



**CITY COUNCIL**  
**City of McLendon-Chisholm, Texas**  
**January 10, 2017**  
**Minutes**

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

Mayor Hodges called the meeting to order, led the recitation of the Pledges of Allegiance to the United States and Texas flags and delivered the invocation at 6:30 p.m.

**CITIZENS COMMENTS**

Osorio Mahmood, 621 Frontier Trail, expressed appreciation to the Council for their service. Mahmood asked if the City could assume ownership of the portion of Frontier Trail that is adjacent to and some of which is included in the Sonoma Verde property.

**Discussion and action regarding the Minutes of:**

- a) November 8, 2016;
- b) November 15, 2016; and
- c) December 13, 2016.

**MOTION: APPROVE THE MINUTES OF NOVEMBER 8, 2016 AS AMENDED AND DISTRIBUTED PRIOR TO THE MEETING AND APPROVE THE MINUTES OF NOVEMBER 15, 2016 AND DECEMBER 13, 2016.**

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

**Status update and discussion regarding Sonoma Public Improvement District (PID).**

City Attorney David Paschall and Financial Advisor Boyd London of First Southwest provided background and answered questions regarding the Sonoma Public Improvement District (PID) and future plans for issuance of bonds to fund the next phase of the development as provided for in the Sonoma Verde Development Agreement. Sonoma PID Administrator Abdi Yassin of MuniCap, Bond Counsel Leroy Grawunder of McCall, Parkhurst, & Horton LLP developers Russell Phillips and Joey Howell and Kirk Wilson, T. Wilson & Associates, Inc. were in attendance and participated in the discussion. Items discussed included method and options for payment of assessments. Yassin clarified that assessments consisted of a debt service component that can be prepaid with no penalty and an ongoing infrastructure maintenance component. Phillips provided information regarding planned improvements and amenities and answered questions regarding builders active in Sonoma Verde and which size lots each is building on and whether the distribution of lots sizes among builders could be varied in future phases so that building on smaller sized lots is not limited to one builder. Phillips stated that he was willing to discuss deeding property on Frontier Trail to the homeowners or the City. The developers stated that they would present a calendar and details regarding future proceedings and Council considerations at a future meeting.

**Discussion and action regarding provision of plan review and building inspection services.**

The Council discussed proposals for plan review and building inspection services submitted by Bureau Veritas and Lee Roberts Inspections. Dave Ellis answered questions regarding the revised proposal submitted by Lee Roberts Inspections that laid out three options; 1. Per inspection, 2.) Flat annual fee and 3.) Charge of 37% of all permits. Items discussed included qualifications, experience and capacity.

**MOTION: ENTER INTO AN AGREEMENT WITH LEE ROBERTS INSPECTIONS FOR PLAN REVIEW AND BUILDING INSPECTION SERVICES.**

MOTION MADE: STEINHAGEN

Steinhagen withdrew the motion to continue discussion regarding which of the options proposed by Lee Roberts Inspections was preferred. Discussion continued regarding the three options and specifically regarding re-inspection fees. The Council asked Ellis if he and Roberts were willing to eliminate re-inspection fees. Ellis stated that he would want to discuss with Roberts.

**MOTION: DEFER ACTION REGARDING PLAN REVIEW AND BUILDING INSPECTION SERVICES.**

MOTION MADE: STEINHAGEN

SECOND: ORCHARD

APPROVED: UNANIMOUS (Absent: Short)

**Discussion regarding Citizen Survey Input pertaining to sales tax rate and commercial/business development.**

Steinhagen presented results of the recently conducted Citizen Survey that pertained to the sales tax rate and business development. Steinhagen stated that respondents expressed support for an increase in the sales tax rate. Steinhagen expressed his opinion that the Council should consider calling a special election to increase the current sales tax rate of 7.75% by .05% at the January 24 meeting. Steinhagen continued and stated that survey results also indicated strong support for commercial development such as a grocery store, family-owned restaurants and dine-in restaurants and opposition to commercial development such as storage facilities, beer and wine stores and fast food restaurants.

**Discussion regarding Sales Tax Rate within the City.**

Staff presented information regarding state law requirements pertaining to increasing the sales tax rate within the City. The consensus of the Council was to direct staff to schedule consideration of a resolution calling a special election to increase the sales tax rate from the current 7.75% to 8.25% on the January 24 agenda.

There was discussion regarding posting and format of the Citizen Survey results on the City's website. Concerns regarding potentially offensive language in some of the comments. The consensus of the Council was to defer posting the full Survey results until language was reviewed. Staff was directed to post results without comments, if possible.

**Discussion and action regarding appointments to the Planning and Zoning Commission and Board of Adjustment.**

Orchard presented the proposed slate of appointments to the Planning and Zoning Commission and the Board of Adjustment. There was discussion regarding the proposed appointments.

**MOTION: MAKE BOARD AND COMMISSION APPOINTMENTS AS FOLLOWS:**

- 1.) REAPPOINT RHONDA DAVIS AND TERRELL MILLER TO THE PLANNING AND ZONING COMMISSION FOR TERMS THAT EXPIRE IN JANUARY 2018;
- 2.) REAPPOINT BRIAN McKINNEY AND APPOINT JASON LINSOTT AS ALTERNATES TO THE PLANNING AND ZONING COMMISSION FOR TERMS THAT EXPIRE IN JANUARY 2018;
- 3.) APPOINT JOHN BATSELL, ROBERT HERMANN AND SCOTT TURNBULL TO THE PLANNING AND ZONING COMMISSION FOR TERMS THAT EXPIRE IN JANUARY 2019;
- 4.) APPOINT NORMAN WILLIS AS AN ALTERNATE TO THE PLANNING AND ZONING COMMISSION FOR A TERM THAT EXPIRES IN JANUARY 2019;
- 5.) REAPPOINT CYNDI LORTON AND BEVERLY STIBBENS TO THE BOARD OF ADJUSTMENT FOR TERMS THAT EXPIRE IN JANUARY 2018;
- 6.) REAPPOINT HERB HARKER, FRANK FITE AND GARY NICKEL TO THE BOARD OF ADJUSTMENT FOR TERMS THAT EXPIRE IN JANUARY 2019; AND
- 7.) APPOINT JOE McCORMICK AS AN ALTERNATE TO THE BOARD OF ADJUSTMENT FOR A TERM THAT EXPIRES IN JANUARY 2018.

MOTION MADE: LOVELL  
SECONDED: KLUTTS  
APPROVED: UNANIMOUS (Absent: Short)

Staff was directed to notify the newly appointed board and commission members. A joint work session was scheduled for the January 24 meeting that will begin at 5:30 p.m.

**EXECUTIVE SESSION**

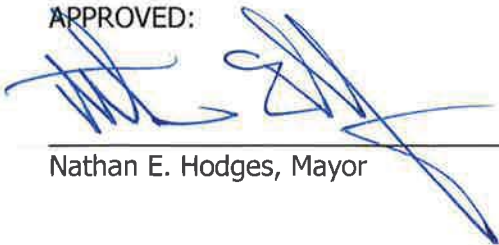
The Mayor recessed the meeting to go into Executive Session (Closed Meeting) in accordance with Government Code §551.071: Consultation with Attorney to conduct a private consultation with the City Attorney to seek advice about pending or contemplated litigation or on a matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, regarding Official Newspaper at 8:16 p.m. Hodges reconvened the meeting at 8:33 p.m. and stated that no action was taken in executive session.

Mayor Pro Tem Lovell shared compliments expressed by the City of Terrell Fire Chief regarding the McLendon-Chisholm Volunteer Fire Department response and actions during a recent mutual aid call.

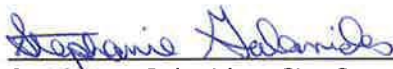
**MOTION: ADJOURN THE MEETING (8:34 P.M.).**

MOTION MADE: ORCHARD  
SECONDED: KLUTTS  
APPROVED: UNANIMOUS (Absent: Short)

APPROVED:

  
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Nathan E. Hodges, Mayor

ATTEST:

  
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Stephanie Galanides, City Secretary

