



**City of Lucas  
City Council Meeting  
August 1, 2019  
7:00 P.M.**

**City Hall - 665 Country Club Road – Lucas Texas**

**MINUTES**

**Call to Order**

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Mayor Olk called the meeting to order at 7:00 p.m.

**City Councilmembers Present:**

Mayor Jim Olk  
Mayor Pro Tem Kathleen Peele  
Councilmember Wayne Millsap  
Councilmember Tim Baney  
Councilmember Steve Duke  
Councilmember Debbie Fisher  
Councilmember Philip Lawrence

**Staff Present:**

City Manager Joni Clarke  
City Secretary Stacy Henderson  
City Attorney Julie Doshier  
Development Services Director Joe Hilbourn  
City Engineer Stanton Foerster  
Finance Director Liz Exum

Mayor Olk determined that a quorum was present. Everyone was reminded to silence their cell phones and the Pledge of Allegiance was recited.

**Citizen Input**

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**1. Citizen Input.**

Alec Morris, 1229 Highland Drive, Lucas, discussed reevaluating the City's Thoroughfare Plan connecting a corridor from Southview to Angel Parkway via Highland Drive. Mr. Morris requested consideration be given to removing the portion of the plan that connects Highland Drive to Lewis that would create traffic concerns through the neighborhood.

Steve Cleary, 1501 Bella Rae, Lucas, asked that the trees on Snider Lane be trimmed as they were hanging low over the street hitting his RV.

Mayor Olk stated that he would have staff contact both residents regarding their concerns.

**Community Interest**

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**2. Items of Community Interest.**

Mayor Olk discussed the following items of Community Interest:

- The Parks Board is establishing a farmers market, any interested volunteers could contact City Manager Joni Clarke.
- The City Council will hold a drainage workshop with the Planning and Zoning Commission at their September 12, 2019 meeting.

- The Technology Committee needs more speed test data to create a comprehensive working map of the City. To take the speed test go to speedtest.lucastexas.us.
- The Public Lands Trail Cleanup event is scheduled for Saturday, September 21 from 9 am to 1 pm, focusing on the Brockdale Park and Highland Park trailheads. Registration deadline is September 13.

## Consent Agenda

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### 3. Consent Agenda.

- A. Approval of the minutes of the July 18, 2019 City Council meeting.
- B. Approval of the City of Lucas Investment Report for quarter ending June 30, 2019.

Councilmember Fisher asked that Agenda Item 3A be removed from the Consent Agenda to be discussed separately.

**MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Lawrence to approve the Consent Agenda as amended. The motion passed unanimously by a 7 to 0 vote.

### 3A. Approval of the minutes of the July 18, 2019 City Council meeting.

Councilmember Fisher noted that on page 2, paragraph 1, the date should be changed to September 16 rather than September 12 as noted for the trip scheduled to Mont Belvieu, Texas.

**MOTION:** A motion was made by Councilmember Fisher, seconded by Councilmember Duke to approve the minutes as amended. The motion passed unanimously by a 7 to 0 vote.

## Public Hearing Agenda

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### 4. Public Hearing Agenda:

- 4A. Public hearing to consider adopting Ordinance 2019-08-00895 for a specific use permit to allow a kitchen and food preparation area in an accessory building with habitable space for the property located at 1345 Snider Lane, Abstract A0477 TD James Survey, Tract 80, on behalf of property owners Dan and Julie Rembold.

Development Services Director Joe Hilbourn stated that the applicant was requesting a specific use permit to allow a food preparation area within an accessory building under construction. Mr. Hilbourn noted that the property contains 29 acres and is zoned Agricultural. The Planning and Zoning Commission recommended unanimously to approve the request.

Councilmember Fisher asked why the applicant did not replat the property.

Mr. Hilbourn stated that should the applicant subdivide their property; they would be required to meet subdivision regulations and would not be able to provide adequate street frontage for most of the property.

Mayor Olk opened the public hearing at 7:16 pm.

Julie Rembold, 1345 Snider, stated that they were requesting the specific use permit for their accessory structure as it would be used as a residence for her parents.

There being no one else wishing to speak, the public hearing was closed at 7:17 pm.

**MOTION:** A motion was made by Commissioner Baney, seconded by Commissioner Lawrence to adopt Ordinance 2019-08-00895 approving a specific use permit to allow a kitchen and food preparation area in an accessory structure with habitable space for the property located at 1345 Snider Lane. The motion passed by a 4 to 3 vote with Mayor Pro Tem Peele and Councilmembers Duke and Fisher voting in opposition.

**4B. Public hearing to consider adopting Ordinance 2019-08-00896 for a special use permit for a minor automotive repair shop and used car sales in a Commercial zoning district for the property located at 995 West Lucas Road, Abstract A0538 Jas Lovelady Survey, Tract 14, being 2.25 acres.**

Development Services Director Joe Hilbourn stated that the applicant applied for a special use permit for a minor automotive repair shop and a used car sales lot. At the Planning and Zoning Commission meeting, the applicant requested that used car sales be removed from consideration of his application. Mr. Hilbourn stated that the lot is zoned Commercial and minor automotive repair with state vehicle inspections as an accessory use fits the area. However, there are three other similar type businesses in the immediate area. The Planning and Zoning Commission voted to approve the special use permit by a 4 to 1 vote.

Mr. Hilbourn stated that the applicant has not complied with city regulations due to a boat that has been parked at the property for sale. The applicant was notified at the Planning and Zoning meeting that used boat sales was not an allowable use for the property.

Mayor Olk asked if the ordinance allowed for outside storage of vehicles. Mr. Hilbourn stated that it did not allow for that use.

The Council discussed with Mr. Hilbourn the difference between minor automotive repair and automotive repair. Mr. Hilbourn explained that it was based on the type of automotive work being done and equipment used.

Mr. Hussein stated that the boat belonged to a neighbor that asked if it could be parked in that location, he was unaware it was a violation. Mr. Hussein stated that he would be conducting vehicle inspections and oil changes.

Mayor Olk opened the public hearing at 7:26 pm, there was no one from the audience wanting to speak. Mayor Olk read an email received from Cindy Thompson, 185 Stinson Road that was in favor of the request as long as it did not include auto sales.

Mayor Olk closed the public hearing at 7:28 pm.

Mayor Pro Tem Peele stated that this business would be better suited in a Light Industrial zoning district, as opposed to a busy intersection. Mayor Pro Tem Peele stated that she was not in favor of allowing another automotive repair business as this location.

**MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Fisher to deny the special use permit request for a minor automotive repair facility for the property located at 995 West Lucas Road. The motion to deny passed by a 6 to 1 vote with Councilmember Lawrence abstaining.

## Regular Agenda

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5. **Consider the prioritization of the repair/replacement plans associated with the Stinson Road culvert, Snider Lane culvert, and Winningkoff Road bridge regarding the impact and costs associated with flooding, debris removal, and stability of the culverts/bridge; and to establish use of proposed General Fund Unrestricted Reserves and/or proceeds from the proposed 2019 Certificates of Obligation for said repair/replacement plans.**

Chris Meszler with Lakes Engineering briefed the Council on the bridge inspection reports for the Stinson Road culvert, Snider Lane culvert and Winningkoff Road bridge. He discussed the rating system of 1 to 9 with 9 being rated the best. He also discussed differences between functionally obsolete, meaning the bridge no longer meets certain criteria based on lane or shoulder width, and structurally deficient, meaning structural elements were not as strong.

Mr. Meszler reviewed the results of the bridge report and noted the following:

- Stinson Culvert
  - Structurally deficient and functionally obsolete
  - Overall rating – 5
- Snider Culvert
  - Functionally obsolete
  - Overall rating – 6
- Winningkoff Bridge
  - Overall rating – 6

Roger Stevens, 1177 Stinson Road, asked that the area underneath the bridge be widened to allow for a more water to pass through rather than spending additional funds on reconstructing the bridge.

City Engineer Stanton Foerster noted that staff had closed the Stinson Road bridge seven times within the last six years due to flooding. Mr. Foerster discussed the amount of staff time and cost that had been used when having to close the bridge and remove debris from the area to deter flooding. Mr. Foerster recommend focusing improvements to Snider Lane bridge first, then moving to the Stinson Road bridge.

The City Council discussed the Stinson Road bridge rating, which was rated the lowest amongst the bridges in the study, and funding allocation that had been discussed.

Mayor Olk noted that he would be in favor of funding the design for the two culverts and then determine which culvert needed to be repaired first.

Councilmember Fisher, Baney and Mayor Pro Tem Peele stated that the Stinson Road culvert was a priority over the Snider Lane culvert due to the rating designation between the two bridges.

**MOTION:** A motion was made by Mayor Olk, seconded by Councilmember Duke to use funds from the unrestricted general fund for repairs to the Winningkoff bridge in an amount not to exceed \$100,000. The motion passed unanimously by a 7 to 0 vote.

**MOTION:** A motion was made by Mayor Olk, seconded by Councilmember Fisher to fund the design for the Snider Lane and Stinson Road culverts from the 2019 Certificates of Obligation. The motion passed unanimously by a 7 to 0 vote.

6. **Consideration and approval of Ordinance 2019-08-00894 authorizing the issuance of “City of Lucas, Texas combination tax and limited pledge revenue certificates of Obligation, series 2019”; 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, including the approval and distribution of an official statement pertaining thereto; authorizing the execution of a paying agent/registrars agreement and an official bid form; complying with the requirements of the letter of representations previously executed with the depository trust company; authorizing the execution of any necessary engagement agreements with the City’s financial advisors and/or bond counsel; and providing an effective date.**

Mark McLiney, with SAMCO Financial stated at the June 20, 2019 City Council meeting, Certificates of Obligation were approved in an amount not to exceed \$9,000,000. Because of the City’s AA+ financial rating, they were able to receive a 2.34 percent interest rate on the Certificates of Obligation. Mr. McLiney stated that he recommends awarding the Certificates of Obligation to The Baker Group.

**MOTION:** A motion was made by Councilmember Millsap, seconded by Councilmember Duke to adopt Ordinance 2019-08-00894 Certificates of Obligation Series 2019 to fund \$1,450,000 priority water fund projects and \$7,550,000 general fund roadway and bridge projects. The motion passed unanimously by a 7 to 0 vote.

7. **Consider authorizing the City Manager to enter into a license agreement with Angela Himmelreich for the use of a 60-foot by 1,320-foot right-of-way dedication to the south of her property at 2515 Orr Road.**

belongs to the City of Lucas and is in place for a future roadway connecting West Forest Grove Road to Orr Road. Dedicating the entire right-of-way to Mrs. Himmelreich would land lock Block 1, a single lot, part of the Stonegate subdivision and selling the property would require the City to obtain an appraisal for the value of the property.

Mr. Hilbourn noted that Staff has received some concerns from property owners to the south in Lucas Creek Estates, and also comments of support from property owners to the east of the Himmelreich's lot. Staff recommends contacting adjoining property owners in Lucas Creek Estates Lots 1 through 6, Block A and should they not be opposed, enter into a license agreement with the Himmelreich's.

Mayor Olk noted that he did not want to give up the right of way but, would consider a lease or license agreement with a clause for the City to reclaim the right of way if needed.

The Council discussed trees being planted in the right of way and how this could be detrimental should the City need to reclaim the right of way in the future and the trees have to be removed.

Justin Himmelreich stated that they would comply with whatever stipulations the Council deemed appropriate related to trees or shrubs being planted in the right of way and stated that they could plant privacy shrubs in another location.

The Council discussed shrubbery being planted in the right of way, but no trees given the right of way may have to be reclaimed in the future.

The Council was in agreement to have the City Attorney prepare a license agreement for the use of a 25-foot right of way on the property at 2515 Orr Road with a termination clause allowing the property owners six months to find other means of access to the property. The license agreement would be filed and recorded with Collin County.

There was no formal action taken on this item.

**8. Consider the following budget items:**

- A) Discuss the FY 2019-2020 Proposed Budget.**
- B) Amend the FY 2018-2019 budget to address shortfalls in water revenue.**

Finance Director Liz Exum discussed with the Council amendments made to the FY 19/20 budget that included changes to the property tax revenue reported, funds received from Seis Lagos, reduction in ambulance costs, and a reduction in costs associated with long-term disability.

Ms. Exum also noted that in order to offset a shortfall of \$790,000 in projected water revenue for FY 18/19 reductions in the General fund were proposed.

Councilmember Millsap stated that the utility fund had sufficient reserves to cover the shortfall and should be used over the general fund.

**MOTION:** A motion was made by Councilmember Millsap, seconded by Mayor Pro Tem Peele to adopt Ordinance 2019-08-00897 approving amendments to FY 18/19 budget excluding the payment in lieu of taxes (PILOT) transfer between the water fund and general fund. The motion passed unanimously by a 7 to 0 vote.

**9. Consider the proposed City of Lucas Property Tax Rate for Fiscal Year 2019-2020:**

- A) Discuss tax rate and take record vote for notice in the newspaper.**
- B) Schedule two public hearings for tax rate if exceeds effective rate.**

Ms. Exum stated that the City had received the effective and rollback calculations for the 2019-2020 tax year from the County Tax Assessor. Property tax options for Fiscal Year 2019-2020 proposed included:

1. Effective tax rate - \$0.297373 (\$.178672 M&O and \$.118701 Debt).
2. The maximum roll back tax rate \$0.333016 (\$.214315 M&O and \$.118701 Debt).
3. Existing tax rate - \$0.303216 (\$.184515 M&O and \$.118701 Debt).
4. Effective M&O rate plus new debt - \$0.317141 (\$.198440 M&O and \$.118701 Debt).

Councilmember Millsap discussed the option of pay as you go and proposed a 1.5 to 2 cent increase in order to enact that option and dedicate funds to capital reserves to pay for future projects. Councilmember Millsap discussed long term planning and current funding being set aside for capital projects was not adequate.

Mayor Olk stated that he was a proponent of pay as you go but needed to review strategies and ways the City could restructure debt without a rate increase.

The Council was not in favor of raising the tax rate at this time to set aside additional funds for capital projects.

**MOTION:** A motion was made by Councilmember Millsap to approve Option No. 4 of an effective M&O rate plus new debt creating a tax rate of \$0.317141. The motion failed for lack of a second.

**MOTION:** A motion was made by Mayor Olk, seconded by Councilmember Lawrence to approve Option No. 3, the existing tax rate of \$0.303216. The motion passed by a 6 to 1 vote with Councilmember Millsap voting in opposition.

**10. Update regarding establishing a Farmers Market in the City of Lucas.**

Councilmember Baney updated the Council on the establishment of a farmers market noting that a subcommittee had been formed that included Parks Board members Debra Guillemaud and Chris Vanhorn. Their first meeting was held July 30 with a good volunteer turnout. The committee is considering holding several farmers markets in October and/or November of this year to gage interest and other action items needed.

There was no formal action taken on this item, it was for discussion purposes only.

## Executive Session Agenda

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11. Pursuant to Section 551.071 of the Texas Government Code, the City Council will convene into Executive Session to consult with the City Attorney regarding lawsuit styled City of McAllen, et. Al. v State of Texas, Cause No. D-1-GN-17-004766 in the 353<sup>rd</sup> Judicial District Court, Travis County, Texas.

The City Council convened into Executive Session at 9:06 pm.

12. Reconvene from Executive Session and take any action necessary as a result of the Executive Session.

The City Council reconvened from Executive Session at 9:20 pm and took the following action:

**MOTION:** A motion was made by Councilmember Duke, seconded by Councilmember Lawrence to authorize the City's Attorneys in the lawsuit styled City of McAllen, et al vs. State of Texas to amend the lawsuit to include a challenge to the constitutionality of Senate Bill 1152 enacted by the 86<sup>th</sup> regular session of the Texas legislature.

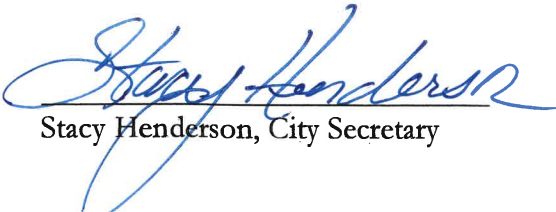
13. Adjournment.

**MOTION:** A motion was made by Councilmember Millsap seconded by Mayor Olk to adjourn the meeting at 9:20 pm. The motion passed unanimously by a 7 to 0 vote.

APPROVED:

  
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Mayor Jim Olk

ATTEST:

  
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Stacy Henderson, City Secretary

