of that in my opinion.

MOTION made by Councilmember Burke to approve the amendment to the Corinth Economic Development Bylaws as presented. Seconded by Councilmember Garber.

Councilmember Johnson - back in 1998/99 the citizens, the voters of the City of Corinth decided that they needed an Economic Development Corporation. They wanted a group a corporation that was outside of the City Hall that was funded by sales tax as allowed by law that they could choose a director for and this group (City Council) would aid the Economic Development of the City and take some of the load off the city staff. That passed and the Economic Development Corporation was created. The history that goes with that was the first director had some problems with some spending issues and the City Council changed the bylaws to give the board more control over how the director was hired, who managed him or her and went forward from there.

The Board has acted over the years not only as in an advisory situation but they are also a corporation that was established by the voters of the City of Corinth. Their management and their decision making processes are all established by a vote of the public not an administrative action brought forth by this Council.

I think in doing what we are talking about doing, we circuit that vote and my suggestion would be we have all talked about how we are going to fund the fire department down the road. If this is how we are going to handle the EDC instead of playing this little administrative game let's just come back and remove the EDC by vote and push those funds, by law which we can do now, on the same election over to the Fire Department whenever that election can occur. I think this is a real sham to try and gain control of the EDC through administrative and remove the public from the situation that they wanted to create and develop and foster.

Councilmember Burke - the board serves at the pleasure of the Council. They are all appointed by the Council and so to say that because we are going to put the director who doesn't vote on the actions of the EDC under the day to day management of the City Manager somehow changes the function of the EDC, I think that is a sham Lowell and I think it is kind of a scare tactic and I think if you understand, as you do, how the EDC functions and how it is managed, with that argument you are just trying to scare people. Nothing about this is going to undermined day to day function of the EDC. It will function the same way it has, the same way it has for years with you on it. Because we are putting a director level position under the day to day management of a City Manager who we hire and fire, I don't see how that can act as a detriment to the function of that body or this Council or this City.

Essentially the situation is now we either don't know who manages that person or that person is managed by a volunteer board who meets once a month and that is probably not the best idea and that is the reason we need to change the bylaws so that the person who is in charge of the City has managerial authority over all the directors who affect the control of funds that develop this City and its projects and move us forward. We need one person who is ultimately responsible for the management of all its directors.

Councilmember Johnson - I think the job description that the Economic Development Corporation Director has that says that he is under the day to day management of the City Manager if I remember correctly so that is already done. It has worked for years and years, with previous managers and previous Economic Development Directors. It all worked before and it all worked under that same day to day operational management and we didn't have any problems. It seemed the problems occurred at this point and more recent past and that is where I am concerned about how this has come about and the discussion level ability between two bright individuals who may

not see eye to eye about the same policy and they choose not to discuss the policies between the two of them for whatever reasons so I still see this as more of a communication issue than the need to change the bylaws that are already operating in the manner that we are going to make this change. The big thing that we change is it gives the City Manager pretty much the sole authority to remove the Economic Development Director and that concerns me when he works for a board that was established by a vote.

AYES: Burke, Garber, Henderson
NOES: Johnson, Glockel
ABSENT: None

MOTION CARRIED

2. Consider and act on an Ordinance of the City of Corinth repealing existing Chapter 39, Code of Ethics, of Title III, Administration, of the Code of Ordinances of the City and adopting a new Chapter 39, Code of Ethics, with provisions applicable to City Officials, both current and former, Vendors and Complainants; providing External Remedies for Frivolous Complaints; and providing an effective date.

Bob Hart, City Manager - the Ethics Commission Board has had several meetings since January along with UTA graduate Capstone students to assist in updating the existing Code of Ethics Ordinance. They have worked with the board for several months and the board was able to prepare a draft ordinance for your consideration. The City Attorney has made a number of revisions to the ordinance and this is being brought to you for your consideration tonight. This is purely a policy position on the part of the City Council how you want to govern yourselves and how you want to govern advisory boards in your role.

Mayor Heidemann - as I reviewed this contract with Red Flag it says the annual fee for residents is \$600 and includes 12 reports annually and \$35.00 each thereafter. Can you tell me what a residential report is?

Bob Hart, City Manager - as I understand it, if it is any number of calls they would not charge for that if they have to generate a report where there is a lot of background and documentation that is when the report would be gathered. Before we bring this to you for your consideration I will verify with them first.

Councilmember Glockel - in some areas of the proposed Ordinance it talks about family of the 1st degree and in the same ordinance in another area it says something about family of the 2nd degree. Is this written as so we are talking about 1st degree or 2nd degree relationships to family because it goes back and forth?

Melissa Cranford, City Attorney - Mack, the previous attorney looked at this and my educated guess was that he was trying to stay consistent with the state statute relative to these specific functions.

Councilmember Glockel - when we talk about the qualifications for a complaint to be processed and how that complaint flows through the City Secretary and then to the Ethics Board. If I make a complaint and I file it with the City Secretary and if it is not filled out completely it gets sent back from the City Secretary to me and it gives me a few days to refile my complaint. It states "The complainant shall have 10 business days after the date the City Secretary sends a deficiency notice to the complainant to provide the required information to the City Secretary, or the complainant is

automatically deemed abandoned and may not be processed in accordance with this Chapter. Within 5 days of the complainant being abandoned, the City Secretary shall send written notification to the complainant and the accused." We just abandoned the complaint because it was not complete but we send it to the accused? If we are going to abandon this complaint meaning we are not going to do anything with it why would we then turn around and send a copy of it back to the complainant saying we are not going to deal with you because you didn't fill it out right and then send a copy to whoever it is they are accusing?

Melissa Cranford, City Attorney - I believe the intent of this section is to provide sufficiency process to the complainant that his complaint was not appropriately amended and will not be pursued because of the requirements of the ordinance. Is your question why is it being sent to the accused or why are we sending it back to the complainant?

Councilmember Glockel - I think I understand completely that the accuser has not completed the form correctly he or she was given a second chance to do it and if they didn't complete it within 5 business days the complaint will be considered abandoned if the accuser does not fill it out correctly. So the City Secretary has the power to consider abandoned and then will send a written notice back to me making the complaint. You really don't know what I am complaining about but you are going to send it to the accused and to me that makes no sense.

Melissa Cranford, City Attorney - I think the intent there is to disclose that loop so that all parties are apprised that there is not an active complaint that the process has been abandoned or completed so that you don't have a question that someone filed a complaint and it was never investigated you have some documentation to establish that it was abandoned.

Councilmember Glockel - I totally agree on abandoning the complaint if it is not filled out correctly. I disagree with them sending it to somebody that I am complaining about. I never even completed the complaint so why process it. If it is not done correctly the complaint will be abandoned and that is where it should stop in my opinion. Don't send it to somebody else half way through the process because you don't know why you are sending it, you only have half the information that is why the complaint was abandoned. You don't want to send it to the accused if it is not complete. If there is an issue send it to the Ethics Committee and let them process it that forms with this chapter and then the accused will be notified on a legitimate reason.

Melissa Cranford, City Attorney - the ordinance should reflect the policy direction of the Council and so if that is a change that we need to make I would be happy to do that with the Council's direction.

Councilmember Burke - are you concerned that the accused would use that information on the person who made the complaint and yet the complaint does not get addressed?

Councilmember Glockel - a little bit of all that. If you have somebody who is making a complaint and it is half prepared and you by policy you abandon it, to me that says we are done with it and I am going to send you a letter back who put the complaint in that we are not dealing with the complaint because there is not enough information and that is where it should stop in my opinion.

Melissa Cranford, City Attorney - I believe again it is for transparency with regards to the process and the accused would know the status of the complaint.

Councilmember Glockel - if you go down to confidentiality which is another paragraph down in the ordinance it talks about a complaint that has been submitted to the City is hereby deemed

confidential until such time as the complaint is either dismissed or placed on the agenda for consideration of the Ethics Board. If the same complaint is not filled out correctly then it is no longer confidential and I don't understand that.

Melissa Cranford - City Attorney - if you look on paragraph J the confidentiality under this ordinance is only to the extent allowed by the Texas Public Information Act and so in the event that someone request a copy of an alleged complaint even prior to processing the City might be required to disclose that complaint under this ordinance it would be deemed confidential and so going back to your question relative to the accused of being notified of the complaint has been abandoned is purely a policy decision for the Council to make but I believe the intent of that language was to ensure transparency of due process of the application itself.

Councilmember Glockel - I think if the complaint is not filled out correctly and we are going to abandon it, it ought to be abandoned and not processed to anybody and cause hard feelings because if it is not filled out completely it is probably not true anyway so why should we cause all the issues that it may cause.

Mayor Heidemann - it states in here the City Secretary is going to have annual training as it relates to different things that are going on?

Bob Hart, City Manager - yes, right now the City Secretary has training on the Open Records Law and the Open Meetings Law and what we would do is training with all of the boards we would review this Ordinance and online training through TML or the Attorney General's Office and that would fall under the City Secretary to provide that training.

MOTION made by Councilmember Burke to approve the Ordinance with the exception of Section 39.13, Subsection H (2) to be modified to strike out the last three words "and the accused". Seconded by Councilmember Henderson.

AYES: Burke, Garber, Johnson, Henderson, Glockel
NOES: None
ABSENT: None

MOTION CARRIED

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

Councilmember Glockel - I would like to see the information that we requested back in May from Mr. Hart on his performance review.

Bob Hart, City Manager - We notified you that Chief Walthall plans to retire on August 24th. Our Controller, Jamaine Walker will be accepting a job in Dallas County. We will have a City Engineer and a Planning Manager that will be starting on August 13th. We will have a Code Enforcement Officer beginning on Monday, August 6th so we are getting the Planning and Development staff back together.

There was no Closed Session during the Regular meeting.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code.

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

a. Consider acquisition of Right-of-way at 1708 Post Oak Drive.

b. Consider acquisition of Right-of way at 2101 Lake Sharon Blvd.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

a. Marcus Mote v. Debra Walthall, Case No. 4:16-cv-00203-RC, United States District Court for the Eastern District of Texas.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

ADJOURN:

Mayor Heidemann adjourned the meeting at 7:45 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2018.

Kimberly Pence, City Secretary
City of Corinth, Texas

CONSENT ITEM 3.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: August 9, 2018 Workshop Session

Submitted For: Kim Pence, City Secretary

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on minutes from the August 9, 2018 Workshop Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are minutes from the August 9, 2018 Workshop Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the August 9, 2018 Workshop Session minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 9th day of August 2018 the City Council of the City of Corinth, Texas met in a Workshop Session at the Corinth City Hall at 5:30 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Tina Henderson, Council Member
Lowell Johnson, Council Member
Scott Garber, Council Member
Don Glockel, Council Member

Members Absent:

None

Staff Members Present:

Bob Hart, City Manager
Kimberly Pence, City Secretary
Cody Collier, Director of Public Works, Park Maintenance, Recreation, and Utility Operations
Brenton Copeland, Technology Services Assistant Manager
Helen-Eve Liebman, Planning and Development Director
Jason Alexander, Economic Development Corporation Director
Curtis Birt, Lake Cities Fire Chief
Lee Ann Bunselmeyer, Director of Finance & Administrative Services
Chris Rodriquez, Assistant Finance Director
Guadalupe Ruiz, Director of Human Resources
Kevin Tyson, Police Lieutenant
Brett Cast, Planning and Development Coordinator

WORKSHOP BUSINESS AGENDA:

1. Discuss Special Meeting Items on the Special Session Agenda, including the consideration of closed session items as set forth in the Closed Session agenda items below.

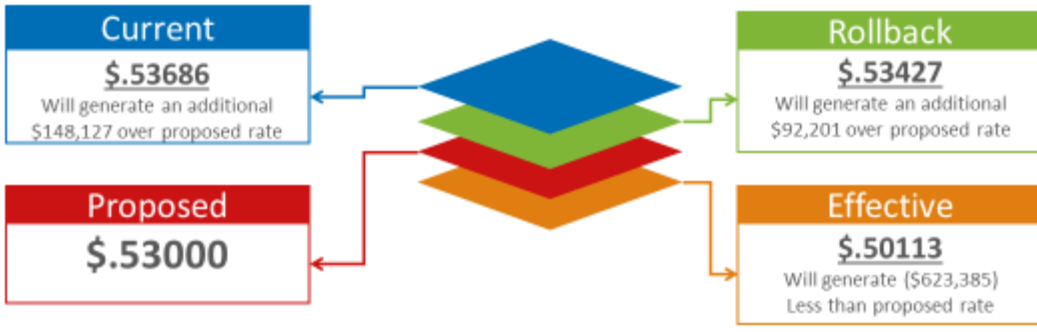
No discussion on Special Session Agenda items.

3. Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2018-2019 Annual Program of Services and Capital Improvement Program.

Bob Hart, City Manager - presented an overview on the General Fund, Special Revenue Funds and Sales Tax Fund.

Property Tax Rate Analysis

Fiscal Year 2018-2019



What is the Effective Tax Rate?

Tax Rate that provides about the same amount of revenue as the prior year

What is the Rollback Tax Rate?

Maximum rate allowed without voter approval

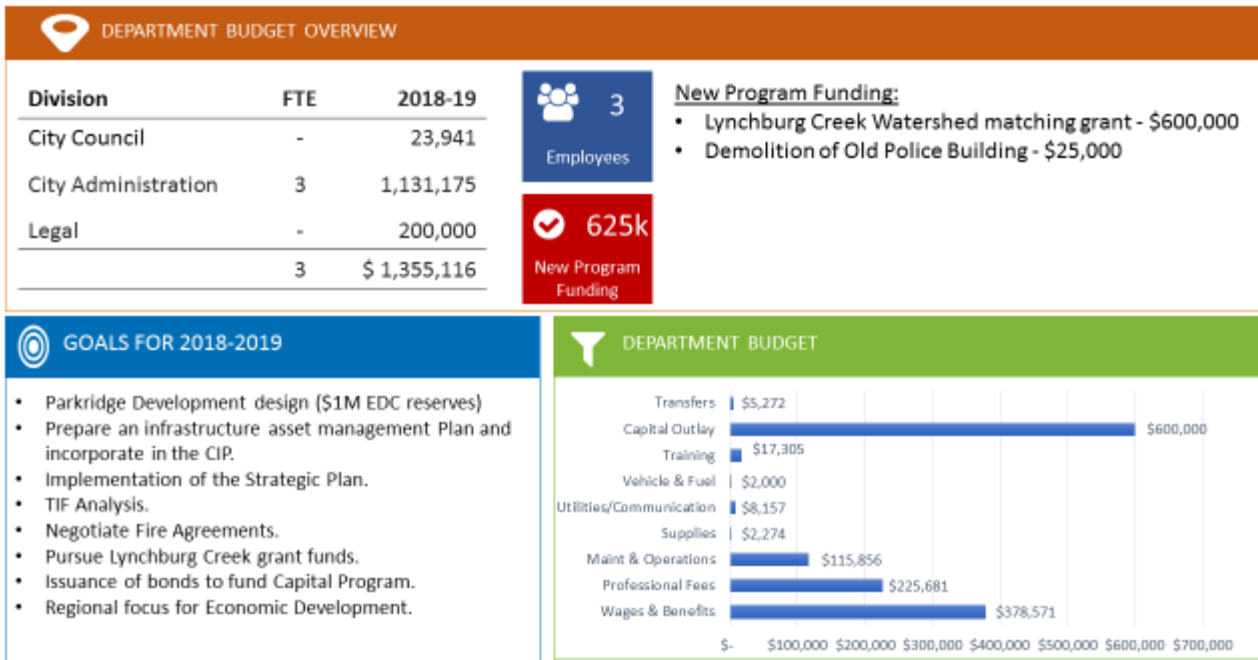
Bob Hart, City Manager - This relates to your one action item tonight. The current tax rate is \$0.53686 and the recommended tax rate that we are bringing to you in this budget is \$0.53000.

Mayor Heidemann - what is the impact on the proposed rate per household?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - I believe it was about \$1400 was the annual and about a \$91.00 increase from the prior year.

Bob Hart, City Manager - that is if you take last year's average home value to this year's average home value. This includes all the new construction as well. A lot of new houses are going in and driving up the average cost of the homes.

City Administration



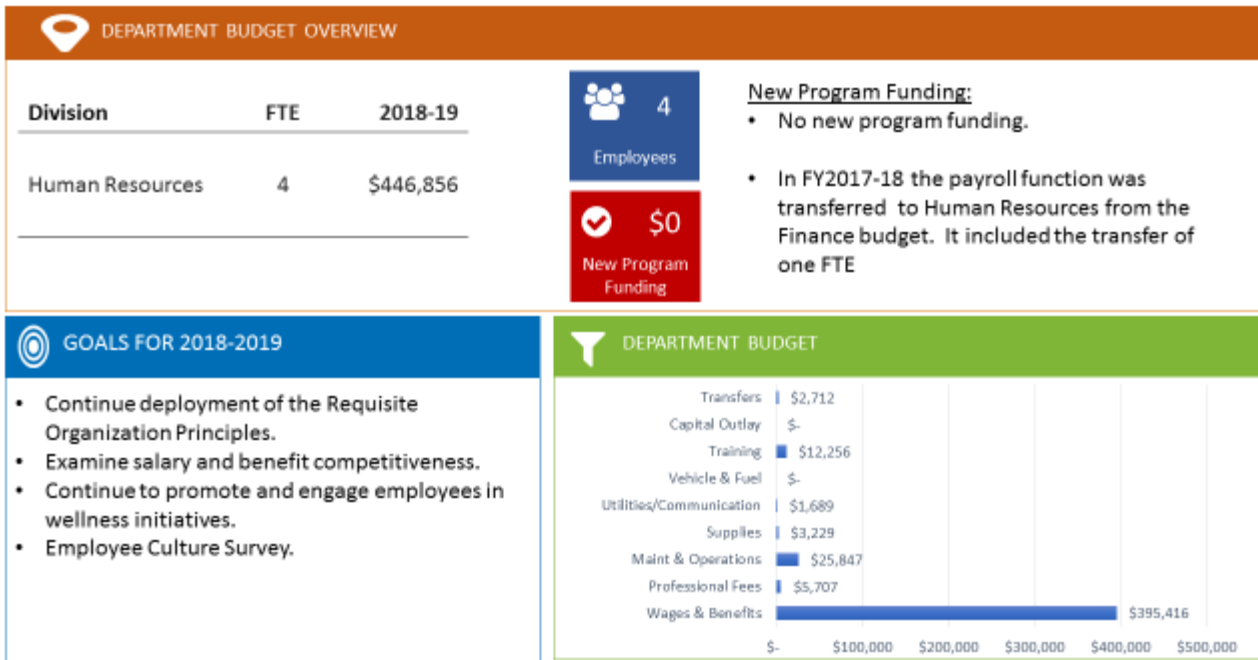
We had someone come in to City Hall yesterday interested in developing Parkridge. We are recommending that we have Parkridge Development design on this first year and get ourselves in position to deal with the Parkridge extension over the next couple of years. There is going to be some design money that is going to be needed and we recommend that we take a two-step approach. One is to do a continuing Resolution so that some point we can reimburse ourselves from any future debt issue and use about \$1 million dollars out of Economic Development Corporation reserves to help get that effort started.

We are looking at the design of the street, water, wastewater and the drainage. Then you figure out what kind of tool to use to move forward. We can do a Municipal Management District, we can do a PID, we can do a TIF or we can do a 380 Agreement. I think probably the 380 agreement will be the most appropriate. There is still a lot of loose ends here but I think we can give you an outline in trying to deal with this.

Mayor Heidemann - doing that Parkridge Design, will that incorporate some of the requirements for the drainage down in Amity Village?

Bob Hart, City Manager - yes. The cost of the water, wastewater, drainage and the streets will be about \$5.5 million.

Human Resources



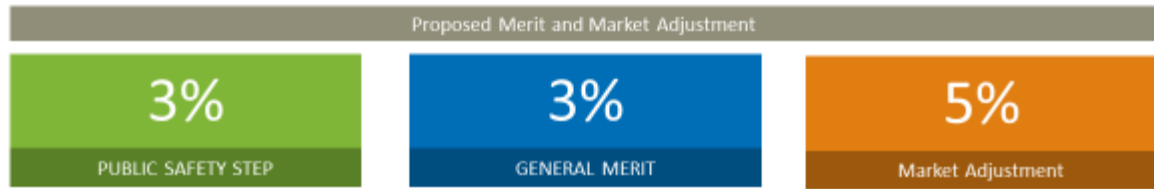
Councilmember Burke - overall healthcare costs came down in Texas. Do you have any confidence with anybody telling you that they think they have actually figured out this market and there will be a little more price stability going forward or it could go up 40% next year like it has?

Guadalupe Ruiz, Human Resource Director - the influence and the result of the rates that we have has to do a lot with our loss ratio. In FY 16/17 we had about 116% of loss ratio and that is why we got the increase. This time we were at 63% so that has made a huge difference.

Councilmember Burke - so our rate drop was not market based it was our loss ratio?

Guadalupe Ruiz, Human Resource Director - correct.

Wages Analysis



Proposed Merit and Market Adjustment Impact

Funds	Market Adj	Merit/Step	Total
Public Safety	\$199,109	\$119,465	\$318,574
General Fund	189,000	113,246	302,246
Utility Fund	60,330	36,198	96,528
Drainage Fund	5,086	3,052	8,138
Crime Control Fund	4,392	2,635	7,027
Economic Dev. Fund	5,238	3,143	8,381
Child Safety Fund	600	360	960
Total	\$463,755	\$278,099	\$741,854

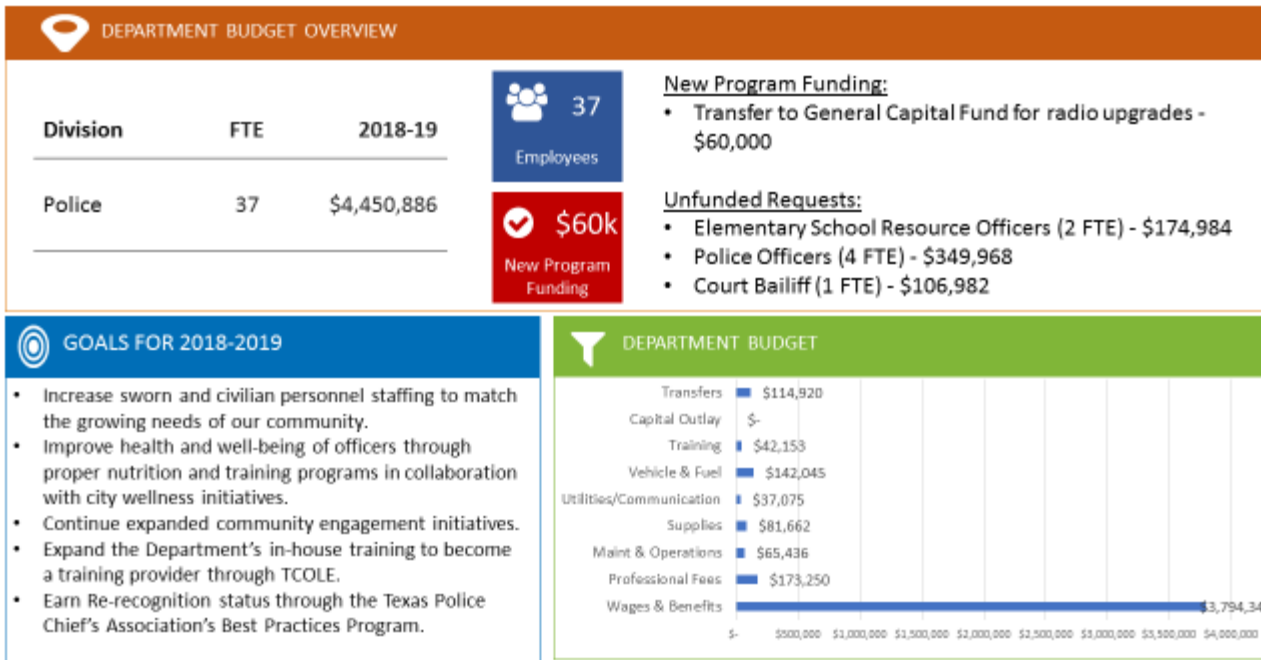
- Most of the employees' salaries are under the Mid of Corinth's current pay ranges. Ideally, salaries should be at the Mid of the pay ranges.
- Corinth's current pay ranges, when compared to our target market, are below the median minimum (50th percentile – where half of the employers pay more and half pay less).
- The budget contains funding for the following:
 - 5% adjustment to the Public Safety and General Government Pay Schedules
 - Continuation of a 3% step plan progression for Public Safety and a 3% merit pay increase for the General Government employees.

Mayor Heidemann - in determining the increases that you have I presume that you have gone out and done some surveys in the market place as far as the benchmark against these increases?

Guadalupe Ruiz, Human Resource Director - correct. When it comes to public safety, we look at those cities in the middle range where 50% pays more and 50% pays less and looking at those in the middle, the distance for our salaries to get to that middle is at least 7%. We need a 7% increase to get to the middle of the market.

For the general government employees, we have not been able to catch up with the ranges and we have 80% of employees below the mid. We are proposing to move the pay scale by 5%.

Police



Councilmember Burke - on the Resources Officers, is that something that we requested or the school district?

Debra Walthall, Chief of Police - that was requested by Lake Dallas ISD and then they notified us that they no longer wanted to do that. They do it when there is a recent school shooting. They have talked to us about it in the past about adding more Resource Officers and then backed out.

Councilmember Garber - what does 1 officer cost us on average?

Debra Walthall, Chief of Police - for 1 officer it would be \$87,500.

Mayor Heidemann - how many open positions do we have now?

Debra Walthall, Chief of Police - we currently have 5 and we are having problems filling those positions right now. They go out and research those pay plans and some want to go to bigger departments, some want more money up front. We instituted the lateral but because we have so many people that has not advanced in the step plan it is not fair to bring some of those in at a higher rate of pay.

Councilmember Garber - the \$60,000 in new program funding, is most of that related to increases in pay?

Debra Walthall, Chief of Police - that is trying to get the radios that we have to have up and running by 2023 and that is just a portion of what they are going to cost.

Mayor Heidemann - you currently have 5 open positions and you have 4 here that you requested that are unfunded, is that correct?

Bob Hart, City Manager - when these apartments start to fill up and you get these new subdivisions on the ground we are going to need people. You will see this come back with a recommendation for funding in the next couple of years. You will have more value on the ground to help pay for them as well.

Mayor Heidemann - of the existing positions that you have now, two of those positions are funded out of the Crime Control is that correct? That is an additional funding that you have over and above what you are requesting is that correct?

Debra Walthall, Chief of Police - yes, that is correct.

Fire

DEPARTMENT BUDGET OVERVIEW

Division	FTE	2018-19
Fire	50	\$6,702,389

50

Employees

New Program Funding:

- Addition of 6 firefighters through SAFER grant and associated uniforms & equipment - \$722,133
- Transfer to General Capital project fund for radios - \$22,000 and Fire House Alerting system of \$90,000

\$834k

New Program Funding

Unfunded Requests:

- Paratech rescue equipment - \$80,000

GOALS FOR 2018-2019

- Work with Public Works for infrastructure improvements to the Fire Training Field.
- Implementation of Master Plan for the Fire Training Field.
- Command level training for Fire Captains.
- Begin Fire Prevention Program for senior citizens.
- Open Fire House No. 3.
- Update Emergency Response and Mitigation Plan.

DEPARTMENT BUDGET

Fire Operations

Personnel

3 Firehouses	39+6 new Firefighters	12 Minimum Firefighters on duty daily	<p>Station Staffing:</p> <ul style="list-style-type: none"> 18 Firefighters at firehouse no. 1 12 Firefighters at firehouse no. 2 15 Firefighters at firehouse no 3
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Equipment

<u>Firehouse No. 1</u> Engine, Medic	<u>Firehouse #2</u> Squad, Medic, Reserve Engine/ Medic, Brush Trucks, Fleet Truck, ATV	<u>Firehouse #3</u> Quint, Rescue Truck	<p>Equipment Timeline Decisions:</p> <ul style="list-style-type: none"> Will need to buy a Squad for firehouse no. 2 Squad typically takes 9 months to build.
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SAFER Grant

Fiscal Year	6 Firefighter wages & benefits	Estimated SAFER Grant	Net Impact to City
FY2018-19	\$ 627,640	\$ 369,441	\$ 258,199
FY2019-20	648,440	382,118	266,322
FY2020-21	669,776	184,317	485,459
FY2021-22	688,404	-	688,404

SAFER Grant Details:

- Expect funding decision by September 2018.
- Grant reimburses 75%, 75% and 35% of the base firefighter wages and benefits.
- Entities are required to keep the positions for the length of the grant.

Mayor Heidemann - under our current contract with the other 3 cities, they are not going to underwrite any of the additional cost for the fire station #3 is that correct?

Bob Hart, City Manager - that is correct.

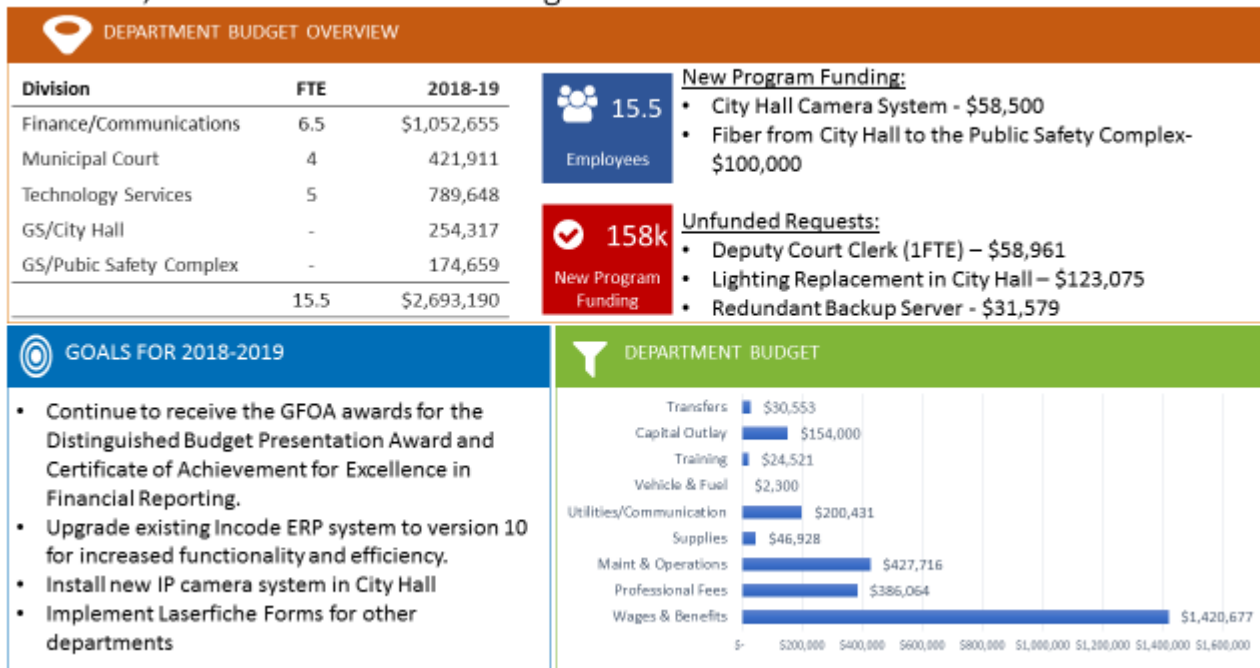
Mayor Heidemann - and that is what is incorporated here as far as the additional cost of opening station #3

Bob Hart, City Manager - yes. A lot of this is going to be timing. The Safer Grant is looking very positive. We will need to be moving aggressively to start recruiting people in the November time frame and absolutely drop dead date to have them on board will be in early January.

Councilmember Glockel - is there still some negotiations for the other 3 cities to buy in to 3 of the fire fighter positions when the contracts get negotiated?

Bob Hart, City Manager - they will pay their share of 3 with the new contracts.

Finance, Communication & Strategic Services



Mayor Heidemann - has the communication position been filled yet?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - no, we just sent out questionnaires and an assignment so we can see their writing styles and they are due back on Monday. We are looking at having interviews around the 18th and 19th of August. We do have a lot of qualified applicants.

Mayor Heidemann - will that person oversee the website, all the boards out here representing...

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - we have a lot of folks that have been previous web masters and a lot graphic designs so we are hoping to get someone with great expertise.

Mayor Heidemann - are we current with all of our software updates in terms of finance?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - no, in the current year budget, we budgeted to upgrade our financial system, utility billing and municipal court and we had to have funding available before we could get on the waiting list and the waiting list was over a year long to be able to start the process to upgrade so we are not going to be able to start that until December or January of 2019. We should be done with it by the end of next fiscal year.

PUBLIC WORKS



We talked about the summer camp and expanding it so this cost will be offset by revenues.

Councilmember Johnson - when we expand the summer camp where are we moving to?

Cody Collier, Director of Public Works - that is the part we are working on right now. We have several options. We tried to work out something with Classic Academy because they are using our ball fields for their sporting events for practice and they are paying us so we thought we might do a little trade off and use their facilities and they can use ours. We are still working on that and if that does not work out then we will start looking at some of the other schools.

Councilmember Johnson - anything new going on in our neighborhood parks?

Cody Collier, Director of Public Works - the only thing we are looking at for this year is putting in a rubber mulch and that is in the Special Revenue funds. It is much more expensive up front but we are spending about \$10,000 to \$12,000 a year on Tri-bar and you have to top that stuff off every year and a lot of regulations to it as well. The rubber mulch we put down and don't have to touch it again for 15 years. It does not decompose or float and run off it is a much more long term product.

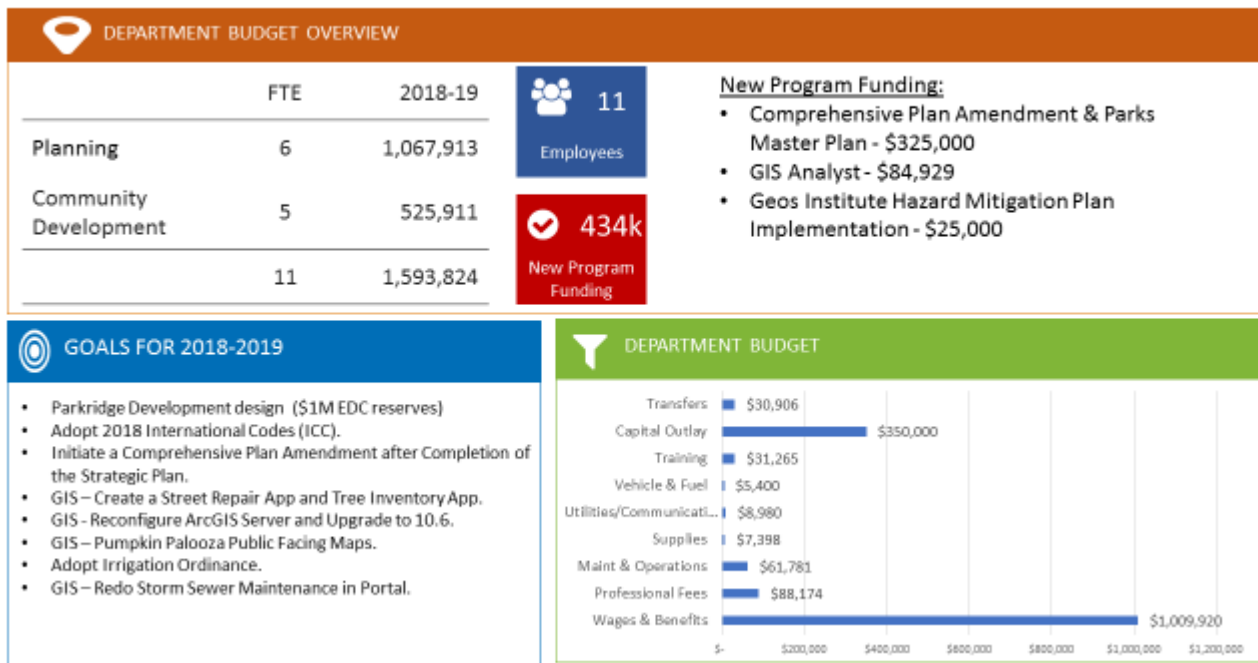
Mayor Heidemann - we applied with TXDOT for the Green Ribbon Program do you have the status on that?

Cody Collier, Director of Public Works - I just received an email from TXDOT about 5 minutes before this meeting started congratulating us on our acceptance. They sent me the information and said they would begin in spring of 2019. The state is going to fund \$397,000 and we just need to continue the maintenance side of it.

Mayor Heidemann - is that for FM 2181 and FM 2499?

Cody Collier, Director of Public Works - Yes.

Planning & Development



Bob Hart, City Manager - a lot of this is dealing with the work on the Strategic Plan and the feedback there. The GIS Analyst will be an Interlocal Agreement between us and LCMUA so half of that position will be funded by LCMUA. We should have that on the agenda on September 20th when you consider the budget.

Councilmember Burke - so the \$84,929 is what we will pay and then we will have a revenue for half that?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - correct.

Mayor Heidemann - on the Comprehensive Plan Amendment and Parks Master Plan, what is the total scope of that? That's a lot of money.

Helen -Eve Liebman - it is a Comprehensive Plan that is designed to project the future vision that you established for the City. It has everything from land use as well as land use descriptions. We have also added a park plan and trail plan to the comprehensive plan because we seriously need an update to that plan. It has a lot of strategies and goals, there is a lot of work sessions with an identified community Steering Committee that would be selected by the Council to work on what our goals and objectives are. It is recommended that the Comprehensive Plan be evaluated every 5 years and I believe we are at 8 to 9 years.

Bob Hart, City Manager - we want to have a parks plan in place before we go forward with any real park development, park improvements, or baseball fields or lighting because if you get that stuff included in the parks

master plan then that becomes an eligible activity to apply for grants. So all that stuff you saw in the CIP where we pushed it out for several years, part of the reason you do that is because you want to get this parks master plan in place and then you can get a little help planning forward.

Parkridge Drive Development Strategy



This picture is Parkridge. These are things that are starting to bubble now. We got a submittal yesterday and this becomes the driver of what we are talking about. The idea conceptually would be to come in here do the design, a 380 agreement with all of these property owners so that we can get some cost recovery for those improvements and bring that back to Council to get this done. Getting the water, sewer and the streets all up is about \$5.5 million.

General Fund Financial Forecast

Assumes Tax Growth of 5% in 2019-20 and 2020-21

	2018-2019	2019-2020	2020-2021
Estimated Beginning Fund Balance	\$5,009,308	\$3,935,876	\$4,133,949
Revenues	15,981,130	16,335,539	16,955,983
Fire Service Agreement	1,592,240	1,591,544	1,593,238
Shady Shores Public Safety Agreements	545,238	547,196	554,134
SAFER Grant (6 Firefighters)	369,441	382,118	184,317
Use of Fund Balance	1,073,432		
Total Resources	\$ 19,561,481	18, 856,397	19,287,672
Expenditures	16,703,733	18,024,941	18,407,796
Firehouse No. 3 Staffing	627,640	648,440	669,776
New on-going Programs	820,696		
One-time Programs	1,409,412		
Total Expenditures	\$ 19,561,481	18,673,381	19,077,572
		183,016	210,100
Estimated Ending Fund Balance	\$3,935,876	\$4,118,892	\$4,3287,992
% of Total Expenditures	20.12%	22.06%	22.69%
Policy Target	20.00%	20.00%	20.00%

Bob Hart, City Manager - this is the forecast for the next 3 years. It takes us to the length of the existing fire contract. This has all the fire house #3 staffing and picking everything up and carrying everything forward and we are still within all the financial policies.

Sales Tax Funds Budget Overview

A city can adopt a sales tax if the combined rate of all local sales taxes would not exceed two percent at any location within its territorial limits. The sales tax in Corinth is 8.25% of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, and in some cases, a quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1% to the City of Corinth, .25% to the Street Maintenance Sales Tax Fund, .25% to the Crime Control & Prevention District and .50% to the Economic Development Corporation.

Funds	FTE	2018-19 Proposed Budget	Est. 9/30/19 Ending Fund Balance	Budgeted Expenditures
Economic Development	1.00	\$697,781	\$3,828,069	Wages & Benefits - \$139,999 Operating expenses - \$270,782 Project incentives - \$200,000 TIF Analysis - \$12,000 Promotional materials - \$75,000 Parkridge Development design - \$1,000,000
Crime Control & Prevention District	2.00	\$353,284	\$459,432	Wages & Benefits - \$168,235 Enterprise Fleet Replacement Program - \$167,549 Active Shooter Kit - \$17,500
Street Maintenance	-	\$267,333	\$1,104,752	Preventative pavement maintenance - \$212,333 Shared replacement of a backhoe - \$55,000

Bob Hart, City Manager - when we talked about Parkridge, we are recommending that we pull \$1 million initially

from the Economic Development Corporation reserves.

Councilmember Johnson - the \$200,000 for Project Incentives, is that for business incentives grants and things like that?

Jason Alexander, Economic Development Corporation Director - correct and it is an increase because the board revised the business improvement grant program.

Councilmember Garber - have we identified businesses or types of businesses that we are going to be reaching with these incentives or is this a fund to be allocated?

Jason Alexander, Economic Development Corporation Director - this is more for our existing businesses to help them out. Then for businesses that we are targeting that is where we are going to use the Chapter 380 Agreement Tax Abatement.

Councilmember Garber - so the \$200,000, do we know where that is going to go?

Jason Alexander, Economic Development Corporation Director - no not necessarily. It would be on a first come first serve basis. If there is a restaurant that needs to update its facade they would apply under the business improvement grant program and that is how we would help them out.

Councilmember Garber - the \$1 million dollars that is in Parkridge Development design that will be in addition to a potential 380 agreement?

Jason Alexander, Economic Development Corporation Director - I think from those conversations we wanted to be a part of either the 380 agreement or any other mechanism that would work best for the City to help develop in that area.

Councilmember Garber - so the \$1 million dollars could be through a 380 agreement?

Jason Alexander, Economic Development Corporation Director - yes.

Bob Hart, City Manager - the million dollars is as you sit down and start talking to people you need to know some cost estimate of what it is going to cost to build streets, water and wastewater and you begin to put all that together.

Councilmember Burke - so the million is what it is going to cost to put together a plan so we can have a workable 380 agreement?

Bob Hart, City Manager - correct. To do the design work.

Special Revenue Funds Budget Overview

Special Revenue Funds are used to account for general government financial resources that are restricted by law or contractual agreement to specific purposes other than debt service or major capital projects.

Funds	FTE	2018-19 Proposed Budget	Est. 9/30/19 Ending Fund Balance	Budgeted Expenditures
Hotel Occupancy Tax	-	\$60,132	\$162,900	Pumpkin Palooza - \$24,132, Admin Services to promote tourism - \$28,500 Special event advertising - \$7,500
Keep Corinth Beautiful	-	\$4,000	\$28,175	Beautification Programs - \$4,000
Park Development	-	\$150,000	\$192,068	Rubber Mulch -\$150,000
Community park Improvement	-	-	\$11,079	No budgeted expenditures
Tree Mitigation Fund	-	\$50,000	\$100,650	City-wide tree replacement - \$50,000

Councilmember Burke - did you pick out trees you are going to replace?

Cody Collier, Public Works Director - we are still in the middle of doing a full city wide tree inventory. We are working towards getting Tree City USA Certified and one of the requirements is \$2.00 per capita so we need about \$50,000 to show good faith and that we intend on maintaining our trees and replacing them. That money goes towards replacements, planting, if we have a disease outbreak we would hire an arborists etc.. that money is there for a lot of things and if none of those occur we do have areas that we have identified through our tree survey we are currently doing that are dead or in the process of dying and that would allow us to replace them all.

Special Revenue Funds Budget Overview (Continued)

Special Revenue Funds are used to account for general government financial resources that are restricted by law or contractual agreement to specific purposes other than debt service or major capital projects.

Funds	FTE	2018-19 Proposed Budget	Est. 9/30/19 Ending Fund Balance	Budgeted Expenditures
Child Safety Program	.50	\$26,956	\$22,374	Crossing Guards - \$14,325 Denton County Child Advocacy - \$12,631
Municipal Court Security	-	\$7,500	\$80,800	Police security for court - \$7,500
Municipal Court Technology	-	\$13,238	\$17,521	Body Cameras - \$7,530 Court Technology Replacement - \$5,708
Police Confiscation-State	-	\$25,000	\$1,952	Various law enforcement programs
Police Confiscation- Federal	-	\$10,000	\$0	Various law enforcement programs

Internal Service Funds Budget Overview

The Internal Service funds were established to accumulate sufficient resources to replace existing vehicles and equipment that has reached or exceeded its useful life. The funds are managed to purchase City vehicles and equipment in a manner that will not create a burden on the City budgets. Vehicles and equipment are replaced based on a schedule established to maintain a safe fleet for public service.

Funds \$177,584	FTE	2018-19 Proposed Budget	Est. 9/30/19 Ending Fund Balance	Budgeted Expenditures
General Fund VRP	-	\$177,584	\$107,598	Shared Backhoe Replacement - \$27,500 Police Vehicle Equipment - \$25,000 Enterprise lease payments - \$77,753 Aftermarket (Police/Parks) - \$47,331
Fire VRP	-	\$351,073	\$541,799	TEC Gen (Wildland gear) - \$25,770 Enterprise lease payments - \$43,005 Engine/Ambulance lease payments - \$282,298
Technology Replacement	-	\$111,740	\$167,001	Computers/monitors for 3 firehouses, MDTs for Public Safety, & a GIS Surface Studio - \$111,740
Utility VRP	-	\$92,776	\$421,792	Shared Backhoe Replacement - \$27,500 Drainage Enterprise lease payments - \$8,821 Water/WW Enterprise lease payments - \$56,445
Utility Meter Replacement	-	\$275,000	\$94,398	Transponders - \$200,000 Water Meters - \$75,000

Mayor Heidemann - are we on track for the transponders?

Cody Collier, Public Works Director - yes.

Councilmember Glockel - under Technology Replacement, can someone explain to me what the \$111,740 is for

and how that all goes together?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - the most expensive is the MDT's for Public Safety. I think there is 5 in police and 4 in fire.

Brenton Copeland -Technology Services Assistant Manager - These are on a replacement cycle so essentially 5 of the police vehicles will get new laptops every 5 years and 4 laptops in fire department will be replaced every 4 years. I think they cost about \$5,000/\$6,000 each and this is all the bells and whistles you have to have on them.

The GIS Surface Studio is for our GIS Analyst to be able to draw better maps and accomplish his job a lot easier.

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - we will take Garrett's existing computer and move that down to the 2nd GIS position and get Garrett a newer one.

Cody Collier, Public Works Director - the water meters are for new growth and some of the funds will be for meters that are 15 and 20 years old that need to be replaced. They began to slow down on the reading and need to be replaced for accurate billing.

Impact/Escrow Funds Budget Overview

Impact fees are paid by developers for construction of water, wastewater, roadway, and drainage projects. Impact fees are restricted by law for use only on projects deemed necessary for development by an impact fee study which establishes fees appropriate to fund identified projects.

Funds	FTE	2018-19 Proposed Budget	Est. 9/30/19 Ending Fund Balance	Budgeted Expenditures
Water Impact Fee	-	\$400,000	\$3,692	Elevated Storage Tank construction
Wastewater Impact Fee	-	-	\$704,321	No budgeted expenditures
Storm Drainage Impact Fee	-	-	\$92,059	No budgeted expenditures
Roadway Impact Fee	-	-	\$193,326	No budgeted expenditures
Street Escrow Fund	-	-	\$154,321	No budgeted expenditures

Capital Improvement Program Overview

Capital Program by Fund	2018-19	2019-20	2020-21	2021-22	2022-23	Total	Over 5 Years
Water	\$7,451,000	\$-	\$90,000	\$800,000	\$-	\$8,341,000	\$2,300,000
Wastewater	-	500,000	150,000	-	-	650,000	9,525,000
Drainage	6,941,000	-	-	-	-	6,941,000	500,000
Streets	3,000,000	2,100,000	1,525,000	2,621,000	1,598,000	10,844,000	11,675,000
Parks	-	-	-	490,000	950,000	1,440,000	1,160,000
General	401,000	322,000	172,000	322,000	247,000	1,464,000	-
Total Capital Improvement Plan	\$17,793,000	\$2,922,000	\$1,937,000	\$4,233,000	\$2,795,000	\$29,680,000	\$25,160,000

Funding Sources	2018-19	2019-20	2020-21	2021-22	2022-23	Total	Over 5 Years
Unissued/Unauthorized Bond Proceeds	\$10,000,000	\$2,100,000	\$1,525,000	\$3,911,000	\$2,548,000	\$20,084,000	\$25,160,000
Issued Bond Proceeds	1,468,997	-	-	-	-	1,468,997	-
Water Impact Fees/Escrow	400,000	-	90,000	-	-	490,000	-
Wastewater Impact Fees/Escrow	-	500,000	150,000	-	-	650,000	-
General Operating	872,000	322,000	172,000	322,000	247,000	1,935,000	-
Drainage Operating	400,000	-	-	-	-	400,000	-
Grants	4,000,000	-	-	-	-	4,000,000	-
General Capital Improvement	419,376	-	-	-	-	419,376	-
Utility Capital Improvement	232,627	-	-	-	-	232,627	-
Total Resources	\$17,793,000	\$2,922,000	\$1,937,000	\$4,233,000	\$2,795,000	\$29,680,000	\$25,160,000

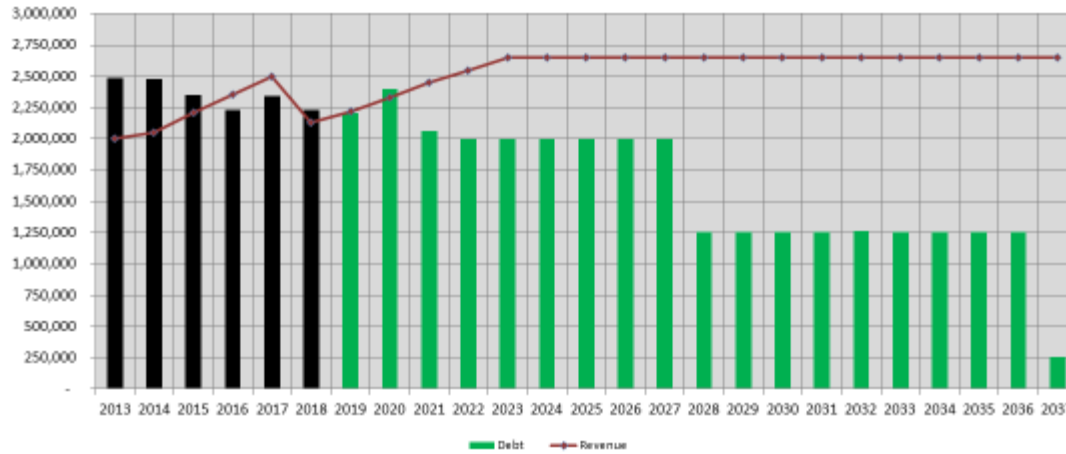
A bond sale for the 2018-19 capital program of \$10 million is anticipated in March 2019.

General Government Capital Improvement Program Overview

	2018-19	2019-20	2020-21	2021-22	2022-23	Total	Over 5 Years
Streets							
Lake Sharon/Corinth Parkway Extension & Quail Run Reconstruction	\$ 3,000,000	\$ 2,100,000	\$ -	\$ -	\$ -	\$ 5,100,000	\$ -
Cliff Oak Drive	-	-	1,525,000	-	-	1,525,000	-
Walton Drive	-	-	-	-	1,473,000	1,473,000	-
Vintage	-	-	-	-	125,000	125,000	-
Parkridge Collector Road	-	-	-	2,621,000	-	2,621,000	-
Post Oak Road	-	-	-	-	-	-	6,475,000
Shady Shores Road	-	-	-	-	-	-	3,500,000
Tower Ridge Drive	-	-	-	-	-	-	800,000
South Garlson Street	-	-	-	-	-	-	900,000
Total Street Improvements	\$ 3,000,000	\$ 2,100,000	\$ 1,525,000	\$ 2,621,000	\$ 1,598,000	\$ 10,844,000	\$ 11,675,000
Parks & Recreation							
Corinth Parkway Street Lighting	\$ -	\$ -	\$ -	\$ 490,000	\$ -	\$ 490,000	\$ -
Field Lights for Multipurpose Fields	-	-	-	-	550,000	550,000	-
Additional 14U Baseball Fields	-	-	-	-	-	-	400,000
Additional 12U Baseball Fields	-	-	-	-	400,000	400,000	-
Additional Fast Pitch Softball Field	-	-	-	-	-	-	400,000
Field Lights for Football	-	-	-	-	-	-	360,000
Total Park Improvements	\$ -	\$ -	\$ -	\$ 490,000	\$ 950,000	\$ 1,440,000	\$ 1,160,000
General							
Public Safety Communication	82,000	172,000	172,000	172,000	172,000	770,000	-
Fire House Alerting	90,000	-	-	-	-	90,000	-
Fiber Optic Lines (CH to PH2/PW)	-	150,000	-	-	-	150,000	-
Fiber Optic Lines (CH to PSF)	100,000	-	-	-	-	100,000	-
PSF - Covered Parking	-	-	-	150,000	-	150,000	-
Point-to-Point Microwave (CH to PSF)	-	-	-	-	75,000	75,000	-
PH3/Sally Port Epoxy Floor	129,000	-	-	-	-	129,000	-
Total General Improvements	\$ 401,000	\$ 322,000	\$ 172,000	\$ 322,000	\$ 247,000	\$ 1,464,000	\$ -
Total Capital Improvement Program	\$ 3,401,000	\$ 2,422,000	\$ 1,697,000	\$ 3,433,000	\$ 2,795,000	\$ 13,748,000	\$ 12,835,000

General Debt Service Overview

Assumes Tax Growth of 5% in 2019,2020 and 4% in 2021, 2022



Debt Service	2019-20	2020-21	2021-22	2022-23	2023-24	TOTAL
Debt Capacity (Millions)	\$ 2.60	\$ 2.40	\$ 1.52	\$ 2.50	\$ -	\$ 9.02
5 YR CIP Debt Needs (Millions)	\$ 2.60	\$ 2.10	\$ 1.52	\$ 3.11	\$ 2.54	\$ 11.87
Remaining Debt Capacity	\$ -	\$ 0.30	\$ -	\$ (0.61)	\$ (2.54)	
Estimated Tax Increase	-	-	-	-	0.75¢	

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - we have anticipated or estimated we will have 5% growth for two years, drop down to 4% and 0 after that so we don't know exactly when that bubble is going to be so we try to be conservative as much as we can. The bars are the expenditures that is how much of our existing debt and our debt payment from year to year. You can see in 2020 it drops a little bit flattens out and then again in 2027/28 it drops again. When those elements drop that is when where we have the debt capacity to be able to issue debt and leave your tax rate flat for the debt service fund.

This year we had to drop the debt rate down to .10289 so we are assuming that if you keep that tax rate flat and we have those growths and AV Value you would generate about \$2.6 million this first year in debt, 2.4, in 2020/21, 1.5 in 2021/22 for a total of 9.02 over these years. You issue the debt in one year and your debt service payment does not come up until the following year. So we are going to issue the debt in 2018/19 but the first payment will not be until 2019/2020 and that when we need to see if we have the capacity to issue that without any tax increments or tax increases.

After year 5 if we end up with 0% growth we might need about 0.75 cent increase in 2023/24 but again that is 5 years out. If we have more than 5% growth then we won't need that tax rate increase so we try to build a very conservative model.

Mayor Heidemann - the different projects that we want to proceed with this year, we are going to have available funds to be able to do that?

Lee Ann Bunselmeyer, Director of Finance and Administrative Services - correct.

Budget Calendar

Meeting Date		Budget Agenda Item
August 2	Thursday	Budget Work session – Budget Overview
August 9	Thursday	Budget Work session – Review Governmental Funds Vote on Published tax Rate and public hearing dates
August 16	Thursday	Budget Work session – Proprietary Funds
August 21	Tuesday	Budget Work session First Public Hearing on Tax Rate Approve Crime Control & Prevention District Budget
September 6	Thursday	Budget Work session Second Public Hearing on Tax Rate Public Hearing on Annual Budget
September 20	Thursday	Adoption of Annual Program of Services (Budget) Adoption of the Tax Rates and Tax Rolls
October 1		Fiscal year begins; implementation of adopted budget

ADJOURN:

Mayor Heidemann adjourned the meeting at 7:40 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2018.

Kimberly Pence, City Secretary
City of Corinth, Texas

CONSENT ITEM 4.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: August 9, 2018 Special Session

Submitted For: Kim Pence, City Secretary

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on minutes from the August 9, 2018 Special Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are minutes from the August 9, 2018 Special Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the August 9, 2018 Special Session minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 9th day of August 2018 the City Council of the City of Corinth, Texas met in Special Session at the Corinth City Hall at 7:46 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Lowell Johnson, Council Member
Tina Henderson, Council Member
Scott Garber, Council Member
Don Glockel, Council Member

Members Absent:

None

Staff Members Present:

Bob Hart, City Manager
Kimberly Pence, City Secretary
Cody Collier, Director of Public Works, Park Maintenance, Recreation, and Utility Operations
Brenton Copeland, Technology Services Assistant Manager
Helen-Eve Liebman, Planning and Development Director
Jason Alexander, Economic Development Corporation Director
Curtis Birt, Lake Cities Fire Chief
Lee Ann Bunselmeyer, Director of Finance & Administrative Services
Chris Rodriguez, Assistant Finance Director
Guadalupe Ruiz, Director of Human Resources
Kevin Tyson, Police Lieutenant
Brett Cast, Planning and Development Coordinator

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

"Honor the Texas Flag: I pledge allegiance to thee, Texas, one state under God, one and indivisible".

Mayor Heidemann called the meeting to order at 7:46 p.m., Councilmember Garber delivered the invocation and led in the Pledge of Allegiance and Texas Pledge.

CITIZENS COMMENTS

In accordance with the Open Meetings Act, 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 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

No citizen comments were made.

BUSINESS:

1.Consider approval of a resolution of the City Council of the City of Corinth, Texas placing a proposal on the September 20, 2018 City Council Public Meeting Agenda to adopt a 2018 tax rate that will exceed the lower of the rollback rate or effective tax rate; calling two public hearings on a tax increase to be held on August 21, 2018, and September 6, 2018; requiring publication of a Notice of 2018 Tax Year Proposed Property Tax Rate in accordance with the law; and providing an effective date.

Councilmember Glockel - if we propose the .53000 we can always reduce the rate if we choose to we just can't go above that correct?

Bob Hart, City Manager - that is correct.

MOTION made by Councilmember Burke to approve a Resolution placing a proposal on the September 20, 2018 Council Agenda to consider a FY 2018-2019 tax rate of \$.53000 per one hundred dollars (\$100) of valuation and to set the public hearings on the proposal to increase total tax revenues for Tuesday, August 21, 2018 at 7:00 p.m. and Thursday, September 6, 2018 at 7:00 p.m., with each meeting taking place at the Corinth Municipal Chambers at 3300 Corinth Parkway, Corinth, Texas. Seconded by Councilmember Garber.

AYES: Burke, Garber, Johnson, Henderson, Glockel
NOES: None
ABSENT: None

MOTION CARRIED

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

Councilmember Henderson - next Tuesday, August 14, 2018 at 5:30 p.m. the City of Corinth and Johnson Controls is having a Chamber Mixer and you all are invited.

Councilmember Glockel - would like to request the presentation on budget prior to the meeting to review.

Bob Hart, City Manager - I can't get them to you as quick as the packet because that goes out on Friday but we can get it to you by that following Monday.

Mayor Heidemann - the Community Breakfast will be held on Tuesday, August 14 at 7:00 a.m. at the Lake Dallas High School.

There was no Closed Session during the Regular meeting.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code.

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

ADJOURN:

Mayor Heidemann adjourned the meeting at 7:50 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2018.

Kimberly Pence, City Secretary
City of Corinth, Texas

CONSENT ITEM 5.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: August 16, 2018 Workshop Session

Submitted For: Kim Pence, City Secretary

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on minutes from the August 16, 2018 Workshop Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are minutes from the August 16, 2018 Workshop Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the August 16, 2018 Workshop Session minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 16th day of August 2018 the City Council of the City of Corinth, Texas met in Workshop Session at the Corinth City Hall at 5:30 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Lowell Johnson, Council Member
Scott Garber, Council Member
Don Glockel, Council Member

Members Absent:

Tina Henderson, Council Member

Staff Members Present:

Bob Hart, City Manager
Kimberly Pence, City Secretary
Cody Collier, Director of Public Works, Park Maintenance, Recreation, and Utility Operations
Brenton Copeland, Technology Services Assistant Manager
Ben Rodriguez, Planning and Development Manager
George Marshall, City Engineer
Brett Cast, Engineering Services Coordinator
Helen-Eve Liebman, Planning and Development Director
Jason Alexander, Economic Development Corporation Director
Chris Rodriguez, Assistant Finance Director
Guadalupe Ruiz, Director of Human Resources
Lori Levy, Senior Planner
Patricia Adams, Messer, Rockefeller, & Fort

WORKSHOP BUSINESS AGENDA:

1. Discuss Regular Meeting Items on the Regular Session Agenda, including the consideration of closed session items as set forth in the Closed Session agenda items below.

No discussion on Regular Session Agenda items.

2. Receive a report, hold a discussion, and provide staff direction on the Fiscal Year 2018-2019 Annual Program of Services and Capital Improvement Program.

Bob Hart, City Manager - discussed the Utility Rates, Utility Fund Department Overview, Storm Drainage Fund Department Overview, Utility CIP, and the Economic Development Related Strategies.

This is the current rate schedule that was adopted last year. We have been through about 9/10 months on these rates. Right now we have Carolyn Marshal, Consulting is working with us to go through all those costs so we can bring it back to you in January for more discussion.

We separated the City cost and the Upper Trinity Cost. If we looked at the water side, the Upper Trinity costs are going up by about \$132,000 or 3.5%.

On the wastewater side, the increase is going from \$16.15 to \$16.19 for a total of \$21,980 or 1.59%.

Mayor Heidemann - these increases are reflected because we got a rate increase from Upper Trinity is the correct?

Bob Hart, City Manager - yes. These are Upper Trinity increases in water and wastewater.

Base Rates	City	UTRWD	Total
5/8 x 3/4	13.35	31.27	44.62
full 3/4	14.68	34.40	49.08
1 inch	18.69	43.78	62.47
1 1/2 inch	24.02	56.29	80.31
2 inch	38.70	90.69	129.39
3 inch	146.80	344.01	490.81
4 inch	186.83	437.83	624.66
6 inch	280.25	656.74	936.99
10 inch	603.72	906.93	1,510.65
Water Residential Rates			
0-3,000	-	2.15	2.15
3,001-5,000	-	2.65	2.65
5,001-10,000	-	3.15	3.15
10,001-25,000	2.97	3.27	6.24
25,001-50,000	5.94	3.27	9.21
50,001+	8.91	3.27	12.18
Commercial Rates			
0-10,000	.84	3.27	4.11
10,001-25,000	1.84	3.27	5.11
25,001-50,000	2.84	3.27	6.11
50,001+	3.84	3.27	7.11
Wastewater			
Base Rate	21.39	-	21.39
Volumetric	0.96	2.71	3.67

- On September 21, 2017 the City Council approved an ordinance changing the fees charged for water and wastewater services.
- The rates were effective October 1, 2017

FY2018-2019

- The FY 2018-19 budget continues the rate structure for water and wastewater as adopted in 2017.
- A Utility rate review in January 2019 will be necessary to incorporate the projects on the capital improvement program and to better align the water and wastewater cost components.

UTRWD Fixed Cost Analysis

	<u>FY2017-18</u>	<u>FY2018-19</u>	<u>Increase</u>	
Total Customer Count	7,134	7,228	94	1.32%
FIXED CHARGES				
Subscription payment for 7.5 mgd	\$3,211,500	\$3,297,375		
Administration Fee	5,855	6,085		
Minimum Daily Volume 1.35 mgd	546,953	593,528		
Total Water Fixed Charges	\$3,764,308	\$3,896,988	\$132,680	3.5%
Fixed fee per Customer/per month	\$43.97	\$44.93		
Individual Facilities (Pipeline)	\$50,220	\$50,530		
Individual Facilities (Booster Station)	32,120	33,340		
Joint facilities charge	669,885	672,165		
WWTP O&M Charge	630,660	648,830		
Total Wastewater Fixed Charges	\$1,382,885	\$1,404,865	\$21,980	1.59%
Fixed fee per Customer/per month	\$16.15	\$16.19		
VOLUMETRIC CHARGES /1,000 GALLONS				
Water volume charge	\$1.11	\$1.09		
Wastewater treatment volume charge	\$1.25	\$1.25		
Pipeline usage volume charge	\$0.055	\$0.055		

Bob Hart, City Manager - what we have projected to the end of the fiscal year so this would be August and September consumption, we have estimated that we will bring in about \$8,253,379. The budget in terms of revenue was just under \$7.6 million so we over collected on the water side of about \$600,000.

On the wastewater we have projected that we will come in at about \$3.3 million and that is exactly what we had projected.

Councilmember Garber - when we are running through this revenue and we have over collected by 600,000 can we tell how many of those folks bumped up into the 50,000 gallon range when we re-visit this in January?

Chris Rodriguez - Assistant Finance Director - yes, because we reports that we keep.

Councilmember Garber - was it a lot?

Chris Rodriguez - Assistant Finance Director - it was a fair amount the first month. The second month, I think it went up not quite as much in July as it did in June so the increase was not as big.

Water/Wastewater YTD Revenue Analysis

Water Charges YTD Revenue Analysis						
	2017-18 Budget	2017-18 City Actual	2017-18 UTRWD Actual	2017-18 Total Actual	Variance, Actual to Budget	Variance, Actual to Budget %
Oct	\$ 858,147	\$ 488,294	\$ -	\$ 488,294	\$ (369,853)	-43.1%
Nov	677,600	219,334	467,330	686,663	9,064	1.3%
Dec	489,599	174,240	412,535	586,774	97,175	19.8%
Jan	435,328	129,892	350,628	480,520	45,192	10.4%
Feb	473,743	131,280	350,365	481,645	7,901	1.7%
Mar	436,378	124,363	331,707	456,070	19,692	4.5%
Apr	529,857	158,596	398,488	557,084	27,227	5.1%
May	541,747	172,687	423,456	596,143	54,395	10.0%
Jun	592,694	267,727	536,236	803,962	211,269	35.6%
Jul	692,809	390,716	645,202	1,035,918	343,109	49.5%
	\$ 5,727,903	\$2,257,129	\$3,915,945	\$ 6,173,074	\$ 445,171	7.8%

Estimated FY2017-18
Total Water Charge Revenue
\$8,253,379

Wastewater Charges YTD Revenue Analysis						
	2017-18 Budget	2017-18 City Actual	2017-18 UTRWD Actual	2017-18 Total Actual	Variance, Actual to Budget	Variance, Actual to Budget %
Oct	\$ 278,277	\$ 284,567	\$ -	\$ 284,567	\$ 6,290	2.3%
Nov	276,814	182,388	106,221	288,609	11,795	4.3%
Dec	272,050	182,190	105,212	287,402	15,353	5.6%
Jan	272,624	181,498	102,378	283,876	11,252	4.1%
Feb	276,441	182,573	105,027	287,600	11,160	4.0%
Mar	268,950	182,097	103,176	285,274	16,324	6.1%
Apr	270,939	184,097	108,777	292,874	21,935	8.1%
May	271,539	182,367	103,369	285,736	14,197	5.2%
Jun	272,797	184,233	107,625	291,859	19,062	7.0%
Jul	273,188	185,295	109,814	295,109	21,921	8.0%
	\$ 2,733,617	\$1,931,304	\$ 951,601	\$2,882,905	\$ 149,288	6.4%

Estimated FY2017-18
Total Wastewater Charge Revenue
\$3,288,209

Utility Fund Overview:

Utilities

DEPARTMENT BUDGET OVERVIEW

Division	FTE	2018-19
Water	10	7,141,800
Wastewater	9	4,003,520
General Services	-	97,315
	19	\$ 11,242,635

19
Employees

64k
New Program Funding


New Program Funding:

- NCTCOG Regional Public Works Program - \$4,500
- Portable light tower - \$10,000
- Furniture for public works facility - \$49,500

GOALS FOR 2018-2019

- Utility Rate Review
- Incorporate Asset Management Program into CIP
- Upgrade and replace Phase 3 of the City's Utility transponder system to a single point meter reading system to be completed by January 1, 2019.
- Meter replacement for meters exceeding life usage.
- Meet State requirements for the City's public water system to receive the Outstanding water system recognition from TCEQ.

DEPARTMENT BUDGET



Mayor Heidmann - what makes up the Utilities Communication? What is included in that?

Chris Rodriguez, Assistant Finance Director - that is the Upper Trinity fixed costs is the majority of that. What we pay for water/wastewater disposal.

Councilmember Johnson - can we explain the Utilities Communications in the bar graph so when a citizen looks at that they know what that is. The citizens don't have a clue what that means.

Chris Rodriguez, Assistant Finance Director - yes, we can do that.

Councilmember Garber - also, as it relates to water, the water testing that we put online, I was asked to give a breakdown for the water quality test and we will need some training on that. At some point as we are working through this process can we provide some information on that testing?

Bob Hart, City Manager - yes.

Mayor Heidemann - under Professional Fees, what is encumbered in that?

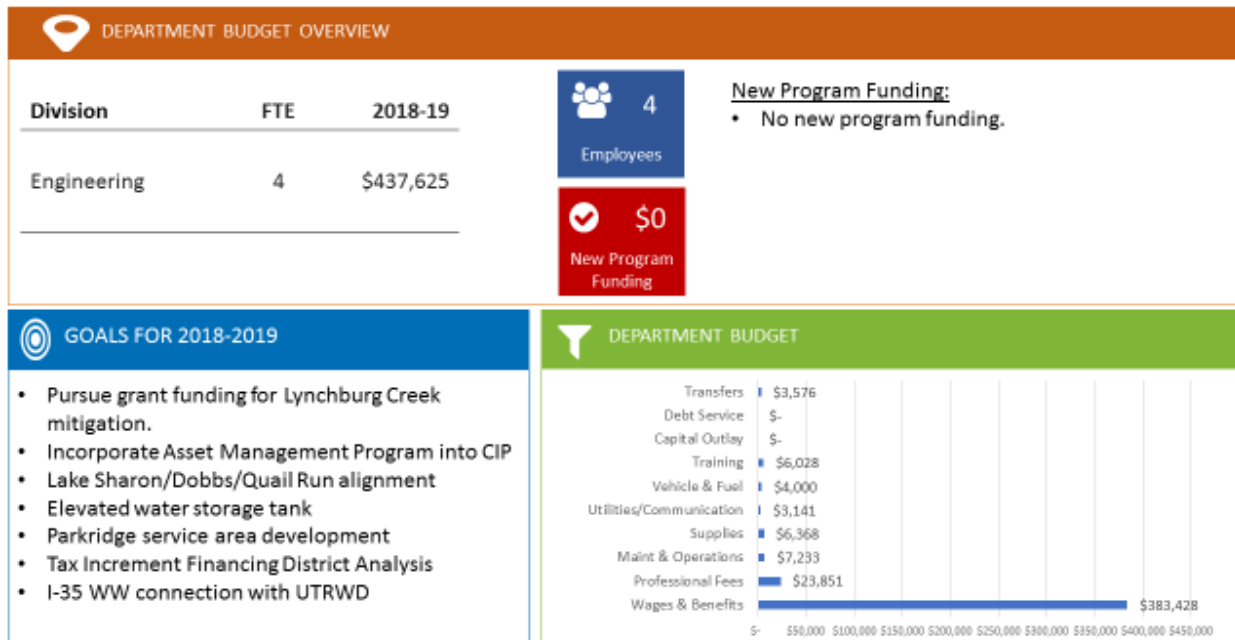
Cody Collier, Public Works Director - that should be your engineering costs and some of the contract services costs.

Chris Rodriguez, Assistant Finance Director - our TML insurance is in there and also Upper Trinity facility service is the biggest part of that fee.

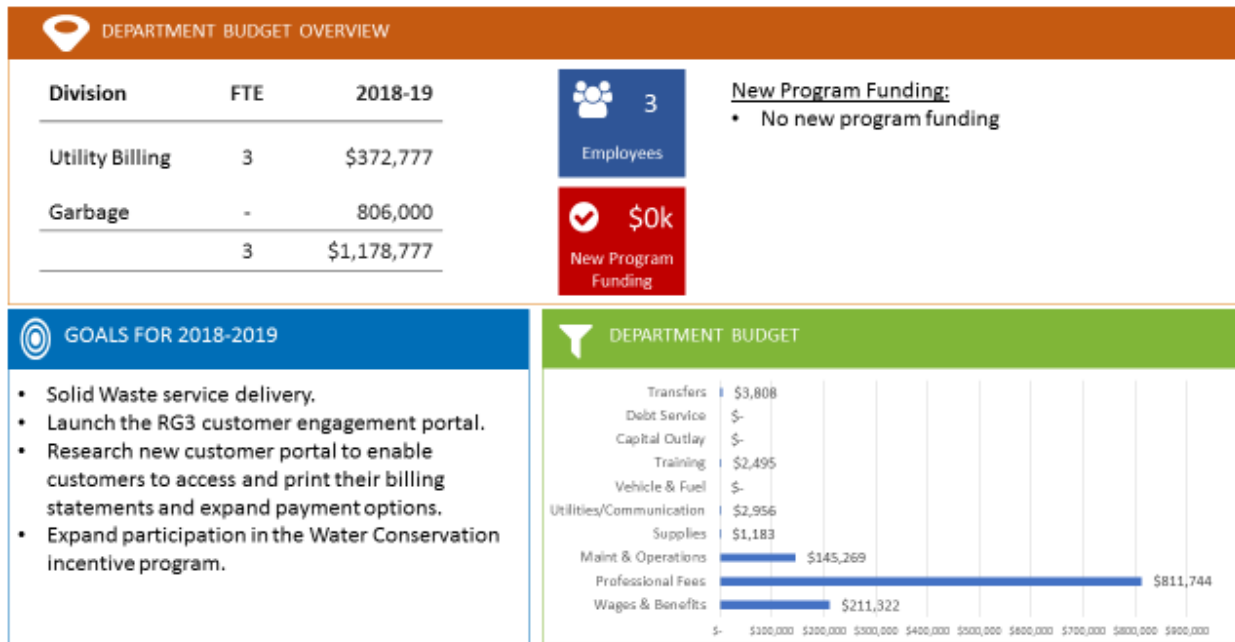
Mayor Heidemann - can we define that line item so people will know exactly what is coming out of there.

Chris Rodriguez, Assistant Finance Director - yes. Out of that \$1.5 million the Upper Trinity Facility charge is \$1.4 million.

Engineering



Utility Billing & Garbage



Mayor Heidemann - what is included in the Professional Fees here?

Chris Rodriguez, Assistant Finance Director - the majority of that is our Data Pros contract to process the bills and send them out for us. The other part is garbage and that would be what we pay Community Waste Disposal (CWD)

Councilmember Glockel - what is the \$806,000 for? Is that what we are paying CWD?

Chris Rodriguez, Assistant Finance Director - Yes, we collect their fees for them and pay them only on the residential side/

Councilmember Glockel - where is the other side of that income?

Chris Rodriguez, Assistant Finance Director - it is in the garbage revenues. All it shows here is the expenditures.

Utility Fund Financial Forecast

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Estimated Beginning Fund Balance	\$3,241,250	\$3,302,158	\$3,279,104	\$3,253,108	\$3,156,904
Other Revenues	1,516,397	1,531,561	1,546,880	1,562,348	1,577,972
Water - City	2,862,813	2,905,755	2,949,342	2,993,582	3,038,485
Water - UTRWD	5,089,446	5,165,788	5,243,275	5,321,924	5,401,752
Wastewater - City	2,001,736	2,031,762	2,062,238	2,093,172	2,124,570
Wastewater - UTRWD	1,449,553	1,471,296	1,493,366	1,515,766	1,538,503
Use of Fund Balance					
Total Resources	\$12,919,945	\$13,106,162	\$13,295,100	\$13,486,792	\$13,681,282
Expenditures	12,795,037	12,765,466	12,957,346	13,219,246	13,486,761
New on-going Programs	4,500				
One-time Programs	59,500				
5 Year CIP Debt		363,750	363,750	363,750	369,750
Total Expenditures	\$12,859,037	\$13,129,216	\$13,321,096	\$13,582,996	\$13,856,511
		(23,054)	(25,996)	(96,204)	(175,229)
Estimated Ending Fund Balance	\$3,302,158	\$3,279,104	\$3,253,108	\$3,156,904	\$2,981,675
% of Total Expenditures	25.68%	24.98%	24.42%	23.24%	21.52%
Policy Target	25.00%	25.00%	25.00%	25.00%	25.00%

Includes Debt Issuance for the following:

FY2018-19

- Quail Run Drive/Dobbs Water lines - \$2,600,000
- Lake Sharon/Oakmont to FM2499 - \$601,000
- Quail Run 1.0 MG Elevated Tank - \$4,250,000

FY2021-22

- Parkridge Waterline - \$800,000

Councilmember Glockel - the \$601,000 is that the assumption of what it is going to take to finish Lake Sharon/Oakmont to FM 2499?

Bob Hart, City Manager - when we did the Lake Sharon Extension, we did all of that out of the street fund and what we have done now is gone back and allocated those costs to the appropriate places. The water line is related to that existing contract for the Lake Sharon Extension. \$601,000 of that will be charged to water and then you will see another one charged to storm water and the balance goes to streets.

Councilmember Glockel - the \$4,250,000 is that all engineering and planning?

Bob Hart, City Manager - that is engineering, planning, ROW and easements if we need it and for the elevated storage tank at 180 feet in elevation.

Councilmember Glockel - that \$4.2 million has the price of the tank in it?

Bob Hart, City Manager - yes.

Storm Drainage Fund Overview:

Storm Drainage

DEPARTMENT BUDGET OVERVIEW

Division	FTE	2018-19
Drainage	3	\$1,059,817

3
Employees

New Program Funding:

- Lynchburg Creek Watershed project grant match of \$400,000

\$400k
New Program Funding

GOALS FOR 2018-2019

- Continue reducing resident work order requests with proactive maintenance.
- Continue to meet or exceed TCEQ Storm Water Compliance regulations and BMP's.
- Continue sending information preventing storm water pollution to all residents, businesses and staff.
- Continue storm drainage inspections, to monitor pollution.
- Continue to renew VDCI's contract for the third year for the Mosquito Abatement Program.
- Lynchburg Drainage grant submittal

DEPARTMENT BUDGET

Category	Amount
Transfers	\$107,364
Debt Service	\$221,585
Capital Outlay	\$400,000
Training	\$2,236
Vehicle & Fuel	\$11,250
Utilities/Communication	\$3,468
Supplies	\$7,293
Maint & Operations	\$23,285
Professional Fees	\$104,555
Wages & Benefits	\$178,781

Councilmember Glockel - what is the \$400,000 one-time charge for?

Bob Hart, City Manager - this is part of the match for the grant for Lynchburg Creek. We are going to need \$1 million to match and \$400,000 of it comes out of the storm-water fund and \$600,000 comes out of the general fund. The bulk of the grant that we do will be a 75/25 grant so we are assuming about \$4 million and then our \$1 million match will give us a total of \$5 million to work with.

Storm Drainage Financial Forecast

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Estimated Beginning Fund Balance	\$600,028	\$265,141	\$266,063	\$266,825	\$280,187
Revenues	724,930	732,180	739,502	746,897	754,366
Use of Fund Balance	334,887				
Total Resources	\$1,059,817	\$732,180	\$739,502	\$746,897	\$754,366
Expenditures	659,817	615,758	623,240	618,035	625,490
New on-going Programs					
One-time Programs	400,000				
5 Year CIP New Debt		115,500	115,500	115,500	115,500
Total Expenditures	\$1,059,817	\$731,258	\$738,740	\$733,535	\$740,990
Revenues over Expenses		\$922	\$762	\$13,362	\$13,376
Estimated Ending Fund Balance	\$265,141	\$266,063	\$266,825	\$280,187	\$293,563
% of Total Expenditures	25.02%	36.38%	36.12%	38.20%	39.62%
Policy Target	25.00%	25.00%	25.00%	25.00%	25.00%

Includes Debt Issuance for the following:

FY2018-19

- Lake Sharon/Oakmont to FM 2499 - \$1,540,000

Capital and Debt Overview:

Utility Capital Improvement Program Overview

	2018-19	2019-20	2020-21	2021-22	2022-23	Total	Over 5 Years
Water System Improvements							
Quail Run Drive/Dobbs 12", 16" & 20" Waterlines	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ 2,600,000	\$ -
Lake Sharon/Oakmont to FM2499	601,000	-	-	-	-	601,000	-
Quail Run 1.0 MG Elevated Tank	4,250,000	-	-	-	-	4,250,000	-
Trim Impellers on Existing Lake Sharon Pumps	-	-	90,000	-	-	90,000	-
Parkridge Waterline	-	-	-	800,000	-	800,000	-
Lake Sharon Pump Station & Expansion	-	-	-	-	-	-	600,000
Lake Sharon 3MG Ground Storage Tank Rehabilitation	-	-	-	-	-	-	1,700,000
Total Water System	\$ 7,451,000	\$ -	\$ 90,000	\$ 800,000	\$ -	\$ 8,341,000	\$ 2,300,000
Wastewater System Improvements							
Parkridge Sewer Line	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	\$ -
LCMUA, (Liftstation/Sewer Main)	-	-	-	-	-	-	1,500,000
Old Highway 77 Clay Tile Sewer Rehab	-	-	150,000	-	-	150,000	-
Shady Rest Lift station 12" Sewer Line	-	-	-	-	-	-	500,000
Lift Station 3A Upgrade	-	-	-	-	-	-	470,000
South Lift Station, Force Main & Gravity Improvements	-	-	-	-	-	-	2,200,000
Southwest Lift Station, Force Main & Gravity Improvements	-	-	-	-	-	-	2,200,000
North Corinth 8" WW Improvements	-	-	-	-	-	-	555,000
Parkridge Gravity Sewer Improvements	-	-	-	-	-	-	2,100,000
Total Wastewater System	\$ -	\$ 500,000	\$ 150,000	\$ -	\$ -	\$ 650,000	\$ 9,525,000
Drainage System Improvements							
Lynchburg Creek Watershed	5,000,000	-	-	-	-	5,000,000	-
Lake Sharon/Oakmont to FM2499	1,540,000	-	-	-	-	1,540,000	-
Meadowview Pond Dredging	-	-	-	-	-	-	500,000
Total Drainage System	\$ 6,540,000	\$ -	\$ -	\$ -	\$ -	\$ 6,540,000	\$ 500,000
Total Capital Improvement Program	\$ 13,991,000	\$ 500,000	\$ 240,000	\$ 800,000	\$ -	\$ 15,531,000	\$ 12,325,000

Councilmember Glockel - you have a \$90,000 waterline in FY 2020-21 budget and then there is a Parkridge waterline for \$800,000 in FY 2021-22 where do they go?

Bob Hart, City Manager - based on what we have been talking about this would have to get adjusted. The Parkridge waterline would need to move to 2018-19. The \$500,000 in FY 2019-20 would have to get moved up as well. The rest of it is in the streets.

Councilmember Burke - we could do that?

Bob Hart, City Manager - yes.

Legislation Preparation Strategies:

Revenue Caps

- Governor seeking a 4% property tax cap - or an even "better law"

Spending Caps

- For both the state and cities equal to population growth plus inflation

Mayor Heidemann - some of the legislative changes that are being proposed for this upcoming legislative session could impact us dramatically. One of the things I have asked Bob to coach the Council on tonight is what impact some of these might have in terms of rollback taxes. Two that stuck out to me were the cap on revenues and also the cap on expenditures because either one of those two for what we are trying to accomplish here in terms of moving forward with our development could impact us.

Bob Hart, City Manager - on the revenue, what is going to happen will happen so we will have to live with that. Generating the sales tax is the name of the game to deal with that.

The spending caps, the way that we'll have shown some of this in the budget will help us because the trick you want to do is make sure you have base so when you start limiting what you can and can't do you want to make sure the base is as high as we can get it. One of the fortunate things we have this year is the flood grant because that is a one-time artificial boost in the budget and that will help establish that base going forward.

The other thing I have asked Chris to look at is if we were to change out all of our light fixtures to LED, it will cost us \$90,000 to \$100,000 to do City Hall, that will save us about \$8,000 a year so that is one that we will probably figure out how to put in. That will give us \$100,000 to spend as part of the base but then it starts to save us \$8,000.

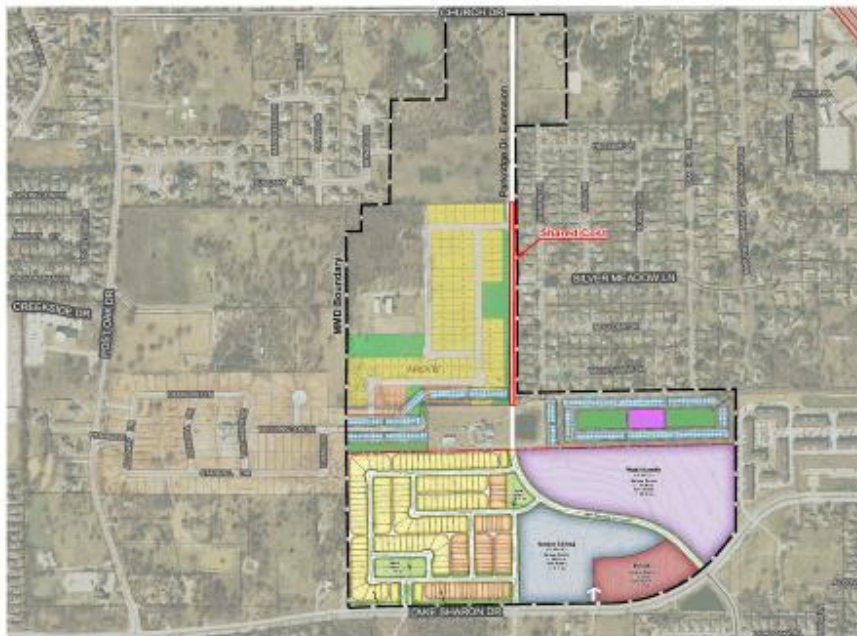
Economic Development Related Strategies:

Bob Hart, City Manager - on the Parkridge Development, the capital cost is about \$5.5 million. When you go in and look at the impact fees of all the development here it is \$5.1 million. Without the City stepping up here, I don't think this would ever happen. For a developer to do a street where it is loaded only on one side of the street is not likely to happen particularly when he has to pay for that.

Councilmember Burke - what you are trying to show us here is our impact fees could recoup our almost 100% of the entire project costs.

Bob Hart, City Manager - yes. A lot of these costs are going to be by the developer. We probably should do the engineering up front. We would probably want a combination of a developer's participation agreement and 380 agreement. We will still need to have more conversation on this.

Parkridge Drive Development Strategy



- Total Capital Project Total-\$5.5M
- EDC Contribution - \$1.0M
 - Agreement Instrument with Land owners to secure partial repayment of CIP
 - 7 landowners
- Potential Financing Instruments
 - Reimbursement Resolution
 - TIRZ
 - PID
 - MMD
 - 380
 - Developer's Participation Agreement
 - Street Assessment

Bob Hart, City Manager - you show this as a loan from the Economic Development Corporation and then you go back and talk about increasing your base and that is what we will effectively be doing.

We have folks that want to do some development on Parkridge and FM 2181 and they can't do the development without wastewater service being dealt with and to do that is going to require a partnership with LCMUA.

Councilmember Glockel - from FM 2181 to the lift station which is at Turbeville is that line going to be gravity fed from FM 2181, is that going to be our line or LCMUA's line?

George Marshall, City Engineer - it will be our line to the City limit line which is the southern portion of Corinth.

Bob Hart, City Manager - conceptually what we recommend is to include this in the budget to help with that spending component. We still have to get LCMUA agreements and there is a lot of pieces that is ahead of us.



Bob Hart, City Manager - this is the idea of doing a TIF and it does give you a way of how we work with NCTC, THR, DCTA etc... and use the TIF to pay for the operational funds so you don't have to dip into your sales tax to do that.

Councilmember Glockel - you mentioned the TIF and the sales tax issue but the names that you mentioned are not going to be taxable anyway.

Bob Hart, City Manager - right. When you think TIF, you always think Incremental for property values and what this boundary brings you is hotel revenue. I would suggest you look at using some hotel/motel tax revenues and running it back through NCTC or the hospital in some form or fashion and use that as backdoor way to provide for the cost of ridership on the A-Train.

Mayor Heidemann - all of these components you are putting in the budget? You are putting \$3 million in the base but it does not necessarily mean we have to spend it.

Bob Hart, City Manager - that is right and this will help the base. There is a whole lot of work between now and spending.

Tax Increment Financing District



- EDC Contribution - \$1.0M
 - Reimbursement Resolution
- Potential Partners
 - NCTC
 - THR
 - DCTA
 - Millenium
 - CoServ
 - Various Landowners

Budget Calendar

Meeting Date		Budget Agenda Item
August 2	Thursday	Budget Work session – Budget Overview
August 9	Thursday	Budget Work session – Review Governmental Funds Vote on Published tax Rate and public hearing dates
August 16	Thursday	Budget Work session – Proprietary Funds
August 21	Tuesday	Budget Work session First Public Hearing on Tax Rate Approve Crime Control & Prevention District Budget
September 6	Thursday	Budget Work session Second Public Hearing on Tax Rate Public Hearing on Annual Budget
September 20	Thursday	Adoption of Annual Program of Services (Budget) Adoption of the Tax Rates and Tax Rolls
October 1		Fiscal year begins; implementation of adopted budget

There was no Closed Session

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code.

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

ADJOURN:

Mayor Heidemann adjourned the meeting at 6:50 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2018.

Kimberly Pence, City Secretary
City of Corinth, Texas

CONSENT ITEM 6.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: August 16, 2018 Regular Session

Submitted For: Kim Pence, City Secretary

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on minutes from the August 16, 2018 Regular Session.

AGENDA ITEM SUMMARY/BACKGROUND

Attached are minutes from the August 16, 2018 Regular Session. The minutes are in draft form and are not considered official until formally approved by the City Council.

RECOMMENDATION

Staff recommends approval of the August 16, 2018 Regular Session minutes.

Attachments

Minutes

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 16th day of August 2018 the City Council of the City of Corinth, Texas met in Regular Session at the Corinth City Hall at 7:00 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Lowell Johnson, Council Member
Scott Garber, Council Member
Don Glockel, Council Member

Members Absent:

Tina Henderson, Council Member

Staff Members Present:

Bob Hart, City Manager
Kimberly Pence, City Secretary
Cody Collier, Director of Public Works, Park Maintenance, Recreation, and Utility Operations
Brenton Copeland, Technology Services Assistant Manager
Ben Rodriguez, Planning and Development Manager
George Marshall, City Engineer
Brett Cast, Engineering Services Coordinator
Helen-Eve Liebman, Planning and Development Director
Jason Alexander, Economic Development Corporation Director
Chris Rodriguez, Assistant Finance Director
Guadalupe Ruiz, Director of Human Resources
Lori Levy, Senior Planner
Patricia Adams, Messer, Rockefeller, & Fort

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

"Honor the Texas Flag: I pledge allegiance to thee, Texas, one state under God, one and indivisible".

Mayor Heidemann called the meeting to order at 7:00 p.m., Councilmember Garber delivered the invocation and led in the Pledge of Allegiance and Texas Pledge.

PRESENTATION:

1. Receive a presentation on the Scenic Cities Certification.

Helen-Eve Liebman, Planning and Development Director - The Scenic City Certification Program is a project of Scenic Texas and its program partners, and is the first in the U.S. to incorporate a comprehensive set of model standards for design and development of public roadways and public spaces into one program. The program draws a direct correlation between the success of a city's economic development efforts and the visual appearance of its public spaces and recognizes municipalities that implement high-quality scenic standards.

To earn a Scenic City certification a city must initially meet three criteria before applying to the program including having a strictly regulated and enforced sign code, and a landscaping and tree planting program. Then, a city's existing standards are assessed and scored based on a model of some 70+ possible criteria ranging from percentage of park and open space, strong litter enforcement laws, street lighting standards, to parking lot landscaping, utility line management, and more. Under the scoring system, an applicant earns Recognized, Bronze, Silver, Gold or Platinum Certification.

Scenic City Certification program partners include the Texas Municipal League, Urban Land Institute – Austin, Urban Land Institute – Houston, Urban Land Institute – San Antonio, American Planning Association Texas, Houston-Galveston Area Council, American Council of Engineering Companies Houston, Hill Country Alliance, Keep Texas Beautiful, Texas Downtown Association, Texas Economic Development Council, Texas Historical Commission, North Central Texas Council of Governments, Scenic Houston and Scenic America

The City of Corinth was one of thirteen cities recognized as a 2018 Certified Scenic City award recipient through the Scenic City Certification Program. The Certification Program recognizes cities for their demonstrated commitment to high-quality scenic standards for public roadways and public spaces. Corinth upgraded the existing certification status from bronze in 2014 to Silver in 2018.

I would like to thank Patrick Hubbard, Development Coordinator for all his hard work and dedication on putting together the Scenic Cities Certification.

PROCLAMATION - Live United Month

Mayor Heidemann read the Proclamation into the record and proclaimed September 2018 as Live United Month.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

2. Consider and act on minutes from the July 19, 2018 Workshop Session.
3. Consider and act on minutes from the July 19, 2018 Regular Session.
4. Consider and act on a Resolution approving the "DRAFT" Denco Area 9-1-1 District Fiscal Year 2019 Financial Plan.

MOTION made by Councilmember Johnson to approve the Consent Agenda as presented. Seconded by Councilmember Garber.

AYES: Burke, Garber, Johnson, Glockel

NOES: None

ABSENT: Henderson

MOTION CARRIED

CITIZENS COMMENTS

In accordance with the Open Meetings Act, 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 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

No citizen comments were made.

5. PUBLIC HEARING:

TO HEAR PUBLIC OPINION REGARDING A REQUEST FROM THE APPLICANT, ALAN NELSON, AUTHORIZED REPRESENTATIVE FOR THE PROPERTY OWNERS, IZMIT BECIRI AND RABIJE BECIRI FOR A ZONING CHANGE FROM PLANNED DEVELOPMENT (PD) SF-A, SINGLE-FAMILY RESIDENTIAL (ATTACHED) TO PLANNED DEVELOPMENT (PD) SF-A, SINGLE-FAMILY RESIDENTIAL (ATTACHED) WITH MODIFIED DEVELOPMENT STANDARDS ON APPROXIMATELY 4.796 ACRES OF LAND SITUATED IN THE M.E.P. & P.R.R. CO. SURVEY, ABSTRACT NO. 915, IN THE CITY OF CORINTH, DENTON COUNTY, TEXAS. (THIS PROPERTY IS LOCATED ON THE NORTHWEST CORNER OF LAKE SHARON DRIVE AND S. CORINTH PARKWAY).

Mayor Heidemann opened the Public Hearing at 7:30 p.m. No one spoke during the Public Hearing.

Mayor Heidemann closed the Public Hearing at 7:31 p.m.

5a. BUSINESS:

Consider and act on a zoning change from Planned Development (PD) SF-A, Single-Family Residential (Attached) to Planned Development (PD) SF-A, Single-Family Residential (Attached) with modified development standards on approximately 4.796 acres of land situated in the M.E.P. & P.R.R. Co. Survey, Abstract No. 915, in the City of Corinth, Denton County, Texas. (This property is located on the northwest corner of Lake Sharon Drive and S. Corinth Parkway).

Lori Levy, Senior Planner - The applicant is proposing an amendment to the existing Planned Development (PD) SF-A, Single-Family Residential (Attached) District with modified development standards to revise the layout of the existing site plan. The existing site plan was approved for fifty-eight (58) townhome lots on the approximately 4.796-acre site at a density of 12.09 dwelling units per acre. The proposed site plan shows only fifty-four (54) townhome lots with seven (7) common area lots at a reduced density of 11.26 dwelling units per acre.

Two (2) detention areas, one on the northwest corner of the property and one on the northeast end of the property, as well as several 10' drainage easements will serve to detain storm water on the property. The common areas, detention ponds, drainage easements and private streets will be maintained by a Homeowner's Association. The for-sale, custom townhomes will range from approximately 1,512 square feet to 1,821 square feet on an average 2,448 square foot lot.

Prior to the Planning and Zoning Commission meeting, public hearing notifications were sent to

the fifteen (15) property owners located within 200' of the subject property. A notice of public hearing was posted on the subject property along Lake Sharon Drive and S. Corinth Parkway.

The applicant also scheduled a meeting through the Meadows Oak Homeowner's Association to meet with the adjacent homeowner's and address any concerns per staff's request. That meeting was held on July 18, 2018 with about 20 homeowners in attendance.

SURROUNDING PROPERTIES ZONING

Subject Property	(PD) SF-A, Single-Family Residential (Attached)
North	(PD) Multi-Family Residential
South	(PD) SF-4, Single-Family Residential (Detached); SF-4 Single-Family (Detached)
East	MX-C, Mixed-Use Non-Residential
West	(PD) Multi-Family Residential

SURROUNDING PROPERTIES EXISTING LAND USE

Subject Property	Undeveloped
North	Multi-Family, Residential
South	Single-Family, Residential (Detached)
East	Undeveloped
West	Multi-Family, Residential

The Planning and Zoning Commission recommended unanimous approval of the rezoning request at the July 23, 2018 meeting.

Staff recommends approval.

Alan Nelson, Nelson and Morgan Architects - this originally started in 2004 and was designed as one large lot that was going to be an apartment complex and nothing really happened on that until 2006. At that time it came back to the Council and was re-platted into the multi lot configuration that it is currently and was set up to be individual townhomes at that time. They got a permit to start the utilities, infrastructure work out there and so on. Once that work was completed everything stalled out again and nothing was ever built so it just sat that way for 13 years.

We came in and we started about 18 months ago reworking the idea to take the infrastructure as it is and see if we couldn't configure that in a way to have townhomes that would actually work and profitable. We brought to you a request to rezone it and change up the number of lots to a total of 54 lots instead of the original 56 lots.

We are proposing to put in a total of 54 units, 42 will be a full 3 bedroom 2.5 bath and they are all two-story and a two car garage for the 3 bedroom units and one car garage units for the 2 bedroom units. We got those by increasing the lot size a little bit to make the units a little bigger.

We have taken out the entrance on the southeast corner almost right on the corner of Lake Sharon. It is not necessary so we closed that off. We have access from Lake Sharon on the southwest corner.

Currently we are proposing there will be over 156 trees adding on to the site. There will be a little over 31,000 sq. feet of sodded area and open space and there are 6 street lights that is proposed to go in there.

Councilmember Glockel - it talks about parking will only be allowed in the drive-ways, is there any street area that parking will be allowed in?

Alan Nelson, Nelson and Morgan Architects - yes. There are 15 guest parking spaces we set up.

Mayor Heidemann - are the parking spots going to conform to our new code?

Alan Nelson, Nelson and Morgan Architects - yes, they are 9x18.

MOTION made by Councilmember Glockel to approve the zoning change from Planned Development (PD) SF-A, Single-Family Residential (Attached) to Planned Development (PD) SF-A, Single-Family Residential (Attached) with modified development standards on approximately 4.796 acres of land situated in the M.E.P. & P.R.R. Co. Survey, Abstract No. 915, in the City of Corinth, Denton County, Texas. (This property is located on the northwest corner of Lake Sharon Drive and S. Corinth Parkway). Seconded by Councilmember Garber.

AYES: Burke, Garber, Johnson, Glockel

NOES: None

ABSENT: Henderson,

MOTION CARRIED

6. PUBLIC HEARING:

TO HEAR PUBLIC OPINION REGARDING AMENDING THE CITY OF CORINTH COMPREHENSIVE ZONING ORDINANCE BEING A PART OF THE UNIFIED DEVELOPMENT CODE ORDINANCE NO. 13-05-02-08, AS AMENDED, SECTIONS 2.07.01 USES PERMITTED BY DISTRICT, 2.07.03 USE CHARTS, 2.07.04 CONDITIONAL DEVELOPMENT STANDARDS, 2.09.01 LANDSCAPING REGULATIONS, 2.09.03 VEHICLE PARKING REGULATIONS, 2.09.04 BUILDING FAÇADE MATERIAL STANDARDS, 2.10.10 SPECIFIC USE PERMITS, AND SECTION 5.02 WORDS AND TERMS DEFINED.

Mayor Heidemann opened the Public Hearing at 7:35 p.m. No one spoke during the Public Hearing.

Mayor Heidemann closed the Public Hearing at 7:36 p.m.

- 6a.** Consider and act on amendments to the City of Corinth Comprehensive Zoning Ordinance being a part of the Unified Development Code Ordinance No. 13-05-02-08, as amended, Sections 2.07.01 Uses Permitted by District, 2.07.03 Use Charts, 2.07.04 Conditional Development Standards, 2.09.01 Landscaping Regulations, 2.09.03 Vehicle Parking Regulations, 2.09.04 Building Façade Material Standards, 2.10.10 Specific Use Permits, and Section 5.02 Words and Terms Defined.

Lori Levy, Senior Planner - staff is proposing the following amendments to various sections of the City of Corinth Comprehensive Zoning Ordinance being a part of the Unified Development Code Ordinance No. 13-05-02-08, as amended. The proposed amendments include staff's understanding from input received from the Commission and City Council in previous public hearings and workshops held regarding the proposed amendments to the Unified Development Code (UDC).

Proposed Amendments to Section 2.07.03 Use Charts:

1. Creating the following new Non-residential categories

Automobile Rental
Bed and Breakfast Home/Bed and Breakfast Inn
Business Services
Equipment and Machinery Sales and Rental, Major
Equipment and Machinery Sales and Rental, Minor
Food Truck
Massage Therapy, Licensed
Massage Therapy, Unlicensed
Trailer Rental (Accessory Use)
Truck Sales, Heavy Trucks
Veterinary Office, including Indoor Runs
Veterinary Office, including Outdoor Runs

2. Amending the following existing Non-residential Uses

- Amending Automobile or Other Motorized Vehicle Sales and Service Uses by splitting into Automobile Sales/Leasing, New and Automobile Sales, Used and amending Zoning Districts in which allowed.
- Amending Automobile Parts Store by amending Zoning Districts in which allowed.
- Amending Automobile Service Garage (Major) and Automobile Service Garage, (Minor) by amending Zoning Districts in which allowed.
- Amending Car Wash, Full Service and Car Wash, Self Service by amending Zoning Districts in which allowed.
- Amending College or University by amending the category to also include “Trade School”.
- Amending Concrete Batch Plant by splitting into Concrete Batching Plant, Permanent and Concrete Batching Plant, Temporary and amending Zoning Districts in which allowed.
- Amending Exterminating Company by amending Zoning Districts in which allowed.
- Amending Farmer’s Market by amending Zoning Districts in which allowed.
- Amending Feed Store by amending Zoning Districts in which allowed.
- Amending Gas or Oil Well and Production by amending Zoning Districts in which allowed.
- Amending Gasoline Service Station/Car Wash by clarifying Use Classification as Gasoline Service Station with or without Car Wash and by amending Zoning Districts in which allowed.
- Amending Hotel to Hotel, Full-Service or Limited Service and by amending Zoning Districts in which allowed.
- Amending Kennel/Veterinary Office to Kennel with Indoor Runs Only and Kennel with Outdoor Runs and by amending Zoning Districts in which allowed.
- Amending Restaurant or Cafeteria, with or without Curb or Drive-In Service by splitting out Restaurant

without Drive-In or Drive-through Service and Restaurant with Drive-In or Drive-through Service and by amending Zoning Districts in which allowed.

- Amending RV Park by amending Zoning Districts in which allowed.
- Amending Storage Units, Mini by amending Zoning Districts in which allowed.
- Amending Taxi Garage or Dispatch by amending Zoning Districts in which allowed.
- Amending Motel, Motor Hotel, or Tourist Court by amending Zoning Districts in which allowed. This Use Classification is not a permitted use in any Zoning District.
- Amending Water Storage by amending Zoning Districts in which allowed.
- Amending Vehicle Parking Regulations cross-reference column (last column in the heading) and replacing with "Reserved for Future Reference". The parking regulations are in a separate section in the UDC, and this will allow a place holder for a future Zoning District or other information.

3. Only reflecting recently approved Photovoltaic Systems (Attached and Detached) that may not be showing on Existing Use Charts.

Proposed Amendments to Section 2.07.04 Conditional Standards

1. Amending Conditional Standards for previous Use Classification of Automobile or Other Motorized Vehicle Sales and Service Uses and reclassifying as Automobile Sales, Used, Automobile Sales/Leasing, New, Trailer Rental, and Truck Sales, Heavy Trucks Standards.

◦ Adding additional standards as shown as highlighted in Lavender in the attached Draft Ordinance under Section 2.07.04. Conditional Standards.

2. Amending Conditional Standards for previous Use Classification of Concrete Batch Plant by renaming and splitting into Concrete Batching Plant, Permanent and Concrete Batching Plant, Temporary.

◦ Clarifying that Concrete Batching Plant, Permanent is not a permitted use.
◦ Amending Conditional Standards for Concrete Batching Plant, Temporary by removing SUP requirement, revising language accordingly, including adjusting names of Adjoining Zoning Districts to match names of those Zoning Districts.

3. Creating Conditional Standards for newly created Food Truck Use Classification as highlighted in Blue in the attached copy of the Draft Ordinance under Section 2.07.04. Conditional Standards.

4. Amending Conditional Standards for previous Use Classification of Gasoline Service Station/Car Wash and renaming to Gasoline Filling or Service Station with or without Car Wash, and adding, “and with or without Convenience Store, and Car Wash with or without Gasoline Filling Service Station and with or without Convenience Store for clarification.

◦ **Adding additional Conditional Standards under Section 2.07.04. Conditional Standards.**

5. Creating Conditional Standards for newly created Use Classification of Hotels (Bed and

Breakfast Home/Bed and Breakfast Inn, Full-Service and Limited Service) under Section 2.07.04. Conditional Standards.

6. Amending Conditional Standards for previous classification of Kennel/Veterinarian Office and only reclassifying as Kennel, Indoor and Outdoor Runs as highlighted in Lavender in the attached Draft Ordinance under Section 2.07.04. Conditional Standards.
7. Creating Conditional Standards for newly created Restaurant, Drive-In Standards under Section 2.07.04. Conditional Standards.

Proposed Amendments to Section 2.09.03 Vehicle Parking Regulations

1. Creating new parking regulations for newly created Bed and Breakfast Home/Bed and Breakfast Inn Use classification under Section 2.09.03. Vehicle Parking Regulations.
2. Adding new parking regulations for Car Wash, Full-Service or Self-Service Use classification that was missing under Section 2.09.03. Vehicle Parking Regulations.
3. Amending various classification use names to match those proposed in the Use Chart and amending parking for Restaurant with Outdoor Seating Areas under Section 2.09.03. Vehicle Parking Regulations.

Proposed Amendments to Subsection 5.02 Words and Terms Defined

1. Repealing various definitions to match the amended Use Classifications and Zoning Districts in which allowed in the proposed Use Chart under Subsection 5.02 Words and Terms Defined.
2. Amending various definitions to match the amended Use Classifications and Zoning Districts in which allowed in the proposed Use Chart under Subsection 5.02 Words and Terms Defined.
3. Adopting new definitions to reflect the newly created Use Classifications in the proposed Use Charts under Subsection 5.02 Words and Terms Defined.

Proposed Amendments to Subsection F. Alternative Compliance of Section 2.09.01 Landscaping Regulations:

- 1. Amending the Alternative Compliance process for Alternative Landscaping to allow the request to be submitted through the Site Plan process.**

Proposed Amendments to Subsection D. Alternative Compliance of Section 2.09.04 Building Materials:

1. Amending the Alternative Compliance process for Alternative Building Materials to allow the request to be submitted through the Site Plan process.
2. Revising some of the language within this section to reflect recent change for administrative site plan approvals, where applicable, and to provide some flexibility in allowing alternative building materials.

Staff recommends approval of the proposed amendments to the various sections of the City of Corinth Comprehensive Zoning Ordinance being a part of the Unified Development Code Ordinance No. 13-05-02-08, as amended.

The Planning and Zoning Commission recommended unanimous approval of the proposed UDC Amendments with the following stipulations:

1. Allow the Bed and Breakfast Home/Bed and Breakfast Inn by SUP with the Conditional Standards in all of the single-family districts, as well;
2. Allow Equipment and Machinery Sales and Rental, Minor as an allowable use in the MX-R and MX-C districts, as well to allow bicycle rentals in those districts;
3. Leave Motel, Motor Hotel or Tourist Court in the Use Chart to reflect that it is not allowable in any districts as proposed.

MOTION made by Councilmember Johnson to approve amendments to the City of Corinth Comprehensive Zoning Ordinance being a part of the Unified Development Code Ordinance No. 13-05-02-08, as amended, Sections 2.07.01 Uses Permitted by District, 2.07.03 Use Charts, 2.07.04 Conditional Development Standards, 2.09.01 Landscaping Regulations, 2.09.03 Vehicle Parking Regulations, 2.09.04 Building Façade Material Standards, 2.10.10 Specific Use Permits, and Section 5.02 Words and Terms Defined. Seconded by Councilmember Glockel.

AYES: Burke, Garber, Johnson, Glockel
NOES: None
ABSENT: Henderson

MOTION CARRIED

BUSINESS AGENDA:

7. Consider and act on a request for payment in lieu of required parkland dedication on 4.796 acres out of the M.E.P. & P.R.R. Co. Survey, Abstract No. 915, in the City of Corinth, Denton County, Texas. (This property is located on the northwest corner of Lake Sharon Drive and S. Corinth Parkway).

Lori Levy, Senior Planner - this item is related to Public Hearing item #5. Section 3.05.10, E. Land Dedication Requirements section allows the City Council to approve a developer's request for dedication of land for a park, dedication of land for a trail, dedication of money in lieu of the land dedication, or a combination thereof.

The applicant is proposing a dedication of money in lieu of the land dedication in the amount of \$29,700.00 to meet the required \$550.00 per unit for residential subdivisions for the proposed 54-unit Corinthian Townhomes.

MOTION made by Councilmember Burke to approve a request for payment in lieu of required parkland dedication on 4.796 acres out of the M.E.P. & P.R.R. Co. Survey, Abstract No. 915, in the City of Corinth, Denton County, Texas. (This property is located on the northwest corner of Lake Sharon Drive and S. Corinth Parkway). Seconded by Councilmember Glockel.

AYES: Burke, Garber, Johnson, Glockel

NOES: None
ABSENT: Henderson

MOTION CARRIED

8. Consider and act on an Interlocal Cooperation Agreement for library services with the City of Lake Dallas.

Bob Hart, City Manager - the City currently has an Interlocal agreement to permit residents to access library services with the City of Denton Library system. The proposed agreement with the City of Lake Dallas would allow the same access to the Lake Dallas library, i.e., a resident would apply for a permit and with a proof of residency in Corinth would receive a library card. At that point, Lake Dallas would invoice the City (on a monthly basis) for the annual rate of \$25 per family.

MOTION made by Councilmember Garber to approve an Interlocal Agreement for library services with the City of Lake Dallas. Seconded by Councilmember Burke.

AYES: Burke, Garber, Johnson, Glockel
NOES: None
ABSENT: Henderson

MOTION CARRIED

9. Consider and act on the acceptance of BlueCross BlueShield of Texas' proposal for City's employee medical insurance benefits for FY 2018-2019, and authorization for the City Manager to execute any necessary documents.

Guadalupe Ruiz, Human Resource Director - The City of Corinth solicited proposals for the City's employee medical insurance benefits for the 2018-2019 fiscal year. Four qualified proposals for medical insurance benefits were received during the Request for Proposals (RFP) process which closed on May 31, 2018.

After review and evaluation of benefits and proposed costs, our benefits consultant (IPS Advisors, LLP) initiated negotiations. Due to the decrease in the City's loss ratio and having created an employee benefit trust, the renewal with the current carrier (BCBS) initially represented a 15.7% decrease from the rates for the 2017-18 fiscal year. After negotiations, the proposal from BlueCross BlueShield of Texas represented a 20.8% decrease of current rates. These rates are guaranteed until September 30, 2019.

When considering the proposed funding changes and the expected census (in addition to the proposed new rates), the outcome is a total decrease of 26.56% (\$641,545) for the 2018-19 fiscal year over the 2017-18 fiscal year budgeted rates.

The City will continue to offer a dual option health plan; including a "Base" plan that offers a High Deductible plan with a Health Savings Account (HSA), and a "Buy Up" plan that offers a Traditional PPO plan with copays and deductibles (new). Those employees on the "Buy Up" plan will have the opportunity to participate in a Flexible Spending Account (FSA). Both plans will have the Blue Choice Network (last year's network) currently available only for the employees in the "Buy Up" plan. For the High Deductible plan, the deductible will go from \$2,600 to \$2,700; and the coinsurance benefit will go from 80% to 100%.

Full Time Employees Funding - The City will continue to fund 100% of the employee-only coverage premium cost. The City contribution for the dependent cost will change from 75% to 70%. The

aforementioned City contributions are based on the “Base” plan regardless of the plan option the employee chooses. This will allow the City to better align with benchmarks for the City’s total dependent subsidy. The HSA contribution from the City will remain at \$1,000 per employee per year.

Part Time (0.5 FTE) Employees Funding - City funding for the employee only coverage will continue to be 50% of the Base plan premium. The City funding for the dependent cost will continue to be 0% of the Base plan premiums. The HSA contribution from the City will remain at \$500 per employee per year.

Staff recommends acceptance of BlueCross BlueShield of Texas' proposal for City’s employee medical insurance benefits for FY 2018-2019, and authorization for the City Manager to execute any necessary documents.

MOTION made by Councilmember Johnson to accept BlueCross BlueShield of Texas' proposal for City’s employee medical insurance benefits for FY 2018-2019, and authorization for the City Manager to execute any necessary documents. Seconded by Councilmember Burke.

AYES: Burke, Garber, Johnson, Glockel
NOES: None
ABSENT: Henderson

MOTION CARRIED

10. Consider and act on the acceptance of Cigna proposal for City’s employee dental insurance benefits for FY 2018-2019, and authorization for the City Manager to execute any necessary documents.

The City of Corinth solicited proposals for the City’s employee dental insurance benefits for the 2018-2019 fiscal year. Three qualified proposals for dental insurance benefits were received during the Request for Proposals (RFP) process which closed on May 31, 2018.

After review and evaluation of specific benefits and proposed costs, our benefits consultant (IPS Advisors, LLP) initiated negotiations. After negotiations, the proposal from Cigna was the most advantageous option for dental insurance coverage. The proposal represents a decrease of 1.43% in average over the current rates (2017-2018 fiscal year).

The rates are guaranteed for two (2) years (until September 30, 2020). The proposed rates, funding changes, and expected census will represent an estimated total decrease of \$4,000 for the 2018-19 fiscal year over the 2017-18 fiscal year budgeted rates.

Full Time Employees Funding - The City will continue to fund 100% of the employee-only coverage premium cost. The City contribution for the dependent cost will change from 75% to 70%.

Part Time (0.5 FTE) Employees Funding - The City will continue to fund 50% of the employee-only coverage premium, and 0% for the dependent cost.

Staff recommends acceptance of Cigna's proposal for City’s employee dental insurance benefits for FY 2018-2019, and authorization for the City Manager to execute any necessary documents.

MOTION made by Councilmember Johnson to accept Cigna proposal for City’s employee dental insurance benefits for FY 2018-2019, and authorization for the City Manager to execute any necessary documents. Seconded by Councilmember Glockel

AYES: Burke, Garber, Johnson, Glockel
NOES: None
ABSENT: Henderson

MOTION CARRIED

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

Mayor Heidemann - On August 23rd we will have a retirement reception for Debra Walthall, Chief of police at the public safety building from 3:00 - 5:00 and encourage everyone to attend.

There was no Closed Session during the Regular meeting.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code.

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

ADJOURN:

Mayor Heidemann adjourned the meeting at 7:58 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the _____ day of _____, 2018.

Kimberly Pence, City Secretary
City of Corinth, Texas

City Council Regular and Workshop Session

Meeting Date: 09/06/2018

Title: Settlement between the ATMOS Cities Steering Committee and ATMOS Energy Corp

Submitted For: Bob Hart, City Manager

Submitted By: Kim Pence, City Secretary

City Manager Review: Approval: Bob Hart, City Manager

AGENDA ITEM

Consider and act on a Resolution approving a negotiated settlement between the Atmos Steering Committee and Atmos Energy Corp, Mid-Tex Division regarding the company's 2018 Rate Review Mechanism filings.

AGENDA ITEM SUMMARY/BACKGROUND

The City, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members earlier this year. On or about April 1, 2018, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2017, entitled it to additional system-wide revenues of \$42.0 million. Application of the standards set forth in ACSC’s RRM Tariff required Atmos to reduce its request to \$27.4 million. After review of the consultants’ report, the Company offered to settle for a system-wide increase of \$25.9 million. Following further negotiations, ACSC’s Executive Committee agreed to recommend a system-wide rate increase of \$24.9 million. That increase when allocated to ACSC members results in an increase of \$17.8 million. The Effective Date for new rates is October 1, 2018. ACSC members should take action approving the Resolution before the end of September.

Atmos generated proof that the rate tariffs attached to the Resolution will generate \$24.9 million in additional revenues on a system-wide basis. That proof is attached as Attachment 1 to this Staff Report. ACSC consultants have agreed that Atmos’ Proof of Revenues is accurate.

Given the fact that ACSC demanded that Atmos reflect reduced federal income taxes in its cost-of-service, as reflected in the RRM Tariff adopted earlier this year, Atmos reduced its rates in March. The rate increase associated with the Resolution is largely offset by the lowered federal income tax rates, such that out-of-pocket expense to consumers should be roughly the same under new rates as what was experienced by consumers last winter. A bill impact comparison is attached as Attachment 2.

SUMMARY OF ACSC’S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission’s review of annual GRIP filings or allow recovery of Cities’ rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC’s view, the GRIP process unfairly raises customers’ rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

CONCLUSION

The Legislature’s GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex’s claim that its historic cost of service should entitle it to recover \$42 million in additional system-wide revenues, the RRM settlement at \$24.9 million reflects savings of \$17.1 million. ACSC’s consultants produced a report indicating that Atmos had justified increased revenues of at least \$21.7 million. Settlement at \$24.9 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution before September 30, 2018. New rates become effective October 1, 2018.

RECOMMENDATION

Staff recommends approval of the Resolution approving the negotiated rate settlement as presented.

Attachments

Model Staff Report
Resolution

August 24, 2018

MODEL STAFF REPORT

BACKGROUND AND SUMMARY

The City, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members earlier this year. On or about April 1, 2018, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2017, entitled it to additional system-wide revenues of \$42.0 million. Application of the standards set forth in ACSC’s RRM Tariff required Atmos to reduce its request to \$27.4 million. After review of the consultants’ report, the Company offered to settle for a system-wide increase of \$25.9 million. Following further negotiations, ACSC’s Executive Committee agreed to recommend a system-wide rate increase of \$24.9 million. That increase when allocated to ACSC members results in an increase of \$17.8 million. The Effective Date for new rates is October 1, 2018. ACSC members should take action approving the Resolution before the end of September.

PROOF OF REVENUES

Atmos generated proof that the rate tariffs attached to the Resolution will generate \$24.9 million in additional revenues on a system-wide basis. That proof is attached as Attachment 1 to this Staff Report. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

BILL IMPACT

Given the fact that ACSC demanded that Atmos reflect reduced federal income taxes in its cost-of-service, as reflected in the RRM Tariff adopted earlier this year, Atmos reduced its rates in March. The rate increase associated with the Resolution is largely offset by the lowered federal income tax rates, such that out-of-pocket expense to consumers should be roughly the same under new rates as what was experienced by consumers last winter. A bill impact comparison is attached as Attachment 2.

SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

EXPLANATION OF "BE IT ORDAINED" PARAGRAPHS

1. This section approves all findings in the Resolution.

2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$24.9 million on a system-wide basis. Settling Cities will be responsible for \$17.8 million of the \$24.9 million.
4. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
5. This section approves an exhibit to be used in future rate cases or RRM filings regarding recovery of regulatory liabilities, such as excess deferred income taxes.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution.
8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution. This section further directs that the remaining provisions of the Resolution are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.
11. This section directs that a copy of the signed Resolution be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$42 million in additional system-wide revenues, the RRM settlement at \$24.9 million reflects savings of \$17.1 million. ACSC's consultants produced a report indicating that Atmos had justified increased revenues of at least \$21.7 million. Settlement at \$24.9 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution before September 30, 2018. New rates become effective October 1, 2018.

RESOLUTION NO. 18-09-06-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2018 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

WHEREAS, the City of Corinth, Texas (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “Company”), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC”), a coalition of similarly-situated cities served by Atmos Mid-Tex (“ACSC Cities”) that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a new Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by

the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the RRM tariff was adopted by the City in a rate ordinance earlier this year; and

WHEREAS, on about April 1, 2018, Atmos Mid-Tex filed its 2018 RRM rate request with ACSC Cities based on a test year ending December 31, 2017; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2018 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$24.9 million on a system-wide basis (\$17.8 million of which is applicable to ACSC members); and

WHEREAS, the attached tariffs (Exhibit A) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the Exhibit A rate tariffs incorporate the federal income tax rates that became effective January 1, 2018; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Exhibit B) and

WHEREAS, the settlement agreement establishes an amortization schedule for regulatory liability (Exhibit C); and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:

Section 1. That the findings set forth in this Resolution are hereby in all things approved.

Section 2. That the City Council finds that the settled amount of an increase in revenues of \$24.9 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2018 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$24.9 million in revenue on a system-wide basis over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

Section 4. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Exhibit B, attached hereto and incorporated herein.

Section 5. That amortization of regulatory liability shall be consistent with the schedule found in attached Exhibit C attached hereto and incorporated herein.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2018 RRM filing.

Section 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.

Section 8. That the meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 9. That if any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 10. That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2018.

Section 11. That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LJB Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this _____ day of _____, 2018.

Mayor

ATTEST:

APPROVED AS TO FORM:

City Secretary

City Attorney

Exhibit A

Rate Tariffs Effective
October 1, 2018

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 12

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 18.85 per month
Rider CEE Surcharge	\$ 0.03 per month ¹
Total Customer Charge	\$ 18.88 per month
Commodity Charge – All <u>Ccf</u>	\$0.14846 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 13

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 43.50 per month
Rider CEE Surcharge	\$ (0.03) per month ¹
Total Customer Charge	\$ 43.47 per month
Commodity Charge – All Ccf	\$ 0.09165 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2018.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 14

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3312 per MMBtu
Next 3,500 MMBtu	\$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0520 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailement Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 15

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 16

Exhibit A

The rates were effective for the following Cities on 3/15/2018:

ABILENE	DENISON	KILLEEN
ADDISON	DENTON	KRUM
ALBANY	DESOTO	LAKE WORTH
ALLEN	DRAPER AKA CORRAL CITY	LAKESIDE
ALVARADO	DUNCANVILLE	LEWISVILLE
ANGUS	EASTLAND	LINCOLN PARK (ANNEXED WITH LITTLE ELM)
ANNA	EDGECLIFF VILLAGE	LITTLE ELM
ARGYLE	EMORY	LORENA
ARLINGTON	ENNIS	MADISONVILLE
AUBREY	EULESS	MALAKOFF
AZLE	EVERMAN	MANSFIELD
BEDFORD	FAIRVIEW	MCKINNEY
BELLMEAD	FARMERS BRANCH	MELISSA
BENBROOK	FARMERSVILLE	MESQUITE
BEVERLY HILLS	FATE	MIDLOTHIAN
BLOSSOM	FLOWER MOUND	MURPHY
BLUE RIDGE	FOREST HILL	NEWARK
BOWIE	FORNEY	NOCONA
BOYD	FORT WORTH	NORTH RICHLAND HILLS
BRIDGEPORT	FRISCO	NORTHLAKE
BROWNWOOD	FROST	OAK LEAF
BUFFALO	GAINSVILLE	OVILLA
BURKBURNETT	GARLAND	PALESTINE
BURLESON	GARRETT	PANTEGO
CADDO MILLS	GRAND PARAIRIE	PARIS
CANTON	GRAPEVINE	PARKER
CARROLLTON	GUNTER	PECAN HILL
CEDAR HILL	HALTOM CITY	PETROLIA
CELESTE	HARKER HEIGHTS	PLANO
CELINA	HASKELL	PONDER
CENTERVILLE	HASLET	POTTSBORO
CISCO	HEWITT	PROSPER
CLARKSVILLE	HIGHLAND PARK	QUITMAN
CLEBURNE	HIGHLAND VILLAGE	RED OAK
CLYDE	HONEY GROVE	RENO (PARKER COUNTY)
COLLEGE STATION	HURST	RHOME
COLLEYVILLE	IOWA PARK	RICHARDSON
COLORADO CITY	IRVING	RICHLAND
COMANCHE	JUSTIN	RICHLAND HILLS
COOLIDGE	KAUFMAN	RIVER OAKS
COPPELL	KEENE	ROANOKE
CORINTH	KELLER	ROBINSON
CRANDALL	KEMP	ROCKWALL
CROWLEY	KENNEDALE	ROSCOE
DALWORTHINGTON GARDENS	KERRVILLE	ROWLETT

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 17

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY	SULPHUR SPRINGS	WATAUGA
SACHSE	SWEETWATER	WAXAHACHIE
SAGINAW	TEMPLE	WESTLAKE
SANSOM PARK	TERRELL	WESTOVER HILLS
SEAGOVILLE	THE COLONY	WHITE SETTLEMENT
SHERMAN	TROPHY CLUB	WHITESBORO
SNYDER	TYLER	WICHITA FALLS
SOUTHLAKE	UNIVERSITY PARK	WOODWAY
SPRINGTOWN	VENUS	WYLIE
STAMFORD	VERNON	
STEPHENVILLE	WACO	

The rates were effective for the following Cities on 4/01/2018:

ABBOTT	BRUCEVILLE-EDDY	DEPORT
ALBA	BRYAN	DETROIT
ALMA	BUCKHOLTS	DODD CITY
ALVORD	BUFFALO GAP	DOUBLE OAK
ANNONA	BURNET	DUBLIN
ANSON	BYERS	EARLY
ARCHER CITY	CALDWELL	ECTOR
ATHENS	CALVERT	EDOM
AURORA	CAMERON	ELECTRA
AUSTIN	CAMPBELL	EMHOUSE
AVERY	CARBON	EUSTACE
BAIRD	CASHION COMMUNITY	EVANT
BALCH SPRINGS	CEDAR PARK	FAIRFIELD
BALLINGER	CHANDLER	FERRIS
BANDERA	CHICO	FRANKLIN
BANGS	CHILDRESS	FRANKSTON
BARDWELL	CHILLICOTHE	FREDERICKSBURG
BARRY	CLIFTON	GATESVILLE
BARTLETT	COCKRELL HILL	GEORGETOWN
BARTONVILLE	COLEMAN	GLEN ROSE
BELLEVUE	COLLINSVILLE	GLENN HEIGHTS
BELLS	COMMERCE	GODLEY
BELTON	COMO	GOLDTHWAITE
BENJAMIN	COOPER	GOODLOW
BERTRAM	COPPER CANYON	GORDON
BLACKWELL	COPPERAS COVE	GOREE
BLANKET	CORSICANA	GORMAN
BLOOMING GROVE	COVINGTON	GRANBURY
BLUE MOUND	COYOTE FLATS	GRANDVIEW
BLUM	CRAWFORD	GRANGER
BOGATA	CROSS ROADS	GREENVILLE
BONHAM	CUMBY	GROESBECK
BREMOND	DAWSON	GUSTINE
BRONTE	DECATUR	HAMLIN
BROWNSBORO	DELEON	HAMILTON

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 18

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY	MALONE	RANGER
HEARNE	MANOR	RAVENNA
HEATH	MARBLE FALLS	RENO (LAMAR COUNTY)
HEBRON	MARLIN	RETREAT
HENRIETTA	MART	RICE
HICKORY CREEK	MAYPEARL	RIESEL
HICO	MCGREGOR	RIO VISTA
HILLSBORO	MCLENDON-CHISHOLM	ROBERT LEE
HOLLAND	MEGARGEL	ROBY
HOLLIDAY	MERIDIAN	ROCHESTER
HOWE	MERKEL	ROCKDALE
HUBBARD	MEXIA	ROGERS
HUTCHINS	MIDWAY	ROSEBUD
HUTTO	MILES	ROSS
IMPACT	MILFORD	ROTAN
IREDELL	MILLSAP	ROUND ROCK
ITALY	MOBILE CITY	ROXTON
ITASCA	MOODY	RULE
JEWETT	MORAN	RUNAWAY BAY
JOSEPHINE	MORGAN	SADLER
JOSHUA	MUENSTER	SAINT JO
KERENS	MUNDAY	SAN ANGELO
KNOLLWOOD	MURCHISON	SAN SABA
KNOX CITY	NEVADA	SANCTUARY
KOSSE	NEW CHAPEL HILL	SANGER
KURTEN	NEWCASTLE	SANTA ANNA
LACY-LAKEVIEW	NOLANVILLE	SAVOY
LADONIA	NORMANGEE	SCURRY
LAKE DALLAS	NOVICE	SEYMOUR
LAKEPORT	OAK POINT	SHADY SHORES
LAMPASAS	OAKWOOD	SOMERVILLE
LANCASTER	O'BRIEN CO-OP GIN	SOUTH MOUNTAIN
LAVON	OGLESBY	SOUTHMAYD
LAWN	OLNEY	STAR HARBOR
LEANDER	PALMER	STOCKTON BEND
LEONA	PARADISE	STRAWN
LEONARD	PECAN GAP	STREETMAN
LEXINGTON	PENELOPE	SUN VALLEY
LINDSAY	PFLUGERVILLE	SUNNYVALE
LIPAN	PILOT POINT	TALTY
LITTLE RIVER ACADEMY	PLEASANT VALLEY	TAYLOR
LLANO	POINT	TEAGUE
LOMETA	POST OAK BEND	TEHUACANA
LONE OAK	POWELL	THORNDALE
LONGVIEW	POYNOR	THORNTON
LORAIN	PRINCETON	THRALL
LOTT	PUTNAM	THROCKMORTON
LUEDERS	QUANAH	TIOGA
MABANK	QUINLAN	TOCO

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 19

Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN	VALLEY VIEW	WHITNEY
TRENT	VAN ALSTYNE	WILMER
TRENTON	WALNUT SPRINGS	WINDOM
TRINIDAD	WEINERT	WINTERS
TROY	WEST	WIXON VALLEY
TUSCOLA	WESTWORTH VILLAGE	WOLFE CITY
TYE	WHITEHOUSE	WORTHAM
VALLEY MILLS	WHITEWRIGHT	YANTIS

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 16

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer’s agent at one Point of Delivery for use in Customer’s facility.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer’s bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 784.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3312 per MMBtu
Next 3,500 MMBtu	\$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0520 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest “midpoint” price for the Katy point listed in *Platts Gas Daily* in the table entitled “Daily Price Survey” during such month, for the MMBtu of Customer’s monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer’s receipt quantities for the month.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 17

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 18

Exhibit A

The rates were effective for the following Cities on 3/15/2018:

ABILENE	DENISON	KILLEEN
ADDISON	DENTON	KRUM
ALBANY	DESOTO	LAKE WORTH
ALLEN	DRAPER AKA CORRAL CITY	LAKESIDE
ALVARADO	DUNCANVILLE	LEWISVILLE
ANGUS	EASTLAND	LINCOLN PARK (ANNEXED WITH LITTLE ELM)
ANNA	EDGECLIFF VILLAGE	LITTLE ELM
ARGYLE	EMORY	LORENA
ARLINGTON	ENNIS	MADISONVILLE
AUBREY	EULESS	MALAKOFF
AZLE	EVERMAN	MANSFIELD
BEDFORD	FAIRVIEW	MCKINNEY
BELLMEAD	FARMERS BRANCH	MELISSA
BENBROOK	FARMERSVILLE	MESQUITE
BEVERLY HILLS	FATE	MIDLOTHIAN
BLOSSOM	FLOWER MOUND	MURPHY
BLUE RIDGE	FOREST HILL	NEWARK
BOWIE	FORNEY	NOCONA
BOYD	FORT WORTH	NORTH RICHLAND HILLS
BRIDGEPORT	FRISCO	NORTHLAKE
BROWNWOOD	FROST	OAK LEAF
BUFFALO	GAINSVILLE	OVILLA
BURKBURNETT	GARLAND	PALESTINE
BURLESON	GARRETT	PANTEGO
CADDO MILLS	GRAND PARAIRIE	PARIS
CANTON	GRAPEVINE	PARKER
CARROLLTON	GUNTER	PECAN HILL
CEDAR HILL	HALTOM CITY	PETROLIA
CELESTE	HARKER HEIGHTS	PLANO
CELINA	HASKELL	PONDER
CENTERVILLE	HASLET	POTTSBORO
CISCO	HEWITT	PROSPER
CLARKSVILLE	HIGHLAND PARK	QUITMAN
CLEBURNE	HIGHLAND VILLAGE	RED OAK
CLYDE	HONEY GROVE	RENO (PARKER COUNTY)
COLLEGE STATION	HURST	RHOME
COLLEYVILLE	IOWA PARK	RICHARDSON
COLORADO CITY	IRVING	RICHLAND
COMANCHE	JUSTIN	RICHLAND HILLS
COOLIDGE	KAUFMAN	RIVER OAKS
COPPELL	KEENE	ROANOKE
CORINTH	KELLER	ROBINSON
CRANDALL	KEMP	ROCKWALL
CROWLEY	KENNEDALE	ROSCOE
DALWORTHINGTON GARDENS	KERRVILLE	ROWLETT

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 19

Cities with Rate Effective 3/15/2018 (Continued)

ROYSE CITY	SULPHUR SPRINGS	WATAUGA
SACHSE	SWEETWATER	WAXAHACHIE
SAGINAW	TEMPLE	WESTLAKE
SANSOM PARK	TERRELL	WESTOVER HILLS
SEAGOVILLE	THE COLONY	WHITE SETTLEMENT
SHERMAN	TROPHY CLUB	WHITESBORO
SNYDER	TYLER	WICHITA FALLS
SOUTHLAKE	UNIVERSITY PARK	WOODWAY
SPRINGTOWN	VENUS	WYLIE
STAMFORD	VERNON	
STEPHENVILLE	WACO	

The rates were effective for the following Cities on 4/01/2018:

ABBOTT	BRUCEVILLE-EDDY	DEPORT
ALBA	BRYAN	DETROIT
ALMA	BUCKHOLTS	DODD CITY
ALVORD	BUFFALO GAP	DOUBLE OAK
ANNONA	BURNET	DUBLIN
ANSON	BYERS	EARLY
ARCHER CITY	CALDWELL	ECTOR
ATHENS	CALVERT	EDOM
AURORA	CAMERON	ELECTRA
AUSTIN	CAMPBELL	EMHOUSE
AVERY	CARBON	EUSTACE
BAIRD	CASHION COMMUNITY	EVANT
BALCH SPRINGS	CEDAR PARK	FAIRFIELD
BALLINGER	CHANDLER	FERRIS
BANDERA	CHICO	FRANKLIN
BANGS	CHILDRESS	FRANKSTON
BARDWELL	CHILlicothe	FREDERICKSBURG
BARRY	CLIFTON	GATESVILLE
BARTLETT	COCKRELL HILL	GEORGETOWN
BARTONVILLE	COLEMAN	GLEN ROSE
BELLEVUE	COLLINSVILLE	GLENN HEIGHTS
BELLS	COMMERCE	GODLEY
BELTON	COMO	GOLDTHWAITE
BENJAMIN	COOPER	GOODLOW
BERTRAM	COPPER CANYON	GORDON
BLACKWELL	COPPERAS COVE	GOREE
BLANKET	CORSICANA	GORMAN
BLOOMING GROVE	COVINGTON	GRANBURY
BLUE MOUND	COYOTE FLATS	GRANDVIEW
BLUM	CRAWFORD	GRANGER
BOGATA	CROSS ROADS	GREENVILLE
BONHAM	CUMBY	GROESBECK
BREMOND	DAWSON	GUSTINE
BRONTE	DECATUR	HAMLIN
BROWNSBORO	DELEON	HAMILTON

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 20

Cities with Rate Effective 4/01/2018 (Continued)

HAWLEY	MALONE	RANGER
HEARNE	MANOR	RAVENNA
HEATH	MARBLE FALLS	RENO (LAMAR COUNTY)
HEBRON	MARLIN	RETREAT
HENRIETTA	MART	RICE
HICKORY CREEK	MAYPEARL	RIESEL
HICO	MCGREGOR	RIO VISTA
HILLSBORO	MCLENDON-CHISHOLM	ROBERT LEE
HOLLAND	MEGARGEL	ROBY
HOLLIDAY	MERIDIAN	ROCHESTER
HOWE	MERKEL	ROCKDALE
HUBBARD	MEXIA	ROGERS
HUTCHINS	MIDWAY	ROSEBUD
HUTTO	MILES	ROSS
IMPACT	MILFORD	ROTAN
IREDELL	MILLSAP	ROUND ROCK
ITALY	MOBILE CITY	ROXTON
ITASCA	MOODY	RULE
JEWETT	MORAN	RUNAWAY BAY
JOSEPHINE	MORGAN	SADLER
JOSHUA	MUENSTER	SAINT JO
KERENS	MUNDAY	SAN ANGELO
KNOLLWOOD	MURCHISON	SAN SABA
KNOX CITY	NEVADA	SANCTUARY
KOSSE	NEW CHAPEL HILL	SANGER
KURTEN	NEWCASTLE	SANTA ANNA
LACY-LAKEVIEW	NOLANVILLE	SAVOY
LADONIA	NORMANGEE	SCURRY
LAKE DALLAS	NOVICE	SEYMOUR
LAKEPORT	OAK POINT	SHADY SHORES
LAMPASAS	OAKWOOD	SOMERVILLE
LANCASTER	O'BRIEN CO-OP GIN	SOUTH MOUNTAIN
LAVON	OGLESBY	SOUTHMAYD
LAWN	OLNEY	STAR HARBOR
LEANDER	PALMER	STOCKTON BEND
LEONA	PARADISE	STRAWN
LEONARD	PECAN GAP	STREETMAN
LEXINGTON	PENELOPE	SUN VALLEY
LINDSAY	PFLUGERVILLE	SUNNYVALE
LIPAN	PILOT POINT	TALTY
LITTLE RIVER ACADEMY	PLEASANT VALLEY	TAYLOR
LLANO	POINT	TEAGUE
LOMETA	POST OAK BEND	TEHUACANA
LONE OAK	POWELL	THORNDALE
LONGVIEW	POYNOR	THORNTON
LORAIN	PRINCETON	THRALL
LOTT	PUTNAM	THROCKMORTON
LUEDERS	QUANAH	TIOGA
MABANK	QUINLAN	TOCO

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2018	PAGE: 21

Cities with Rate Effective 4/01/2018 (Continued)

TOM BEAN	VALLEY VIEW	WHITNEY
TRENT	VAN ALSTYNE	WILMER
TRENTON	WALNUT SPRINGS	WINDOM
TRINIDAD	WEINERT	WINTERS
TROY	WEST	WIXON VALLEY
TUSCOLA	WESTWORTH VILLAGE	WOLFE CITY
TYE	WHITEHOUSE	WORTHAM
VALLEY MILLS	WHITEWRIGHT	YANTIS

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2018	PAGE:

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

- i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification
- $WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf
- R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.
- HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class
- NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.
- ADD = billing cycle actual heating degree days.
- BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2018	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	9.77	0.1201	99.33	0.5737
Austin	10.38	0.1493	201.46	0.8942
Dallas	13.17	0.2062	183.71	1.0046
Waco	9.26	0.1323	124.57	0.6398
Wichita Falls	11.62	0.1278	114.97	0.5226

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

Exhibit B

Pensions and Retiree Medical Benefits

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2017

Line No.	Description (a)	Shared Services (b)		Post-Employment Benefit Plan (c)	Pension Account Plan (d)		Mid-Tex Direct Supplemental Executive Benefit Plan (e)		Post-Employment Benefit Plan (f)	Adjustment Total (g)
		Pension Account Plan	Employment Benefit Plan		Pension Account Plan	Executive Benefit Plan				
1	Fiscal Year 2018 Willis Towers Watson Report, as adjusted	\$ 4,082,906	\$ 2,703,898	\$ 6,964,307	\$ 188,360	\$ 3,724,168				
2	Allocation to Mid-Tex	43.55%	43.55%	71.24%	100.00%	71.24%				
3	Fiscal Year 2018 Actuarially Determined Benefit Costs (Ln 1 x Ln 2)	\$ 1,778,092	\$ 1,177,539	\$ 4,961,241	\$ 188,360	\$ 2,653,027				
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%				
5	Fiscal Year 2018 Willis Towers Watson Benefit Costs To Approve (Excluding Removed Cost Centers) (Ln 3 x Ln 4)	\$ 1,778,092	\$ 1,177,539	\$ 4,961,241	\$ 188,360	\$ 2,653,027				
6										
7	Summary of Costs to Approve (1):									
8	O&M Expense Factor (WP_F-2.3, Ln 2)	80.15%	80.15%	40.05%	19.03%	40.05%				
9										
10	Total Pension Account Plan	\$ 1,425,108	\$ 943,775	\$ 1,987,133	\$ 35,837	\$ 1,062,621				\$ 3,412,241
11	Total Post-Employment Benefit Plan									\$ 2,006,396
12	Total Supplemental Executive Benefit Plan									\$ 35,837
13	Total (Ln 13 + Ln 14 + Ln 15)	\$ 1,425,108	\$ 943,775	\$ 1,987,133	\$ 35,837	\$ 1,062,621				\$ 5,454,474

Note:

1. Mid-Tex is proposing that the fiscal year 2018 Willis Towers Watson actuarial amounts shown on WP_F-2.3 and WP_F-2.3.1, be approved by the RRM Cities as the benchmark amounts to be used to calculate the regulatory asset or liability for future periods. The Company is requesting that the benchmark amount approved by the RRM Cities for future periods include only the expense amount. The amount attributable to capital would continue to be recorded to utility plant through the overhead process as described in the CAM.

Exhibit C

Amortization of Regulatory Liability

ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2017
AMORTIZATION OF REGULATORY LIABILITY

Line No.	Year Ended Dec. 31	Beginning of Year		Annual Amortization (1)	End of Year Rate Base Adjustment Amount	Balance as of December 31, 2017
		Rate Base Adjustment Amount	Rate Base Adjustment Amount			
	(a)	(b)	(c)	(d)	(e)	
1	2017				\$ 289,813,479	\$ 289,813,479
2	2018	\$ 289,813,479	\$ 12,075,562		277,737,918	
3	2019	277,737,918	12,075,562		265,662,356	
4	2020	265,662,356	12,075,562		253,586,795	
5	2021	253,586,795	12,075,562		241,511,233	
6	2022	241,511,233	12,075,562		229,435,671	
7	2023	229,435,671	12,075,562		217,360,110	
8	2024	217,360,110	12,075,562		205,284,548	
9	2025	205,284,548	12,075,562		193,208,986	
10	2026	193,208,986	12,075,562		181,133,425	
11	2027	181,133,425	12,075,562		169,057,863	
12	2028	169,057,863	12,075,562		156,982,301	
13	2029	156,982,301	12,075,562		144,906,740	
14	2030	144,906,740	12,075,562		132,831,178	
15	2031	132,831,178	12,075,562		120,755,616	
16	2032	120,755,616	12,075,562		108,680,055	
17	2033	108,680,055	12,075,562		96,604,493	
18	2034	96,604,493	12,075,562		84,528,932	
19	2035	84,528,932	12,075,562		72,453,370	
20	2036	72,453,370	12,075,562		60,377,808	
21	2037	60,377,808	12,075,562		48,302,247	
22	2038	48,302,247	12,075,562		36,226,685	
23	2039	36,226,685	12,075,562		24,151,123	
24	2040	24,151,123	12,075,562		12,075,562	
25	2041	12,075,562	12,075,562		(0)	
26						

Note:

1. The annual amortization of a 24 year recovery period is based on the Reverse South Georgia Method.

City Council Regular and Workshop Session

Meeting Date: 09/06/2018
Title: Public Hearing on Budget
Submitted For: Lee Ann Bunselmeyer, Director
Submitted By: Lee Ann Bunselmeyer, Director
Finance Review: N/A **Legal Review:** Yes
City Manager Review: Bob Hart, City Manager

AGENDA ITEM

Hold a public hearing to receive community input on the FY 2018-2019 Annual Program of Services (Budget).

AGENDA ITEM SUMMARY/BACKGROUND

City Charter and Local Government Code Chapter 102 require that prior to budget adoption, a public hearing be conducted to allow citizens the opportunity to provide input on the proposed budget. The following notice was published on Sunday, August 19, 2018 in the Denton Record Chronicle and placed on the City’s website. A public hearing has been scheduled as required.

PUBLIC HEARING NOTICE

The City Council for the City of Corinth will hold a public hearing on the 2018-2019 Annual Program of Services (the Budget) on Thursday, September 6, 2018 at 7:00 p.m., in the City Council Chambers located at 3300 Corinth Parkway, Corinth, Texas. The meeting will be held for the purpose of receiving community input on the 2018-2019 Annual Program of Services. All interested citizens are encouraged to attend.

The FY 2018-2019 Proposed Budget was submitted to City Council by July 31, 2018 as required by the City Charter. The proposed budget is also available online on the City’s website www.cityofcorinth.com.

RECOMMENDATION

City Council Regular and Workshop Session

Meeting Date: 09/06/2018
Title: Second Public Hearing on Tax Rate
Submitted For: Lee Ann Bunselmeyer, Director
Submitted By: Lee Ann Bunselmeyer, Director
Finance Review: N/A **Legal Review:** Yes
City Manager Review: Bob Hart, City Manager

AGENDA ITEM

Hold a public hearing on a proposal to consider a tax rate, which will exceed the lower of the rollback rate or the effective tax rate and will increase total tax revenues from properties on the tax roll in the preceding tax year by 9.17 percent.

AGENDA ITEM SUMMARY/BACKGROUND

According to Property Tax Code Section 26.05(d), the City is required to hold two public hearings on the proposed tax increase if the City Council is proposing a rate that exceeds the lower of the rollback rate or the effective rate. Additional requirements include publishing a quarter-page notice informing the public of the proposed tax rate, preceding year tax rate, effective & rollback tax rate, formula for estimated tax amount, and the date, time, and location of the two required public hearings. The *Notice of 2018 Tax Year Proposed Property Tax Rate* for the City of Corinth was published in the Denton Record Chronicle on Tuesday, August 14, 2018, as required by the Texas Property Tax Code timetables.

The publication notices were calculated based on the highest possible rate the City Council may consider. The City Council may adopt any rate below the published tax rate.

On August 9, 2018, the City Council voted to publish a FY2018-2019 tax rate of \$.53000 that they will consider approving on September 20, 2018. This represents a \$.00686 tax reduction from the FY2017-2018 tax rate of \$.53686.

RECOMMENDATION

Please Read the statement below prior to opening the Public Hearing:

This is the second of two public hearings to discuss the FY 2018-2019 proposed tax rate of \$.53000 that represents a \$.00686 tax decrease from the FY 2017-2018 tax rate of \$.53686. The first Public Hearing was held on August 21, 2018.

The City Council will vote on both the FY 2018-2019 Proposed Budget and the proposed tax rate at a meeting scheduled on September 20, 2018, at 7:00 p.m., located at the Corinth Municipal Council Chambers at 3300 Corinth Parkway, Corinth, Texas.

Once the Public Hearing is opened, the public is encouraged to express their views.
