



CITY COUNCIL
City of McLendon-Chisholm, Texas
August 9, 2016
Minutes

City Council Present:	Nathan Hodges	Mayor
	Jerry Klutts	Council Member
	Wayne Orchard	Council Member
	Robert Steinhagen	Council Member
City Council Absent	Gary Lovell	Mayor Pro Tem (excused)
	Patrick Short	Council Member (excused)
Staff Present:	David Butler	City Administrator
	Stephanie Galanides	City Secretary

Mayor Hodges called the meeting to order and led the recitation of the Pledges of Allegiance to the United States and Texas flags at 6:32 p.m. Steinhagen delivered the invocation.

CITIZENS COMMENTS.

Gary Nickel, 612 Kentwood Road, requested that the Council give careful consideration to the future water supply for the City.

Presentation and discussion regarding Triple Creek Project.

City Attorney David Paschall presented background and answered questions regarding the Triple Creek Planned Development (PD) zoning district consisting of 1867 lots to be built on approximately 409 of the development's 1583 acres, approved in 2006, and the associated development agreement, approved in 2007. Items discussed included project chronology, dormant status, associated Public Improvement District (PID) and Municipal Management District (MMD) provisions and governance, development agreement requirement that the planned golf course be under construction prior to issuance of permits for residential permits and development agreement provisions for donations of land that did not occur because the prospective developer did not take ownership of the property.

Presentation and discussion regarding Sonoma Public Improvement District (PID).

Paschall provided a project chronology for the Sonoma PID and introductions of the assembled panel. Financial Advisor Boyd London of First Southwest, Sonoma Verde PID Administrator Abdi Yassin of MuniCap and Bond Counsel Leroy Grawunder of McCall, Parkhurst, & Horton LLP presented information and answered questions regarding the Sonoma PID. Developer Russell Phillips and Project Engineer Chris Cuny participated in the discussion. In response to questions from the Council, the panel confirmed that sophisticated private investors who assume all financial risk for the development, fund the bonds issued to finance the project, and that citizens whose property falls outside of Sonoma Verde shall bear no burden to repay the bonds as all of it comes directly from lot owners within the development as part of an assessment, which includes a monthly maintenance fee (currently \$62 per month per lot owner) to support the Public Improvement District (PID) that is governed by the city (administered by MuniCap) for long-term maintenance of the development's infrastructure, which can be increased at the city council's discretion. The panel does not believe that it is possible for the city to use or borrow from the funds in the maintenance account, an account where all proceeds are designated exclusively for Sonoma Verde maintenance. The panel assured Mayor Hodges that the maintenance fund should have enough money to make repairs

whenever that becomes necessary. Mr. Phillips commented that while the original plan was to develop Sonoma Verde in seven phases, demand for new homes will likely result in a full build-out in just five phases. Mr. Phillips also informed the council that they are about to submit Assessment Plan for Phase 1C because that has not been assessed yet, which may result in an increase in the monthly assessment, which will impact all phases of development. Councilman Orchard requested that Mr. Phillips work with homebuilders to ensure that homebuyers receive full disclosure of all monthly and annual fees that accompany the property at or before closing. Mr. Phillips commented that Phases 1B and 1C are close to being ready to be handed over to the city. Councilman Steinhagen requested that Mr. Phillips provide the council with an updated phase map delineating sub-phases (1A, 1B, etc.) with dates and projections for when the phases were/will be transferred to the governance of the city. Yassin provided information regarding the annual service plan update that will be presented to Council on August 23.

The Mayor recessed the meeting at 8:08 p.m. Hodges re-convened the meeting at 8:16 p.m.

Discussion regarding mosquito control.

There was discussion regarding mosquito control. Due to the predominance of large lots and setbacks and the overall rural nature of the City, the consensus of the Council was that public education regarding prevention of exposure and ways to eliminate places mosquitos breed was the preferred approach to mosquito control. Information from the Texas Department of Health and Human Services was distributed at the meeting and will be made available at City Hall and on the City's website and Facebook pages.

Discussion regarding internet connections.

The item regarding internet connections will be rescheduled.

Receive update regarding website and community communication.

Steve McClenny, 106 Paddock Lane presented information and answered questions regarding the benefits of using WordPress to expand, manage and maintain the City's website. Items discussed included website development, improved formatting and functionality, tracking abilities, enhanced features such as push notifications and community calendar and estimated costs of developing, hosting and maintaining the website.

Discussion and action regarding the Minutes of July 26 and August 1, 2016.

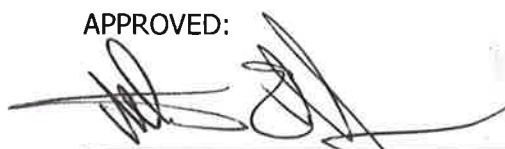
MOTION: APPROVE THE MINUTES OF JULY 26 AND AUGUST 1, 2016.

MOTION MADE: STEINHAGEN
SECONDED: ORCHARD
APPROVED: UNANIMOUS (Absent: Lovell, Short)

MOTION: ADJOURN THE MEETING (8:53 P.M.).


MOTION MADE: ORCHARD
SECONDED: KLUTTS
APPROVED: UNANIMOUS

APPROVED:



Nathan E. Hodges, Mayor

ATTEST:



Stephanie Galanides, City Secretary

