



Lucas City Newsletter

August, 2007

newsletter@lucastexas.us

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City Council

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City Administrator

Charles Fenner
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STRAIGHT TALK FROM THE MAYOR

The campaign is over, and it's now time to deliver on the promises. I made a commitment to work hard to improve our water delivery system and roads, and I intend to do just that. One of my main goals is to solidify our relationships with other entities, such as Collin County and NTMWD, so that our residents may benefit to the fullest from the services these entities provide. I have always had strong working relationships with county officials at all levels, and I will continue to strengthen those bonds to our benefit.

One of the challenges facing us in the immediate future is the hiring of a new City Administrator. I am happy to say we have received resumes from a number of well qualified applicants, and will shortly begin the interviewing process. The Council and I are fully committed to hiring the best possible person for this important role.

Perhaps the most important issue facing us in the long term is the passage of a Home Rule Charter. We are at a stage in our growth that makes it imperative that we have the greater control over our future that Home Rule status would give us. Of these controls, the power to annex is likely the most important. We are in the process of taking applications from residents who are willing to serve on this important commission, and hope to have them appointed and ready to begin work by October.

I am committed to being responsive to our residents. As I promised during my campaign, I am accessible to any resident at any time. If you have a question or concern, I may be reached at 469-628-3094.

HOME RULE CHARTER PROCESS TO BEGIN

Following a "Meet and Greet" function for interested residents on Monday, July 30, City Council will begin the process of assembling a new Home Rule Charter Commission to begin working again on this important issue. By state law, we will need a minimum of 15 members. Please consider serving on this most important commission. It is vital to our future that we continue to pursue this important step in our City's growth. If unable to attend the meeting on July 30, please contact the Mayor or any Councilmember for more information about this issue. It is the goal to have the commission seated in September to begin work in October. This will be necessary if a proposed charter is to be on the May, 2008 ballot.

Meeting Schedule

All meetings begin at 7:00 in the City Annex unless otherwise specified.

City Council Regular

Thurs., Aug. 2

Planning & Zoning

Thurs., Aug. 9

City Council Workshop

Thurs., Aug. 16

Parks & Open Space

TBD

Municipal Court

Wed., Aug. 22 , 5:30 PM

CITY WORKS

During the City Council meeting of July 19, Councilmembers voted to approve an ordinance authorizing issuance of Certificates of Obligation in the amount of \$5,000,000. Those of you who are “finance savvy” or who are familiar with municipal funding strategies will know exactly what this means. What about the rest of us who have heard the term “bond election”, or “bond issuance” but don’t fully understand what these terms mean? This subject can be very complicated, and a complete explanation certainly would take more space than this forum allows. The following is only the most basic explanation.

Although technically not bonds, Certificates of Obligation (CO’s) are one form of long term borrowing that are often commonly lumped under the more generic term “municipal bonds”. COs are issued by a state, city, or other local government, or their agencies to raise funds for costly projects and improvements that cannot be paid for out of current revenues. The issuer (in this case, the City of Lucas), receives a cash payment (\$5,000,000 for the recent one) in exchange for a promise to repay over time (20 years for this one) the investors (bond or CO holder) who provide the cash payment. In return for this upfront investment of capital, the bond (CO) holder receives payments over this time period composed of interest on the invested principal, and a return of the invested principal itself. In the case of this recent CO, the City is required to make repayments of the principal according to a agreed upon annual schedule. This principal repayment is due February 1 of each year for the next 20 (twenty) years beginning in 2008.

Additionally, the City is required to make interest payments semiannually on February 1 and August 1 of each year. The interest rate on this certificate is 4.25%.

Municipal bonds (or COs) are attractive to investors mainly due to one feature, their federal tax exempt status. The interest income provided is generally exempt from all federal taxes (subject to certain restrictions). In order to secure this tax exempt status, the bond (CO) money obtained by the issuer (City of Lucas) must be for certain generally stated purposes. In the case of this recent issue, the stated purposes are as follows: (1) Constructing street improvements (including utilities repair, replacement, and relocation) and drainage incidental thereto, (2) constructing, acquiring, purchasing, renovating, equipping,

enlarging, and improving the City’s utility system, (3) the purchase of materials, supplies, equipment, machinery, land, rights-of-way for authorized needs and purposes relating to street improvements and utility system improvements, and (4) payment of professional services related to the construction and financing of the aforementioned projects.

In order to issue a CO or bond, the issuer must make certain specified promises of how they intend to obtain the funds necessary to repay the bond or CO. In this case, the City of Lucas pledged repayment from both assessments (property taxes) and revenues (water system/utility income).

Unlike certain other types of municipal bonds, COs do not require voter approval. The City is required to post legal notice of their intent to issue the certificates, which the City of Lucas did. An election is necessary only if a petition signed by five (5)% of qualified voters is presented. As the time period during which such a petition could be presented passed with no protest, the ordinance to issue the Certificate of Obligation was approved by Council on July 19.

As stated before, this is a very basic explanation of a complicated document. It is our hope that it helps our residents be more informed about our city finances.



“NATIONAL NIGHT OUT” TUESDAY, AUGUST 7

This is just a reminder that Tuesday, Aug., 7 is our day to let criminals know that we can and will fight back! This campaign involves citizens, law enforcement agencies, civic groups, business, and neighborhood organizations in anti-crime and anti-drug initiatives and awareness.

This year the City of Lucas and the Lucas Volunteer Fire Department are hosting an open house at the Fire Station as part of the Business Crime Watch initiative. The open house will be from 10:00am until 3:00pm. Child identification and emergency management kits will be available, as well as fingerprinting of children, upon request. Hot dogs and refreshments will be served from 11:00am-1:00pm.

There will also be information available on how to become a volunteer firefighter with LVFD.

If your neighborhood is sponsoring a crime watch block party or other event, we urge you to attend and get involved in the fight against crime and drugs.

JULY CITY COUNCIL ACTIONS

July 5, 2007 City Council Regular Meeting

- Council moved to support Blackland Prairie Raptor Center.
- Approved an Ordinance amending the Code of Ordinances by amending Chapter 14, "Zoning", by amending Sections 14.04.211 Prohibition Against Exploration and Production in Residential, Commercial, and Village Center Districts, by amending Subsection (a) by adding Number (9) to provide for "AO" Agricultural district, and Number (10) to provide for "OS" Open Space Districts; by amending Subsection (b) by repealing the "AO" Agricultural Districts and the "OS" Open Space Districts. **Ordinance # 2007-07-00592.**
- Approved an Ordinance amending the Code of Ordinances by amending Chapter 10, "Subdivisions", Article 10.03 amending Section 10.03.005 "Definitions" by adding a definition for "PLAN FOR DEVELOPMENT". **Ordinance #2007-07-00593.**
- Approved Special Use Permit for 6.88 acres located at 2005 Estates Pkwy by Grace Evangelical Free Church for expanded use of their Church grounds to include a school, gym, expanded sanctuary and administration offices. **Ordinance #2007-07-00594.**
- Approved amendment to Ordinance #2005-12-00542 of the City of Lucas' Code of Ordinances by amending Chapter 1, General Provisions; Division 3, City Secretary regarding the duties and appointment of the City Secretary. **Ordinance # 2007-07-00597**
- Approved amendment to City Administrator Charles Fenner's contract providing for a termination date of October 5, 2007.
- Approved preliminary plat for applicant Byron McCollum of McCollum & Associates for a residential development consisting of 25.01 acres situated in the Gabe Fitzhugh Survey Abstract No. 318, in Collin County, TX generally located at 1295 W. Forest Grove Rd. (The Creeks of Forest Grove).
- Approved preliminary plat for applicant Shawn Bradley for a residential development consisting of 27.191 acres situated in the Gabe Fitzhugh Survey Abstract No. 318, in Collin County, TX generally located at 1390 W. Forest Grove Road (Bradley Tract).
- Approved resolution for Collin County Grant regarding park improvements. Resolution # R-2007-07-00298.

July 19, 2007 Workshop Meeting

- Approved an ordinance authorizing the issuance of "City of Lucas, Texas Combination Tax and Limited Pledge Revenue

Certificates of Obligation, Series 2007"; providing for the payment of said certificates by the levy of an ad valorem tax upon all taxable property within the City and further securing said certificates by a lien on and pledge of the pledged revenues of the system; providing the terms and conditions of said certificates and resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said certificates; authorizing the execution of a paying agent/registrar agreement and a purchase and investment letter; complying with the requirements of the letter of representations with the depository trust company. **Ordinance # 2007-007-00598.**

- Appointed Mark Hinkley as alternate commissioner for the Planning & Zoning Commission.
- Established date and location for Lucas Parade (Founders' Day) event to be held on October 13 on City Hall/Fire Station/City Annex property.



WATER UPDATE

Effective July 3, North Texas Municipal Water District terminated their Stage 3 *Drought Contingency Plan*, and moved to the *Water Conservation Plan*. This plan is in place any time that NTMWD is not operating within its *Drought Contingency Plan*. All water management strategies are voluntary in this status.

As a result of this transition, the City of Lucas has also gone to *Conservation* status. This means that the restrictions imposed by the Stage 3 *Drought Contingency Plan* are no longer in effect. One exception is that the water usage surcharge for excessive water usage (over 25,000 gallons per month) is still in effect.

The City is fully committed to a proactive water conservation stance, and all residents are strongly urged to continue with meaningful conservation measures. Two of these measures are especially important. First, we strongly urge you **not** to water between 10:00am and 6:00pm. Due to evaporation, significant amounts of water are wasted when watering is done in the heat of the day.

Second, be mindful of wasteful water use. Don't let water run down sidewalks and driveways. Determine your lawn and landscaping water needs and water only those needs. Over watering is wasteful, and can actually harm your landscaping in the long term.

Although the drought is over, if we don't develop good conservation habits, our future water supply may be in jeopardy.



HERE COMES THE PARADE!

The City of Lucas will be having its annual Country Parade and Founders Day celebration on Saturday, October 13. Last year was the first time a parade was held in conjunction with the long celebrated Founders Day event, and it was a rousing success. This year promises to be even better. One of the really fun events to be held this year will be a "Stick Horse Rodeo" for all the kids.

As at previous celebrations, food and drink will be provided for everyone who attends, and it is the plan to once again invite all the area churches and schools to participate.

City Council is in the process of designating a chairperson for this event. If you are willing to volunteer in any capacity, please contact City Hall by either phone (972) 727-8999 or email (kwingo@lucastexas.us).

The parade will begin and end at the area around City Hall and the Fire Station. This is also where the other activities will be held.

In the September newsletter, we will give you a full update on this event, including the name of the chairperson, parade participation information, etc.

COLLIN COUNTY GRANT APPLIED FOR

Upon the recommendation of the City of Lucas Parks and Open Space Board, the City has applied for a matching funds grant from Collin County. This initiative, the Project Funding Assistance Program, was established by a bond election in 2003, and is open to municipalities and non-profits in Collin County. The grants are intended to foster development and improvements in parks and open space within the county. A previous grant awarded to Lucas was used to build the new pavilion, as well as other improvements, at the Lucas Community Park.

Park dedication fees collected from developers will be used to match the grant funds, if awarded. We applied for a grant of \$80,000, and plan to use the total amount of \$160,000 (grant plus our matching funds) to add new features to the Community Park, such as a paved walking trail around the perimeter of the park, new handicap parking and access, additional bleachers, soccer fields, and other improvements to this facility.

The grant awards will be announced in October. The Collin County Parks Foundation Advisory board administers this program.

CITY OF LUCAS
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LUCAS, TEXAS 75002

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