

NOTICE OF
TOWN COUNCIL WORKSESSION, PUBLIC HEARING & REGULAR MEETING
TOWN OF PROVIDENCE VILLAGE, TEXAS
PROVIDENCE VILLAGE TOWN HALL
1745 F.M. 2931, PROVIDENCE VILLAGE, TEXAS

TUESDAY, NOVEMBER 3, 2015
7:30 P.M. Regular Session

MINUTES

REGULAR SESSION 7:30 p.m.

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Mayor Dave Shuck called the meeting to order at 7:33 p.m. Town Council members present were Alderman Steve Miller, Alderman Andy Goin, and Mayor Pro-Tem Michael Jordan, being a quorum. Alderman Darren Vader and Alderman J. Eric Newton were absent with permission.

II. PLEDGE OF ALLEGIANCE

- a. United States Flag
- b. Texas Flag:
 - i. Honor the Texas Flag I pledge allegiance to thee Texas, one State under God, one and indivisible

III. INVOCATION

Brian Holt from Church of Celebration led invocation.

IV. OPEN FORUM:

Don Fisher of the HOA reported that the 2016 Budget was approved last Tuesday. Charity Run for MS and CF. HOA office hours will following the pool opening schedule. There were no further requests to address the Town Council. Alderman Miller motioned to closed Open Forum; Alderman Goin seconded. Motion carried: 4 in favor, 0 opposed.

V. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

- a. Monthly Reports from Committees: Communications, EDCEC, JPAC, Ordinance and Public Safety

Nothing to report.

- b. Staff Reports: Code Enforcement, Law Enforcement, Administration

Nothing to report.

Alderman Goin motioned to closed Committee/Staff Reports; Alderman Miller seconded. Motion carried: 4 in favor, 0 opposed.

VI. CONSENT AGENDA – Items are considered self-explanatory and will be enacted with one motion. There will be no separate discussion of these items unless so requested by at least one member of the Town Council.

- a. Minute Approval
- b. Treasury Report
- c. Pay Bills
- d. Approve Purchase Orders

Mayor Pro-Tem Jordan motioned to approve Consent Agenda; Alderman Miller seconded. Motion carried: 4 in favor, 0 opposed.

VII. ACTION ITEMS

- a. Consider, discuss and act upon approval of Application Permit No. 15-00254-02 for replat of Lots 29R, 30R, 32R, 2XR of Block H and Lot 1XR of Block A of Harbor Village at Providence Phase 6B.

Brian Roberson explained that the replat was necessary in order to connect Myers Ct. from Phase 6B to Phase 6C. There was extensive discussion regarding the final plat. Mayor asked Bruce French if he expected to actually begin work on 6C, and Bruce French responded that they would be finalizing Phase 6B first.

Alderman Miller motion to approve; Alderman Goin seconded. Motion carried: 4 in favor, 0 opposed.

- b. Consider, discuss and approve amendment to Upper Trinity Regional Water District Northeast Regional Water Reclamation System Participating Customer Contract with Denton County Fresh Water Supply District No. 9, dated August 29, 2011, as amended, to increase wastewater subscription.

Philip Mack Furlow stated that we still do not have actual numbers, even though we have an amendment to the agreement. He does not feel comfortable recommending that we approve the amendment until we learn the updated final numbers. No action taken.

- c. Consider, discuss and act upon expansion of the water and sewer system to residents who are outside of the area of the former Providence Village Water Control and Improvement District.

Philip Mack Furlow reported that the Town Engineer has been instructed to begin looking into the matter and that this will be an ongoing project.

- d. Presentation of Series 2015 General Obligation Bonds Plan of Finance to Town Council.

Jim Sabonis introduced himself and provided a presentation of the plan of action for the Town for repayment of final developer obligations, funding of additional storage unit and purchase of property for utility purposes. Bond is structured to be funded without raising the tax rate. Objective is to issue the bonds before the end of the year.

Mayor Shuck asked if we gain benefit from the history of the area. Mr. Sabonis stated that the Town is credit worthy. We are financially stable, we have a viable high tax values. The Town is credit worthy because of who we are, not because of the district. Investors would rather have a Town than a districts.

- e. Consider, discuss and act upon Series 2015 General Obligation Bonds Plan of Finance, and instruct staff and consultants to proceed with General Obligation Bonds, Series 15.

Philip Mack Furlow explained that Ross Martin, Bond Counsel, requested that the Town Council authorize staff and consultant to proceed with general obligation bond. Mayor Pro-Tem Jordan moved to authorized staff to proceed with General Obligation Bond process; Alderman Miller seconded. Motion carried: 4 approved, 0 opposed.

- f. Consider, discuss and act upon ordinance amending current Certificate for Rate Order.

Brian Roberson stated that there has been issue relating to prorating authority from the Rate Order. Philip Mack Furlow explained that the language could be interpreted both ways, depending on how you read the language.

In lieu of having to amend the entire Rate Order, notifying all of the residents and hold public hearings, he recommending that the Town Council, by way of a motion, authorize the interpretation and/or intent of the Rate Order to allow the operator to interpret the language to allow for proration.

Move that the Town interpret the language to allow for prorated; Alderman Miller seconded. Motion carried: 4 in favor, 0 opposed.

- g. Consider, discuss and act upon rectifying overcharges by Mustang SUD to specific residents.

Brian Roberson explained that a resident the story of the resident whose meter was defective and has resulted in overpayment of water bills. Despite the resident's attempts to get Mustang to address the issue, they claimed there was no problem. Severn Trent did inspect the meter and stated it was too large and defective and has been replaced with the correct size.

Alderman Goin asked if Severn Trent is going to inspect all the meters and Brian Roberson reported that they have already done so.

Alderman Goin motioned to rectify the overcharges; Mayor Pro-Tem Jordan seconded. Motion carried: 4 in favor, 0 opposed.

- h. Consider, discuss and act upon constructing a facility to increase water storage capacity and/or additional water storage.

Brian Roberson stated that they were still working on the matter. Alderman Miller asked if the 250K gallon number was more accurate than the original 650K gallon and Brian Roberson indicated yes. There was discussion regarding the potential for others to tap into the water tower. There was discussion regarding the TCEQ requirements and the July 2016 deadline for construction of the facility.

- i. Consider, discuss and act upon ordinance providing for the participation in the Texas Municipal Retirement System and the Supplemental Death Benefits Fund by the Town of Providence Village.

Brian Roberson gave a summary of the TMRS actuary report and stated that we budgeted \$19.9K for the year, and TMRS came back with an annual cost of \$17K. Alderman Miller motioned to approve ordinance providing for participation in the Texas Municipal Retirement System and Supplemental Death Benefit Fund; Alderman Goin seconded. Motion carried: 4 in favor, 0 opposed.

- j. Consider, discuss and act upon securing and protecting the Town's right and ability to provide water and sewer service to its residents.

Philip Mack Furlow gave a brief history of the dissolution of the WCID and the need to authorize the Town Manager to move forward with activities on an emergency basis, including the contract with Severn Trent Environmental Services.

- k. Consider, discuss and act upon legal and administrative status of lawsuits involving asset transfers.

Philip Mack Furlow reported that a new lawsuit has been filed. Philip Mack Furlow explained that Mustang is holding the historical data necessary to document the

history of the residents, and instead of providing it as a historical data, Mustang treated it as an public information request. Furthermore, Mustang is currently holding over \$730,000 in water payments paid by the residents during the months of June, July and August and have refused to turn over the proceeds. We have also sued each of the Mustang board members individual for breach of fiduciary duty. Access to the water tower is also part of the lawsuit. The Town is the only recipient of the water in the water tower. The Town currently owns 27% and we have asked for an injunction to allow the Town access to the water tower to conduct. It was also discussed and noted that the Town currently owns the land that the water tower is sitting on at this time.

- l. Consider, discuss and act Section 13.255 action against Mustang Special Utility District.

The Town has filed with the PUC a 13.255 action. The original application did not include the 10 acres on 380, so another notice was forwarded.

There is also a 13.254 action requesting that the Town provide water and sewer service to the recently annexed property north of the Town.

Mustang has filed a cease and desist to prevent us from providing water to our residents, even though Mustang SUD does not have the ability or facilities to serve them.

Philip Mack Furlow also reported on the Travis County cases and the Denton County cases. There is also the Denton County case that was originally filed to prevent the conveyance of assets from WCID to Mustang, which is currently abated.

There is also a matter before the AG's office relating to the public information dispute.

Mayor Shuck noted that all of these lawsuits and actions are just Mustang's way of subsidizing their income and they have no concern for the residents. Philip Mack Furlow also stated that the residents should not feel special, Mustang is involved in adversarial proceedings with our neighbors.

- m. Identify agenda items to be discussed at future meeting.

Alderman Miller motioned to closed Town Council Regular Session and convene into Executive Session; Alderman Goin seconded. Motion carried: 4 in favor, 0 opposed. Mayor Shuck closed Town Council Regular Session and convened into Executive Session at 8:59 p.m.

VIII. EXECUTIVE SESSION

The Town Council will convene into executive session pursuant to Texas Government Code Sections 551.074, Personnel Matters, and 551.071, Consultation with Attorney, to seek the advice of the Town Attorney or other legal counsel concerning pending or contemplated litigation or on a matter in which the duty of the attorney(s) to the Town under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

- a. Consider and discuss legal and administrative status of lawsuits involving asset transfers.
- b. Section 13.255 action against Mustang Special Utility District.
- c. Consider and discuss securing and protecting the Town's right and ability to provide water and sewer service to its residents.

Mayor Pro-Tem Jordan motioned to close Executive Session and reconvene into Town Council Regular Session; Alderman Goin seconded. Motion carried: 4 in favor, 0 opposed. Mayor Shuck closed Executive Session and reconvened into Town Council Regular Session at 10:24 p.m.

IX. RECONVENE INTO OPEN SESSION

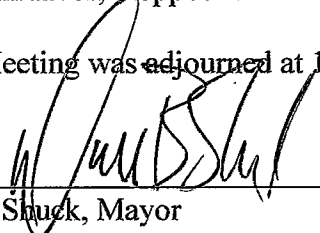
- a. Consider and act upon items discussed in Executive Session.

Alderman Miller motioned to authorize the Town Manager and Town Attorney to enter into settlement negotiations with Mustang in order to achieve a global settlement of all matters; Mayor Pro-Tem Jordan seconded. Motion carried: 4 in favor, 0 opposed.

X. ADJOURNMENT

Mayor Pro-Tem Jordan motioned to adjourn; Alderman Goin seconded. Motion carried: 4 in favor, 0 opposed.

Meeting was adjourned at 10:26 p.m.



 David B. Shuck, Mayor

11/17/2015

 Date Minutes Approved



 Connie S. Hansen, TRMC
 Town Secretary

11/17/15

 Date Minutes Approved

