

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, AUGUST 21, 2018
7:30 P.M. Regular Session

MINUTES

REGULAR SESSION 7:30 p.m.

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Mayor Michael Jordan called the meeting to order at 7:31 p.m. Town Council members present were Alderman Linda Inman, Alderman James Connor and Alderman Chris Blue, being a quorum. Alderman Steve Miller was on excused absence due to military duty and Mayor Pro-Tem Newton was absent due to his wife giving birth.

II. INVOCATION

Steven Stanley with First Baptist Church of Krugerville gave a summary of his church's services, youth services and Sunday school classes and then led invocation.

III. PLEDGE OF ALLEGIANCE

- a. United States Flag
- b. Texas Flag

IV. OPEN FORUM:

Mayor Jordan stated that he wanted to discuss some misconceptions regarding his demeanor at the last council meeting and address the comments that were being disseminated on social media relating to the Town Manager and Town Secretary's salaries. Mayor Jordan stated that he had been informed on numerous occasions that he does not project his voice in Council meetings and at the last meeting he was trying to practice projecting his voice better and that some people perceived his being loud as he was upset or angry. Mayor Jordan stated that with Alderman Inman participating in the meeting via Skype, he was trying to make sure that he was heard.

Mayor Jordan stated that his only issue at the last meeting was the price of the building and that at the last meeting he did not give anyone a chance to speak. He went on to explain that every council member and mayor who has served on this Town Council have always believed that there is a need for a permanent building. He also addressed some of the erroneous statements relating to the building being referred to as "monstrous" and explained that the building could not be referred to as monstrous simply because it was

approximately 6,100 sq. ft. next to a 10,000 sq. ft. daycare facility, next to a 4,440 sq. ft. set of trailers.

Mayor Jordan then addressed the comments on social media relating to the salaries of the Town Manager and Town Secretary being out of line. Mayor Jordan noted that the pay figure is only a snapshot of the moment and stated that he believes that knowing the number of hats these individuals wear in their jobs, the salaries are appropriate. Mayor Jordan further stated that Brian Roberson's pay for our Town's tax base and population is less than average and the Town Council had previously talked about pay increases and while all of the council members must agree, the Mayor is the one who set the salary, so if anyone wants to discuss the numbers, they need to talk to him. Mayor Jordan further stated that Connie Hansen, the Town Secretary, wears multiple hats and further explained that she, along with Brian Roberson and Philip Mack Furlow have worked for free for quite some time pulling together the creation of the Town. Mayor Jordan concluded by stating that it is not fair to look at a snapshot of the moment without having a complete picture of how these numbers were reached.

Ted Lewis, an individual who resides at 2648 Liberty Rd. in Aubrey, Texas, addressed the Council regarding his complaints relating to maintenance of the right-of-way on Liberty Circle, which the county no longer maintains since the property was annexed by the town, and the lack of adherence to traffic signs, including the stop sign and the "no thru truck" sign.

Brent Greer, a resident who resides at 9196 Blackstone Dr., Providence Village, Texas, spoke regarding wanting a final solution on the Hero Memorial. He stated that he had \$20,000 in materials to donate and nothing has progressed. He further stated that he has seen the plans and at most it would cost \$25,000 and currently we have \$28,000. He stated it is really simple and we're making it really hard.

There were no other requests to address the Town Council.

V. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

- a. Monthly Reports from Committees
- b. Staff Reports

Brian Roberson first welcomed back Mike Carroll from medical leave. Brian Roberson then went on to report that there was a voluntary land annexation hearing that would be scheduled in September and that Liberty @ Providence was still moving dirt and that the rain helped with the dust issues mentioned in the previous meeting. He also reported that Aldi is expecting to open in late September or early October. He elaborated that they are having issues with interior flooring, but that there are windows and landscaping.

Brian Roberson went on to report that on the northwest corner of Fishtrap and FM 2931, there is a developer looking at it for mixed use commercial. Still in the design phase and working with TxDOT to finish plans. Southwest corner of Fishtrap and FM 2931, the owner is still working on plans. The owner was unable to get Little Elm to release a portion of the property in their city limits of approximately 10 acres, so they are trying to work out plans for the portion of the property in Providence Village.

Brian Roberson reported that in the northeast section of Town we have a developer who should have a plan in within the next 30-60 days and the process will take about 60-90 days to complete.

Brian Roberson announced to the audience that peddlers within the Town are required to have a picture badge from the Town and if anyone encounters an unregistered peddler, they should contact either Town Hall during business hours or the local police dispatch at 940-349-1600 ext. 109. He also noted that the permit, code compliance and municipal court reports were in the packet and asked if anyone had a question. There were none. Mr. Roberson then went on to report that there has been uptick in the law enforcement activity and provided a summary of the Fire report and the recent advertisement for additional personnel.

Clay Taylor with Inframark gave a summary of the water and sewer activities.

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. Approve Administrative Actions – Approval of Interlocal Cooperation Agreement for Tax Collection between the Town and Denton County, Texas

Alderman Inman moved to approve Consent Agenda; Alderman Blue seconded. Motion carried: 4 in favor, 0 opposed.

VII. ACTION ITEMS

- a. Consider, discuss and act upon proposed Tax Rate for publication and set proposed public hearing dates regarding 2018 proposed Tax Rate and budget review.

Brian Roberson gave a summary of the proposed tax rate as being \$.799718, which represents a 3.4 cent drop in the tax rate from the previous year. He further reported to the Council the process for publishing the tax rate and required public hearings and explained that the Council was only acting on setting the hearing dates at this time. Alderman Blue moved to approve setting the Public Hearing dates on the Tax Rate for September 4th and September 18th; Alderman Inman seconded. Motion carried: 4 in favor, 0 opposed.

- b. Consider, discuss and act upon approval of Joint Election Agreement and Contract for Election Services with Denton County Election Administrator for November 6, 2018 Special Election.

Brian Roberson explained that the Joint Election Agreement was for the November 6th election to increase the sale and use tax for economic development. He further explained that currently the tax rate is 1.5% and the Town is entitled to collect up to 2%. He also explained that most businesses in the Town are already collecting the full

amount of 8.25%, so the excess is being retained by the State of Texas. Alderman Connor moved to approve the Joint Election Agreement; Alderman Blue seconded. Motion carried: 4 in favor, 0 opposed.

- c. Consider, discuss and act upon authorizing Town Manager to facilitate closing bank account identified as CapitalOne Bank and transfer balances to a corresponding account held at PlainsCapital Bank.

Brian Roberson provided a brief history on the CapitalOne bank account as being our original bank, but with the pledged collateral, PlainsCapital is now our primary bank. Alderman Inman moved to approved closing the CapitalOne bank account; Alderman Connor seconded. Motion carried: 4 in favor, 0 opposed.

- d. Consider, discuss and act upon award of a sealed bid contract for construction services for the new Town Hall and authorize the Town Manager to enter into the Construction Contract with BBD Construction, LLC.

Brian Roberson began with a report that at the last Council meeting there were several questions and the Council tabled the item to allow for additional research to provide answers to those questions. Brian Roberson then went on to explain the history of a Town hall facility leading up to the current discussions. He reported that during the fiscal year 2015-16 when the PVWCID was dissolved is the time when the Town Council first began discussing dedication of funds to our capital plan. The PVWCID did not have a capital plan but had funds available that could be dedicated. During the fiscal year 2016-17, \$1.5M was designated in the capital plan for a Town Hall with a 4.6% contingency and 3% inflation, so ultimately \$1.611M was budgeted. For fiscal year 2017-18 we raised the contingency to 10% because of the market, resulting in a budget amount of \$1.695M. In addition, in fiscal year 2017-18 we learned about concerns regarding the foundation and there were 4 separate options presented and the Town Council chose option 2 which was identified as a perimeter pier and beam floating slab, at a cost of approximately \$154K. With the increase cost of the slab, the budgeted amount was increased to \$1.869M. Through the State mandated bid process, we received 10 bids, of which the lowest bid was \$2.1M and the highest bid was \$2.9M. There was \$180K from the general fund which was allocated for IT, audio/visual and FFE, which would be included in the budgeted amount, representing a total of \$1,999,400 budgeted for a new Town Hall. The Town Manager worked extensively with Eikon on value engineering to find things that could be cut and/or change to reduce the costs. Taking into consideration additional funds that could be utilized from the general fund, Brian Roberson reported that the Town had an available budget for the Town Hall project of \$2,106,797 for "turn key" of a Town Hall facility. This represented over \$175K in cuts from the initial bid and approximately \$107K in additional general fund expenditures.

Brian Roberson then went on to explain that generally cities would take out a bond or incur debt to build and end up paying considerably more by the time the interest is added. The Town has been debt-adverse since the beginning and have been frugal and diligent in budgeting for the future through its capital plan. Paying cash for a building is unheard of in these times, yet the Town can do so because of management and

Council's stewardship. Mr. Roberson stated that we will be receiving good value for our money. He further explained the historical experience of Michael Tubiolo with Denton County and how his experience with BuyBoard and other resources to obtain valuable materials as a substantially reduced cost.

There was substantial discussion regarding the bids received and the various prices per square footage for other government buildings over the past few years averaging \$367.00 per square foot. Commercial averaging \$479 per square foot and the proposed Town Hall cost was at \$341.02 per square foot, being a turn key price, while the others were not. There was further discussion regarding the mandated requirements for a government building and how those requirements play a large role in the cost of a building. Alderman Blue asked about details of when the Town originated the bid process. Michael Tubiolo gave a presentation of the process of how building and how the contractor used local subs to reduce the cost and promote growth in the community. Mayor Jordan asked if we had a budget of \$1.9M and the bids came in at \$2.1-\$2.9M, can we start over and rebid the project. Mr. Tubiolo explained that, if we rebid, it would add an additional 10% in the cost. He further stated that the current costs for wood, concrete and labor are rapidly increasing and any bids for the future would have higher numbers.

Alderman Inman distributed documentation relating to consistent increase in construction costs over the last 6 months. There was discussion regarding projected increases in construction costs in the future.

Damon Polk, a resident who resides at 9117 Benevolent Court, Providence Village, Texas, addressed the Town Council and stated that he was neither in support or opposed to the project, but instead he was in support of the process. He learned the process and learned that the price went up because of the cost of construction. Mr. Polk further suggested that the space for the people might not be enough but did say that the build is necessary. Mayor Jordan asked Mr. Polk his opinion of the building and M. Polk said that it is a good plan and he is impressed with the cost-consciousness and he likes the plan. Alderman Inman pointed out that the space currently being used is not functional as it is choppy. Mr. Polk also stated that he is speaking as a resident and taxpayer of the Town and not as a member of the Planning & Zoning Commission.

Stephen Miller, a resident who resides as 10252 Franklin Dr., Providence Village, Texas, stated that he learned about the matter through social media and how he was requested to get involved. Mr. Miller wanted to know why we needed a building and what revenue did we intend to collect by building a Town Hall. There was extensive discussion regarding economic development in the community and how Town Hall was not intended to be a store front. Mr. Miller did not believe that there was enough growth anticipated in the Town to warrant building a Town Hall and if the building was not going to produce revenue, it did not need to be built nor did the funds need to be spent.

Don Fisher, a resident who resides at 10200 Nantucket Dr., Providence Village, Texas, stated that he was in favor of building a Town Hall and the proposed project.

Leslie Evans, a resident who resides at 10328 Nantucket Dr., Providence Village, Texas, stated that she did not have an opinion, but did have questions. Specifically, she asked about current debt and Brian Roberson provided a summary of the WCID creation, taxation and ultimate dissolution and how the Town has continually dropped the tax since the Town dissolved the WCID.

Alderman Connor moved to recess; Alderman Inman seconded. Motion carried: 4 in favor, 0 opposed. Mayor Jordan recessed the Town Council Regular Session at 9:13 p.m.

Mayor Jordan reconvened Town Council Regular Session at 9:19 p.m.

Wilfredo Contreras, a resident who resides at 9125 Cranston Court, Providence Village, Texas, asked what the major reasons for the construction cost increases and Brian Roberson stated that the biggest jump between March and when the bids were received was from the proposed tariffs and cost of materials and explained how vendors are stock-piling materials in anticipation of the tariffs. Brian Roberson further stated that the largest cost increase was from the cost of lumber. Mr. Contreras asked why the Town was not receiving a “cash discount” and there was extensive discussion explaining how government contracts are handled and that payments are not submitted until work is completed. Michael Tubiolo explained that contractors know that they will be paid on a government contract, but that they must complete each step of the work before they are paid.

Chris Tucker, a resident who resides at 10210 Cedar Lake Dr., Providence Village, Texas, asked about the results of the added value discussion, specifically what was changed and the amount. Alderman Blue reported that the reduction in cost of \$175K, and Brian Roberson stated that the modifications including decorative lighting outside where they went for more utilitarian lighting, a sidewalk was removed, the fire lane was reduced to a minimum fire code requirement and some furniture costs were removed and we will use the existing furniture.

Mr. Contreras addressed the Council with a question relating to the whether the new Town Hall will increase debt through maintenance costs. There was open discussion regarding the fact that maintenance costs of buildings were already being incurred and that while maintenance would continue, it would not increase the debt.

Mayor Jordan wanted to talk about using the new Town Hall as a public space. Mayor Jordan further wanted to discuss new uses of the building, such as Boy Scouts and others to use as a public building.

Brian Roberson reported that there were serious security issues associated with the current building but went on to state that these items would have to be discussed in Executive Session if the Council chose to do so. There was discussion relating to whether this building would be adequate for the future or whether we would outgrow it before we even occupied it. Alderman Connor discussed his concerns about whether the building was enough space and that the cost was not necessarily his concern as much as he was concerned about the space being adequate. Alderman Connor stated

that \$2.1M is a lot and he had sticker shock when he saw it, but he really is concerned that the building is not enough for now, much less the future. Brian Roberson explained how conversations with developers will result in negotiation points that could ultimately lead to additional locations if the Town does indeed outgrow the Town Hall facility. There was further discussion regarding the developer negotiations that resulted in a new fire station being building north of Providence Village.

Alderman Inman moved to approve an award of the sealed bid contract for construction service with BBD Constructions, LLC and authorize the Town Manager to enter into the contract in an amount not to exceed \$2,106,797; Alderman Blue seconded.

Alderman Blue stated that he wanted to thank Mayor Jordan for his comments at the last meeting and for apologizing for coming across harsh and making the Council members stop and review and establish their positions on the matter. Alderman Blue further stated that during the last two weeks he has been looking at many things. Instead of arguing the cost, we need to discuss whether we need the building. The cost is the cost. Alderman Blue stated that he checked with other engineers, who were not involved in the deal and totally unbiased, and the cost is what it is, and it is not unreasonable. He also learned that the longer we wait, the more it will cost, and we have already spent money that we cannot get back for the design of the building. Alderman Blue also stated that it is amazing that we can pay cash for the building and not incur any debt in building same. He further stated that he would hate to have to take out a bond to building a building in the future, especially when we can build it now.

Mayor Jordan further discussed EDC Committee and his concerns regarding forgetting about economic development and how Providence Village will be a better place.

Alderman Connor spoke and stated that he and Brian Roberson had passionate conversations regarding this matter and further stated that we are unique, especially with our ability to not incur debt for a Town Hall. However, he is concerned that the current plan is not enough. He further discussion having a library, and to do so, it is going to cost a lot of money. He did state that he doesn't believe that this Town is ready to take on a library in the next 5 years but is hopeful it will be a consideration in the future. Alderman Connor further stated that he struggled with the cost and the cost is the cost and related the cost issue to buying tires – you are quoted a price for the tires, you must decide whether you want to buy new tires or go down the road and by used tires. He would really like to see a two-story option but does not believe it is feasible.

Alderman Inman stated that she was frustrated because there was a lot of misinformation stated at the last meeting. Alderman Inman stated that she is in support of moving forward with the Town Hall building and felt she did her due diligence and she too has spent the last two weeks looking to see what she might have missed. She stated that she is a lifer in Providence Village and does not want to incur debt. Alderman Inman stated that the building will give us a space to keep everyone safe for at least 20 years and if we do outgrow the facility, there are options available.

Mayor Jordan stated that he is concerned that the project will overrun the cost but did agree that the contract provided by our Town Attorney was much tighter than he realized. Brian Roberson did point out that the only way the project can go over budget is if the Town Council approves same.

Mayor Jordan called the motion to a vote. Motion carried: 4 in favor, 0 opposed.

- e. Discuss legal and administrative status involving condemnation proceedings and appraisal for a public utility easement on DCAD Property ID's 699640, 38118 and 147912.

To be discussed in Executive Session.

Alderman Connor moved to close Town Council Regular Session and convene into Executive Session; Alderman Blue seconded. Motion carried: 4 in favor, 0 opposed.

Mayor Jordan closed Regular Session and convened into Executive Session at 10:35 p.m.

VIII. EXECUTIVE SESSION

The Town Council will convene into executive session pursuant to Texas Government Code Section 551.071, Consultation with Attorney, to seek the advice of the Town Attorney or other legal counsel concerning pending or contemplated litigation, or a settlement offer; 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. Legal and administrative status involving condemnation proceedings and appraisal for a public utility easement on DCAD Property ID's 699640, 38118 and 147912;

Mayor Jordan closed Executive Session and reconvened into Regular Session at 10:51 p.m.

IX. RECONVENE INTO OPEN SESSION

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

No action taken.

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

1. Annexations
2. Tax Rate and Budget Public Hearings

X. ADJOURNMENT

Alderman Blue moved to adjourn; Alderman Connor seconded. Motion carried: 4 in favor, 0 opposed.

Mayor Jordan adjourned the meeting at 10:54 p.m.



Michael Jordan, Mayor

09/04/2018

Date Minutes Approved



Connie S. Hansen, TRMC
Town Secretary

9/4/18

Date Minutes Approved

