

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 10th day of January 2019 the City Council of the City of Corinth, Texas met in Special Session at the Corinth City Hall at 7:00 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Sam Burke, Mayor Pro-Tem
Scott Garber, Council Member
Don Glockel, Council Member

Members Absent:

Lowell Johnson, Council Member
Tina Henderson, Council Member

Staff Members Present

Bob Hart, City Manager
Kimberly Pence, City Secretary
Brenton Copeland, Technology Services Assistant Manager
Helen-Eve Liebman, Planning and Development Director
Cody Collier, Public Works Director
Lee Ann Bunselmeyer, Finance and Administrative Services Director
Cindy Troyer, Purchasing agent
George Marshall, City Engineer
Ben Rodriquez, Planning and Development Manager
Brett Cast, Engineering Services Coordinator
Patricia Adams, Messer, Rockefeller, & Fort

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

"Honor the Texas Flag: I pledge allegiance to thee, Texas, one state under God, one and indivisible".

Mayor Heidemann called the meeting to order at 7:05 p.m. Councilmember Garber delivered the invocation and led in the Pledge of Allegiance.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

1. Consider and act on minutes from the November 15, 2018 Workshop Session.
2. Consider and act on minutes from the November 15, 2018 Regular Session.
3. Consider and act on minutes from the December 6, 2018 Regular Session.
4. Consider and act on minutes from the December 6, 2018 Workshop Session.

5. Review and approve the Investment Policy for the City of Corinth, Economic Development Corporation and Crime Control & Prevention District.

Item #5 was pulled from the Consent Agenda.

6. Consider approval for the purchase of rubber mulch fall zone material to install at all City maintained playground structures.
7. Consider and act on award of a bid for High Performance Epoxy Flooring for the Public Safety Complex & Fire House #3 to Chemical Coatings International, LLC in the amount of \$64,032.00 plus a ten percent contingency for unforeseen additional materials or labor that may arise during the installation; and authorize the City Manager to execute the contract.
8. Consider approval of Lake Sharon Drive and Dobbs Road Realignment Contract Amendment No. 1 with Birkhoff, Hendricks & Carter, L.L.P. in the amount not to exceed \$263,510.00 and authorize the City Manager to execute any necessary documents.
9. Consider and act on the Ratification of the Interlocal Agreement with Upper Trinity Regional Water District for the construction of the Lake Sharon Waterline.

MOTION made by Councilmember Glockel to approve the Consent Agenda as presented. Seconded by Councilmember Burke.

AYES: Burke, Garber, Glockel
NOES: None
ABSENT: Johnson, Henderson

MOTION CARRIED

CITIZEN'S COMMENTS

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

There were no Citizens Comments.

PUBLIC HEARING/BUSINESS:

10. **Conduct a Public Hearing to hear public opinion regarding the establishment of the Corinth PACE Program.**

Bob Hart, City Manager - the PACE Program is a program set up by the state and allows local governments to establish a PACE Program that enables commercial, industrial, agricultural, nonprofit, and multi-family property owners to voluntarily tie the obligation to repay the cost of energy and water efficiency improvements to their property with a property assessment. The PACE program is a voluntary tool that enables business owners to use its land value as part of the equity to pay for eligible water and/or energy conservation

improvements with the savings generated by taking advantage of affordable, long-term financing provided by private capital providers. The property assessment eliminates the current barriers to investment in maintaining property and allows the obligation to stay with the property and transfer to subsequent owners. There is no exposure or liability to the city but provides a tool for economic development improvements to existing buildings. This is a water conservation and an energy efficiency measure.

The state created this program about 2 years ago and a lot of communities are using this to encourage economic development and re-investment within the community.

Mayor Heidemann opened the Public Hearing at 7:15 p.m. No one spoke. Mayor Heidemann closed the Public Hearing at 7:15 p.m.

BUSINESS AGENDA:

- 11. Consider and act on a Resolution establishing the City of Corinth Property Assessed Clean Energy Program (“City of Corinth PACE”) and providing for an effective date.

Bob Hart, City Manager - this is the Resolution adopting the PACE Program with the effective date for tonight.

Councilmember Glockel - I don't know enough about this. I read it and it is confusing and there are several places where it talks about the City getting involved if the lender defaults. It also talks about the City will maintain and continue the assessment for the benefit of such lenders and re-enforce the assessment, lien or the benefit of the lender in the event of a default by the owner so I would think we would be involved a little bit.

Bob Hart, City Manager - there will be some things that will come back but it will be more of an administrative function.

MOTION made by Councilmember Garber to approve the Resolution establishing the City of Corinth Property Assessed Clean Energy Program (“City of Corinth PACE”) effective this evening. Seconded by Councilmember Burke.

AYES: Burke, Garber, Glockel
NOES: None
ABSENT: Johnson, Henderson

MOTION CARRIED

- 12. Consider and act on a Resolution allowing the City Manager to enter into a Professional Services Agreement By and Between the City of Corinth, Texas and the Texas Property Assessed Clean Energy Authority (PACE) and providing for an effective date.

MOTION made by Councilmember Burke to approve a Resolution allowing the City Manager to enter into a Professional Services Agreement By and Between the City of Corinth, Texas and the Texas Property Assessed Clean Energy Authority (PACE) and providing for an effective date. Seconded by Councilmember Glockel.

AYES: Burke, Garber, Glockel
NOES: None

ABSENT: Johnson, Henderson

MOTION CARRIED

13. Consider and act on an Ordinance establishing and implementing a program to charge mitigation rates for the deployment of emergency and non-emergency services by the Fire Department for services provided/rendered by the Lake Cities Fire Department.

Bob Hart, City Manager - The City has used Fire Recovery, a California based company, to bill insurance companies for services rendered during emergency responses. Most insurance policies contain language specifying coverage for automobile accident and emergency incident services. By not billing, the individual is essentially paying for the service twice, once in their taxes and again in their premiums. They are simply leaving it to the local level government to determine if it is something they want to pursue. If a local government decides to bill to recover costs, they can pass an ordinance and it effectively becomes legal in that area.

Fire Recovery has been billing in Texas for over 10 years and have over 150 Texas clients. Texas state law supports department billing if they are part of: an emergency district, a home rule city, or a type A general law city.

MOTION made by Councilmember Garber to approve the Ordinance establishing and implementing a program to charge mitigation rates for the deployment of emergency and non-emergency services by the Fire Department for services provided/rendered by the Lake Cities Fire Department. Seconded by Councilmember Glockel.

AYES: Burke, Garber, Glockel
NOES: None
ABSENT: Johnson, Henderson

MOTION CARRIED

14. Consider and act on a Resolution approving a Chapter 380 Economic Development Incentive Agreement between the City of Corinth, Texas and Corinth Economic Development Corporation and B.M.A.J., Inc. to locate and operate a hotel within the City.

Jason Alexander, Economic Development Corporation Director - The Corinth Economic Development Corporation (the "CEDC") Board of Directors met in Special Session on December 10, 2019 to consider and provide a recommendation to the City Council on a request from B.M.A.J., Inc. (the "Applicant") for economic development incentives pursuant to Chapter 380 of the Texas Local Government Code.

As proposed, the Chapter 380 Economic Development Incentive Agreement would incentivize the location and operation of the hotel, Motel 6 by rebating 50 percent of the City of Corinth's (the "City") and the CEDC's portion of sales and use tax revenues generated from the addition of personal property (e.g., construction materials, equipment, fixtures, furniture and other personal property used in connection with the operation of the hotel that is not for resale). Said rebate would be provided to the Applicant at the end of every calendar quarter, with the first quarter commencing on April 1, 2019 and ending on June 30, 2019 in exchange for compliance with the following, among other terms and conditions in the agreement:

- To operate the hotel as a Motel 6 franchise or a brand of equal or superior quality subject to the

advance written approval of the City and the CEDC.

•To create and retain at least five (5) persons in Jobs (as defined in the economic development incentive agreement) on or before January 31, 2021. In addition, the Applicant will endeavor to give hiring preference to residents of the City and the surrounding communities.

Representing a collaborative effort among the City, the CEDC and the Applicant, the proposed agreement would introduce another revenue stream for the City, the CEDC and special sales and use tax funds if approved.

The term of the proposed agreement would last for approximately ten (10) years, and provide the Applicant with an opportunity to earn rebated sales and uses tax revenues generated from the addition of personal property on the site for a maximum of 39 calendar quarters.

The proposed economic development incentive agreement was presented to the CEDC Board of Directors during a Special Session on December 10, 2018. Staff recommended that the Board of Directors make a positive recommendation to the City Council. The Board of Directors voted with four (4) in favor and one (1) against of providing an affirmative recommendation to the City Council.

MOTION made by Councilmember Garber a Resolution approving a Chapter 380 Economic Development Incentive Agreement between the City of Corinth, Texas and Corinth Economic Development Corporation and B.M.A.J., Inc. to locate and operate a hotel within the City. Seconded by Councilmember Glockel.

AYES: Burke, Garber, Glockel
NOES: None
ABSENT: Johnson, Henderson

MOTION CARRIED

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

Councilmember Burke - appreciate the work that has been done on Lynchburg Creek and the speed in which it is coming together. If the grant is not approved this year, it has always been my thought that we might try to combine some water control with some kind of public feature park or something that could enhance our development potential especially along the 35 Corridor. My thoughts are if we can combine those things we might have dollars available through the Economic Development Corporation and other resources.

Councilmember Garber - would like to echo Councilman Burke's thoughts. Especially the way Lynchburg Creek was handled. Mr. Marshall did a great job and I saw a lot of smiles and happy people and did not expect to see that this early in the project so thank you.

Councilmember Glockel - I do appreciate the staff and their effort on that and it looks like we are going to get Lake Sharon going again and that is great. Thank you.

Mayor Heidemann - I would like to thank staff, you work so well together and it is a team effort and everybody is accomplishing a lot.

There was no Closed Session during the Special Session meeting.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas Government Code.

Section 551.071, (1) Private consultation with its attorney to see advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

Council met in Closed Session from 6:30 p.m. until 6:55 p.m. during the Workshop meeting.

A. MCM Contract for Lake Sharon Roadway Extension.

Section 551.074, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not, pursuant to Section 551.071 of the Texas Government Code, Consultation with City Attorney.

RECONVENE IN OPEN SESSION - In accordance with Texas Government Code, Chapter 551 the City Council will reconvene into Special Session to consider action, if any, on matters discussed in Executive Session.

15. Consider and act on an MCM Agreed Termination and Release for Lake Sharon Project.

No Action Taken.

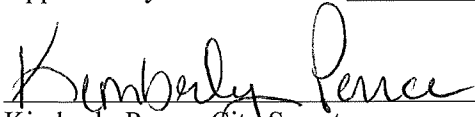
ADJOURN:

Mayor Heidemann adjourned the meeting at 7:30 P.M.

AYES: All

Meeting adjourned.

Approved by Council on the 7 day of February 2019.



Kimberly Pence, City Secretary
City of Corinth, Texas