

**TOWN OF TROPHY CLUB**  
**TOWN COUNCIL REGULAR SESSION MINUTES**  
**TUESDAY, AUGUST 13, 2019, 7:00 P.M.**  
**LOCATION: 1 TROPHY WOOD DRIVE, TROPHY CLUB, TEXAS**  
**COUNCIL CHAMBERS**

The Town Council of the Town of Trophy Club, Texas, met in a Regular Session on Tuesday, August 13, 2019. The meeting was held within the boundaries of the Town and was open to the public.

**TOWN COUNCIL MEMBERS PRESENT:**

C. Nick Sanders	Mayor
Eric Jensen	Mayor Pro Tem, Place 2
Alicia L. Fleury	Council Member, Place 1
Sean Bone	Council Member, Place 3
Michael Geraci	Council Member, Place 5
Philip Shoffner	Council Member, Place 6

**STAFF PRESENT:**

Wade Carroll	Interim Town Manager	James Edwards	Human Resources Manager
David Dodd	Town Attorney	Ernest Gillespie	Senior Account
Holly Fimbres	Town Secretary/RMO	Tony Jaramillo	Director of Parks and Recreation
Patrick Arata	Police Chief	Jill Lind	Communications and Marketing Manager
Paul Brandon	Code Enforcement Officer	Mike Pastor	Information Services Manager
Gary Cochran	Interim Fire Chief	Tommy Uzee	Director of Community Development
Cheryl Davenport	Interim Director of Finance	Steve Woodard	Police Captain
Sharon David	Records Analyst		

Mayor Sanders announced the date of August 13, 2019, called the Town Council to order and announced a quorum at 7:00 p.m.

The Invocation was offered by Reverend Edlen Cowley with Fellowship United Methodist Church.

The Pledges to the American Flag and Texas Flag were led by Council Member Bone.

**CITIZEN PRESENTATIONS**

*This is an opportunity for citizens to address the Council on any matter whether or not it is posted on the agenda. The Council is not permitted to take action on or discuss any presentations made to the Council at this time concerning an item not listed on the agenda. The Council will hear presentations on specific agenda items prior to the Council addressing those items. You may speak up to four (4) minutes or the time limit determined by the Mayor or presiding officer. To speak during this item, you must complete the Speaker's form that includes the topic(s) of your statement. Topics of presentation should be limited to matters over which the Council has authority.*

Dee Baron, 58 Cypress Court, spoke concerning a stormwater issue located at Indian Creek Drive and the entrance at Hogan's Glen due from the Town Center development. He distributed a DVD to each Council Member that he stated had eight video segments taken after a heavy rain storm that shows large amounts of silt and sediment going into the Town's stormwater drainage and flows into Hogan's Glen community, depositing into their ponds. The issue continues to worsen with the construction progression of the Town Center. For over a year, the Town Center's stormwater pollution prevention plan continues to fail. Their ponds were typically eight to 10 feet deep, but currently they were extremely shallow due to sediment. It has been estimated that approximately 10 feet of sediment has accumulated in their larger pond, which could result in a cleanup cost of up to half a million. The first complaint was filed with the Texas Commission on Environmental Quality (TCEQ) after the first rain storm in June 2018. Since then, numerous complaints have been filed with the TCEQ and the Town. He questioned if possible mistakes were performed in the calculations during the Stormwater Drainage Plan for the Town Center. The Town has an ordinance relating to stormwater runoff and erosion control and he did not believe that some items had been properly enforced. He commented that the hotel and townhome sites have been graded for four

to five months, which has caused some of the erosion. He commented that those types of issues needed to be stabilized within two weeks of being found. Additionally, he suggested that a leadership committee be formed and tasked with finding a solution to resolve this issue.

Kathi Spiewak, 6 Brook Hollow Lane, stated she has resided in Trophy Club for over 24 years, with her backyard sharing property lines with the PD-30 development along the creek bed. In 2014, the Beck Development of PD-30 began with site grading and it continues to have stormwater and silt run off, despite the silt barriers that were currently in place. Since then, debris continues to accumulate in the creeks, tree vegetation has lost soil bedding, and creek banks have been washing away. In October 2018, she filed a formal complaint with the TCEQ regarding the erosion of storm damage. After the inspection, citations were issued to the Town and Beck Development for lack of proper inspection and procedures for complaints and follow-up, along with inadequate storm damage control on Beck Development's part. Some of the problems have been addressed but the stormwater and silt runoff continue to be an issue. Hogan's Glen has already had the silt runoff removed once. In March 2019, she requested another TCEQ inspection, after the silt barriers had been completely removed. After the inspection, silt barriers were reinstalled and since then a retaining wall has since been constructed. She previously contacted the Mayor and Director of Community Development Uzee about what was being done to clean up the construction erosion and debris removal in the creek, but she has not been given an answer on a plan.

Larry Mundy, 8 Brook Hollow Lane, stated the stormwater issue was going to worsen as the PD-30 development continued to be covered with concrete because it would not absorb the water. There were trees that have been in existence for decades that were dying due to erosion and tree root exposure, which was not directly from PD-30 development. Some of their trees were leaning at an angle of up to 30 to 40 degrees and they have had to trim some of the trees to keep them balanced. Tree limbs have fallen across the creek, along with other materials, that have created dams. Some of the dams were in excess of 18 inches tall and have stagnant water stored around them, which has caused extreme mosquito breeding. This issue needed to be addressed before the situation worsened and the creek needed to be cleaned before the PD-30 development was complete.

## **ANNOUNCEMENTS AND REPORTS**

### **1. Receive Interim Town Manager Carroll's update and provide input regarding the following (W. Carroll):**

- **Back to School** – Staff has worked diligently to ensure that the first day of school would be successful with school zone safety flasher and crosswalk inspections, sidewalk replacement on Lakeshore Drive, crossing guard training, as well as wound care and emergency response training for Northwest Independent School District staff. The Police Department would ensure adequate staffing to help assist on the first day of school to aid in traffic control.
- **Community Pool** – Would be closed the week of August 19th through August 23rd, with the exception of the splash pad, and the pool would be closing for the season on September 3rd.
- **Early Voting** – Would begin on August 21st and run through September 3rd for the September 7th Special Election for Council Member Place 4.

Council Member Fleury invited residents to attend the Meet the Bobcats event to be held on August 14th, at 5:00 p.m., at Byron Nelson High School.

## **CONSENT AGENDA**

*All matters listed as Consent Agenda are considered to be routine by the Town Council and will be enacted by one motion. There will not be a separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.*

### **2. Consider and take appropriate action regarding an Election Agreement and Contract between the Town of Trophy Club and Tarrant County Elections for administration of the Town's September 7, 2019 Special Election; and authorize the Mayor or his designee to execute all necessary documents (W. Carroll).**

### **3. Consider and take appropriate action regarding an Election Agreement and Contract between the Town of Trophy Club and Denton County Elections for administration of the Town's September 7, 2019 Special Election; and authorize the Mayor or his designee to execute all necessary documents (W. Carroll).**

4. **Consider and take appropriate action regarding an Amendment to the Interlocal Agreement between the Town and Northwest Independent School District for School Resource Officer services for Fiscal Year 2019-2020; and authorizing the Mayor or his designee to execute all necessary documents (W. Carroll).**
5. **Consider and take appropriate action regarding a Resolution of the Town Council approving an amendment to the ICMA 457 retirement plan to permit loans; and providing an effective date (W. Carroll).**

**Motion:**

Motion made by Mayor Pro Tem Jensen, seconded by Council Member Geraci, to approve Consent Agenda Items No. 2 through No. 5.

**Motion carried unanimously 6-0-0.**

**REGULAR SESSION**

6. **Consider and take appropriate action regarding a Proclamation of the Town Council recognizing September 2019 as Blood Cancer Awareness Month in Trophy Club; and providing an effective date (Mayor Sanders).**

Council Member Fleury read the proclamation into the record.

**Motion:**

Motion made by Council Member Fleury, seconded by Mayor Sanders, to approve Proclamation No. 2019-18, recognizing September 2019 as Blood Cancer Awareness Month in Trophy Club, and providing an effective date of August 13, 2019.

**Motion carried unanimously 6-0-0.**

Mayor Sanders presented Khloe Brandon with a proclamation. She was accompanied by her father, Code Enforcement Officer Paul Brandon, and her mother, Nicole, to accept the proclamation.

Mayor Sanders presented Haylie Geraci with a proclamation. She was accompanied by her mother, Melissa, to accept the proclamation.

Mayor Sanders presented Dr. Tiffany Simms-Waldrup, with Children's Health, with a proclamation.

Council Member Fleury encouraged the community to donate blood because there was always a need for it.

Council Member Geraci thanked Dr. Simms-Waldrup for her dedication and for the wonderful service that she provides to her patients when faced with difficulties each day. He recognized Khloe and his daughter, Haylie, the lessons they have learned through challenges at such an early age and he encouraged them to remember what was important in life, which was faith, family, and inner strength.

**PUBLIC HEARING**

7. **Conduct a Public Hearing regarding the Trophy Club Crime Control and Prevention District (CCPD) Budget for Fiscal Year 2020, submitted to the Town Council by the CCPD Board (W. Carroll).**

Mayor Sanders opened the public hearing at 7:32 p.m.

There were no individuals that wished to speak regarding this item.

Mayor Sanders closed the public hearing at 7:32 p.m.

## 8. Discussion of and take appropriate action regarding the Fiscal Year 2020 Budget (W. Carroll).

Interim Town Manager Carroll presented the highlights of the General Fund Budget for Fiscal Year 2020. He acknowledged that there was a slight change from the July 23, 2019 presentation in the strategy to fund Capital Replacement items. The Fiscal Year 2020 budgetary goals included: providing property tax relief through the recently adopted Residential Homestead Property Tax Exemption; present a budget where expenditures did not exceed revenues, excluding Capital Equipment Replacement, while maintaining current service levels; and, maintaining an interest and sinking (I&S) tax rate of \$0.11 per \$100 of valuation.

The Fiscal Year 2020 Budget was below the effective tax rate and the rollback tax rate. State law did not require a public hearing for the Council to pass the tax rate or the budget when the budget presented was below the effective tax rate. The Town's Charter did require a single public hearing for the budget. The proposed budget maintains last year's tax rate of \$0.446442 per \$100 valuation.

Total Fiscal Year 2020 revenues were estimated to be approximately \$11,281,000 and the total expenditures, minus Capital Replacement items, was expected to be \$11,207,000. The transfer to the Capital Replacement Fund was \$542,639. Staff previously recommended taking out tax notes to cover the cost of Capital Replacement purchases in Fiscal Years 2020 and 2021. After further examination of the health of the General Fund balance and consideration of the passing of Senate Bill 2, this assessment brought forth the recommendation to pay cash for Capital Replacement expenditures. This would allow the ability to take out tax notes next year, if required to increase the I&S tax rate and decrease the maintenance and operations (M&O) tax rate. The decrease to the fund balance was approximately \$376,964. The ending General Fund balance was projected to be \$4.7 million, which was 40.9 percent of the Fiscal Year 2020 expenditures. The Capital Replacement items included: an EMS Lifepak 15 Cardiac Monitor; two fleet vehicles; three mowers; two ATV's for the Park's daily operations; and the resurfacing of the competition and kiddie pools.

Mayor Pro Tem Jensen inquired where the Fire Marshal's vehicle would be budgeted. Interim Town Manager Carroll corrected his prior comment and stated that there would be three vehicles purchased through the Capital Replacement, which included a vehicle for the Parks Department, a vehicle for the Streets Department, and the Fire Marshal's vehicle.

Interim Town Manager Carroll continued with the Fiscal Year 2020 Revenues and stated they had increased by \$165,594 compared to the Fiscal Year 2019 year end estimates. Property Tax revenue was slightly higher by 2.5 percent due to the newly adopted Residential Homestead Property Tax Exemption and Denton County values coming in lower than projected, with some values not included because they were being contested. Sales Tax revenue increased this year; however the Town realized decreases in other revenue sources, yielding a 1.5 percent increase in the overall total.

Mayor Sanders inquired about the Intergovernmental line item. Interim Town Manager Carroll responded that the Town receives funds from the Trophy Club Municipal Utility District (TCMUD) No. 1 to run the Fire Department. Since the Town was the administrator of the Fire Department, the Town charges the TCMUD No. 1 for these services.

Council Member Shoffner questioned the increase in the Investment Income line item from the Fiscal Year 2019 budgeted amount of \$45,000 and the Fiscal Year 2019 estimate of \$165,000. Interim Director of Finance Davenport responded that last year's budget was severely under budget and the Town has already collected approximately \$165,000 for 2019.

Interim Town Manager Carroll remarked that there has been an increase in the fund balance growth because revenues had been underestimated and expenditures had been overestimated. He continued with the Fiscal Year 2020 proposed Expenditures and stated that compared to the Fiscal Year 2019 estimate, the total expenditures have only increased by \$194,089. This number was a little misleading because the previous Town Manager's payout was included in the 2019 estimate. Without including the payout, the total expenditures rose by \$446,128. Services and Supplies increased by \$94,961 and Capital expenditures increased by \$53,000.

Discussion took place that the budget presentation reflected some changes from what was presented in the agenda packet.

Mayor Sanders inquired about the 108 percent increase in the Administrative Services proposed Services and Supplies. Interim Town Manager Carroll explained that \$50,000 had been added to perform a Compensation and Classification Study.

Council Member Shoffner recommended that the Town perform an internal compensation study based on other municipalities who have this information to share and save \$50,000. Mayor Sanders was in agreement but added that in some instances the Town has different classifications compared to other municipalities.

Interim Town Manager Carroll commented that the advantage of hiring someone to perform the study was that an outside consultant would take a look at the individual job descriptions and exhibit a broader range compared to larger cities, while keeping in mind the uniqueness of Trophy Club, such as size, location, amenities, and higher expectations. Human Resources could internally handle the salary survey portion to help reduce the overall cost of the survey.

Council Member Shoffner remarked that a similar survey was performed in 2012 and very little of it was followed, and he believed that it was at a higher cost. He suggested that Staff conduct as much internally and present the results to Council.

Mayor Pro Tem Jensen agreed with the removal of the \$50,000 for the Compensation and Classification Study.

Mayor Sanders pointed out there were no full-time equivalent (FTE) positions being added to the budget.

Mayor Pro Tem Jensen inquired if any part-time equivalent (PTE) positions were being added to the budget. Interim Town Manager Carroll responded that there are no additional funds being spent for PTE's but there was a specific set of funding in the different departments for PTE, such as Parks and Fire, and was used until the funds were depleted.

Council Member Shoffner questioned why there was an increase in the Finance and Municipal Court line items for Services and Supplies in the Fiscal Year 2019 estimate. Interim Director of Finance Davenport responded that in both cases, they were offset figures because she was an interim employee for both departments and she was paid as contract labor versus salary.

Interim Town Manager Carroll reviewed the Fiscal Year 2020 proposed Personnel costs and reiterated that there was an increase of \$446,128 compared to last year's beginning budget. This was due to mid-year hires that occurred in 2019, but next year's budget would realize the full weight of the salaries.

Mayor Pro Tem Jensen asked if the theory behind hiring was to always fill any vacant position because it was open or was it being evaluated if there was a true need to fill that particular position. Interim Town Manager Carroll responded that the original staff model was developed based on the work that was required to be performed. He provided an example that in the Parks and Police Departments, they have realized a decrease in staffing but their overtime expenses increased due to the work demand.

Mayor Pro Tem Jensen agreed that it was more cost effective to have a full-time position than to fund a large amount for overtime.

Interim Town Manager Carroll continued and stated that \$150,000 was added to the budget for merit increases and there was an approximate five percent increase in health insurance cost.

Council Member Geraci asked for clarification on the increase in the Unemployment Taxes and Worker's Compensation line items within the Fiscal Year 2020 proposed Personnel and Benefits. Interim Town Manager Carroll responded that regarding the Worker's Compensation, State Legislature identified several kinds of cancers that were deemed work related for the Fire and Police Departments, which has increased the rates for these

specific positions.

Interim Director of Finance Davenport stated that every other year the Unemployment Taxes fluctuates between a three and two percent increase. She commented that she would examine the fluctuating rates that have occurred over the years.

Mayor Sanders explained that an experience modifier gets applied and helps determine how the rates were set. The State applies the modifier, which was an adjustment of an employer's premium for worker's compensation coverage based on the losses the insurer has experienced from that employer.

Council Member Geraci asked if there was anything the Town could do to help mitigate the Worker's Compensation rate, such as additional training or different types of gear for first responders. Interim Town Manager Carroll responded there would not be on the Fire and Police Departments side to help decrease this rate since it was State mandated but he would confirm with the Town's insurance carrier.

Mayor Sanders was in agreeance with Council Member Geraci's recommendation to review the rates with the insurance carrier regarding the safety measures previously implemented to assist in the reduction of the Worker's Compensation rate.

Mayor Sanders inquired about the increase in Manager's Office line item in the Fiscal Year 2019 estimate within Personnel and Benefits. Interim Town Manager Carroll responded that the increase was due to the previous Town Manager's payout and the hiring of a new Town Manager position with benefits.

Interim Town Manager Carroll continued and advised that the Fiscal Year 2020 beginning fund balance was expected to be \$5.1 million. The net revenues, expenditures, and transfers were projected to decrease the fund balance by \$376,964.

Mayor Pro Tem Jensen commented that the Capital Replacement fund was not developed to come out of the fund balance. Interim Town Manager Carroll confirmed this was correct but a revenue source had never been designated for Capital Replacement items and the only revenue source currently was from the General Fund.

Mayor Pro Tem Jensen recommended looking into funding the Capital Replacement budget without lowering the fund balance.

Discussion took place that utilizing the fund balance would not be an ongoing funding mechanism for Capital Replacement items, but this tactic assisted with delaying issuing a tax note. Funding sources did need to be identified though for the outgoing years for Capital Replacement.

Council Member Shoffner recommended that each department appropriately budget Capital Replacement items that were specific to their area, that would be designated to the Capital Replacement budget.

Mayor Sanders inquired about the philosophy and direction given to Staff when putting together the proposed budget. Interim Town Manager Carroll stated that the direction was given to Staff to present a budget where expenditures did not exceed revenues, excluding Capital Equipment Replacement, while maintaining current service levels. He and Interim Finance Director Davenport wanted to provide a budget to present to Council that had the most accurate estimates for revenues and expenditures, which resulted in last minute changes.

Mayor Sanders applauded Interim Director of Finance Davenport on performing an excellent job and working long hours to help with the budget presentation.

Council Member Shoffner asked for a line item detail for the entire budget. Interim Director of Finance Davenport reported this information would be available online soon at [www.opengov.com](http://www.opengov.com), as the spreadsheet was being updated to match what was presented.



Interim Town Manager Carroll thanked the Council for their patience with the last minute changes in making sure the most accurate budget was presented.

Council Member Shoffner thanked Staff for their hard work and efforts in preparing the budget.

**No action was taken on this item.**

**9. Consider and take appropriate action regarding a record vote on a not-to-exceed Fiscal Year 2020 Ad Valorem Tax Rate and to schedule two public hearings to meet the Truth in Taxation requirements and/or as required by the Charter and related matters (W. Carroll).**

Mayor Sanders advised that the Town was not required to hold two public hearings since the proposed tax rate of \$0.446442 per \$100 valuation was below the effective and rollback tax rates. The Town Charter required one public hearing specific to the proposed budget.

Council Member Shoffner recommended holding at least one public hearing in order for the Council to provide ample opportunity for the residents to speak.

**Motion:**

Motion made by Mayor Pro Tem Jensen, seconded by Council Member Fleury, to set a not-to-exceed rate of \$0.446442 per \$100 valuation for the Fiscal Year 2020 Ad Valorem Tax Rate.

**Roll call vote:**

Mayor C. Nick Sanders	Yes
Mayor Pro Tem Eric Jensen	Yea
Council Member Alicia Fleury	Yea
Council Member Sean Bone	Yea
Council Member Michael Geraci	Yea
Council Member Philip Shoffner	Yea

**Motion carried unanimously 6-0-0.**

**10. Discussion of items for Future Agendas to include agenda items for consideration on the August 27, 2019 Council agenda and items from the Town Council Future Agenda Items list (W. Carroll).**

Mayor Sanders advised that the Neighborhood Meeting to discuss the proposed Replat of 1 Palmetto Court, Case RP-19-001 (Section 1, Lots 12R-1 and 12R-2) would be held on August 14, 2019 at 6:30 p.m.

Interim Town Manager Carroll added that he and Town Planner Payne would be leading the meeting.

Mayor Sanders inquired if Staff would be ready to provide an update by the August 27, 2019 Council meeting related to Item No. 5 from the Town Council Future Agenda Items list: Discussion of and take appropriate action to have the Interim Town Manager prioritize an investigation of the use of turf fields at Independence Park along with a cost benefit analysis & review offering a payback program between the Town and TCR Youth Baseball Association. (Geraci & Shoffner 5/28/2019).

Council Member Geraci commented that additional time would be needed for this item.

Mayor Sanders asked for an update regarding Item No. 4 from the Town Council Future Agenda Items list: Discussion of the creation of a Charter Review Commission in accordance with Section 11.15 of the Town Charter, the Council shall appoint a Charter Review Commission at intervals of not more than seven (7) years. (Jensen 4/23/2019) (1-July 23, 2019) (2-October 22, 2019)

Town Secretary Fimbres advised that currently nine individuals submitted an application to possibly serve on the Charter Review Commission.

Discussion took place that there was a total of nine seats and that each Council Member appoints one member to serve on the Charter Review Commission, and the remaining members would be appointed by vote of the Council.

Town Attorney Dodd remarked that the Charter did not identify the application process but the Council had the ability to appoint someone who did not apply.

Town Secretary Fimbres commented that appointments were scheduled to be made at the September 24, 2019 Council meeting.

Council Member Shoffner noted that the Charter Review Commission would have a Council Liaison and Staff Liaison.

#### **EXECUTIVE SESSION**

**11. Pursuant to the following designated section of the Texas Government Code, Annotated, Chapter 551 (Texas Open Meetings Act), the Council convened into executive session to discuss the following:**

**A) Section 551.071 Consultation with Attorney under Subsection (2) to consult with the Town Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, specifically:**

**1) Cause No. 19-6232-393 John Artuso v. Town of Trophy Club (W. Carroll)**

**2) Contract Issues, Procedures, and Enforcement (W. Carroll)**

**B) Section 551.072 Deliberation regarding Real Property to discuss or 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:**

**North of State Highway 114, east of Trophy Club Drive and west of Town limits (Mayor Pro Tem Jensen and Council Member Shoffner)**

**C) Section 551.074 Personnel Matters under Subsection (1) to discuss or deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee:**

**Town Manager position (W. Carroll)**

***CONVENED INTO EXECUTIVE SESSION - START TIME – 8:40 P.M.***

***RECONVENED INTO REGULAR SESSION - START TIME – 10:00 P.M.***

**12. Consider and take appropriate action regarding the Executive Session (W. Carroll).**

**No action was taken on this item.**

#### **ADJOURNMENT**

Mayor Sanders adjourned the meeting at 10:00 p.m.

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Holly Fimbres, Town Secretary  
Town of Trophy Club, Texas

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C. Nick Sanders, Mayor  
Town of Trophy Club, Texas