



City of Mesquite, Texas

Minutes - Final City Council

Monday, April 5, 2021

6:00 PM

City Hall | Council Chamber
757 N. Galloway Avenue | Mesquite, Texas

Present: Mayor Bruce Archer and Councilmembers Robert Miklos, Dan Aleman, Tandy Boroughs, Kenny Green, B. W. Smith and Sherry Wisdom, City Manager Cliff Keheley and City Secretary Sonja Land.

PRE-MEETING - TRAINING ROOMS A&B - 6:00 P.M.

AGENDA REVIEW

STAFF PRESENTATIONS

- 1 Receive briefing regarding the results of the Ameresco water meter audit and an overview of a possible automated metering upgrade project.

REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:08 P.M.

INVOCATION

Rev. Chad Flowers, Senior Pastor, Emmanuel Pentecostal Church, Mesquite, Texas.

PLEDGE OF ALLEGIANCE

City of Mesquite staff.

PRESENTATIONS

- 2 Receive presentation of 2021 Texas Recreation and Park Society (TRAPS) Lone Star Legacy Award for City Lake Park.

Elizabeth Harrell, Director of Parks and Recreation, stated that the Texas Recreation and Park Society (TRAPS) annually designates a park that holds special prominence in a local community and the State of Texas as a Lone Star Legacy Park. This designation is one of the highest honors that can be bestowed on a park in the State of Texas. The purpose of the designation is to recognize what a park means to a particular community. A Lone Star Legacy Park must be at least 50 years old, designated as a public park and meet at least one of the following criteria: represents distinctive design and/or construction, associated with historic events or sites, associated with events specific to the local community/state or home to unique natural features.

Ms. Harrell stated that construction on City Lake Park began in 1947 after the property was donated by N. E. Shands along with Anson and Raymond Holley. It

was the first property set aside in the community to be used for recreational purposes. Community leaders envisioned the park to be a central gathering point for the community due to its location just south of downtown Mesquite. The proposed plan for the park was six acres that included a lake, community building, picnic areas and a public swimming pool. As the population of Mesquite grew in the 1950s and 1960s, additional acreage was acquired, and a little league baseball field was added bringing the total park size to 12 acres. In 2018, with help from Historic Mesquite, Inc., the Texas Historical Commission honored City Lake Park with the designation of a certified historical site. In 2020, an additional acre was added for the construction of the Mesquite Veterans Memorial. Ms. Harrell stated that the original park design laid the foundation for a multi-use area that was intended to provide a variety of activities.

Ms. Harrell presented the 2021 TRAPS Lone Star Legacy Park Award for City Lake Park to Mayor Archer.

Mayor Archer expressed appreciation to Ms. Harrell and the Parks and Recreation Department for their dedication to our community. Mayor Archer stated that the Shands and Holley families are fixtures in our community's history and City Lake Park is their legacy.

SPECIAL ANNOUNCEMENTS

1. Mr. Aleman stated that the City will hold a virtual "Community Health Forum Series" on April 8, 2021, at 7:00 p.m., with a focus on minority health issues as part of National Minority Health Month. The panelists are provided by the National Minority Quality Forum, an educational organization dedicated to ensuring that high-risk racial and ethnic populations receive optimal health care.
2. Mr. Smith announced that he will host a District 5 neighborhood meeting on Saturday, April 10, 2021, at 10:00 a.m., at Rutherford Recreation Center, 900 Rutherford Drive. He invited residents to view the most recent district video on his District 5 Facebook page.
3. Mr. Boroughs announced that the City's Public Library System cardholders now have the option to pick-up and drop-off library materials at specific Parks and Recreation facilities, which includes printed books, audiobooks and movies. Library customers reserving items by phone or through the online catalog may request to receive and return their materials to Evans Recreation Center, Rutherford Recreation Center or Goodbar Senior Center.
4. Mr. Boroughs stated that this past weekend, he noticed many people enjoying our City parks and commended Director of Parks and Recreation Elizabeth Harrell and her staff for the work they do to make our parks a clean and attractive place for families to enjoy.
5. Mr. Miklos stated that the City is beginning the process to complete a Parks, Recreation and Open Space Master Plan, which will help the City plan for future growth. Citizens are invited to provide input at two virtual meetings on April 13, 2021, and April 22, 2021, at 6:30 p.m.
6. Mr. Green announced that he will host a District 2 neighborhood meeting on Friday, April 9, 2021, at 6:00 p.m., at Florence Recreation Center, 2501 Whitson Way, and encouraged residents to attend.
7. Ms. Wisdom stated that a District 1 neighborhood meeting is being planned for June 2021. Details will be available at a later date.
8. Ms. Wisdom encouraged citizens to enjoy many programs during April 2021 at the Mesquite Arts Center such as free art exhibitions, free outdoor concerts every Friday, performances by theatre groups on Fridays and Saturdays through April 25, 2021, and free "Tote-and-Go" activity kits for families to pick up and complete at home.
9. Mayor Archer stated that the City has launched a new "Clean City Initiative;" which includes more public education, regularly scheduled litter programs, stronger enforcement tools and new beautification projects. He encouraged citizens to participate in the April 24, 2021, Trash Bash event.

CONSENT AGENDA**Approval of the Consent Agenda**

Mr. Miklos requested a briefing regarding Consent Agenda Item No. 7.

Jeff Armstrong, Director of Planning and Development Services, stated that this item is for a new Interlocal Agreement with Kaufman County. The Texas Local Government Code requires cities and counties to have an agreement regarding which entity regulates subdivision platting for property located in the City's extraterritorial jurisdiction (ETJ). On April 1, 2002, Mesquite and Kaufman County entered into an agreement to comply with the State requirement. In 2020, Kaufman County initiated a new agreement to clarify responsibility, not only platting requirements, but also a number of other development regulations in Mesquite's ETJ.

Under the proposed agreement, the City of Mesquite will continue to maintain control over the subdivision process and related requirements. Kaufman County will retain control over most other development standards such as floodplain management, 911 addressing, on-site sewage and building permits. The City is pre-empted by the State from regulating most development regulations in the ETJ.

Mr. Green moved to approve the items on the Consent Agenda, as follows. Motion was seconded by Mr. Boroughs and approved unanimously.

- 3 Minutes of the regular City Council meeting held March 15, 2021.

Approved on the Consent Agenda.

- 4 A resolution authorizing the sale of tax-foreclosed property located at 1018 Irene Drive in Mesquite, Texas (the "Property"); accepting the offer from Jose R. Velasquez and Maria Velasquez (the "Purchasers") to purchase the Property; ratifying and approving the Offer and Purchase Agreement executed by the Purchasers setting forth the terms and conditions of the sale of the Property; and authorizing the City Manager to execute the quitclaim deed and all other necessary or requested documents to complete the closing and sale of the Property.

Approved on the Consent Agenda.

Resolution No. 13-2021, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE SALE OF TAX-FORECLOSED PROPERTY LOCATED AT 1018 IRENE DRIVE IN MESQUITE, TEXAS (THE "PROPERTY"); ACCEPTING THE OFFER FROM JOSE R. VELASQUEZ AND MARIA VELASQUEZ (THE "PURCHASERS") TO PURCHASE THE PROPERTY; RATIFYING AND APPROVING THE OFFER AND PURCHASE AGREEMENT EXECUTED BY THE PURCHASERS SETTING FORTH THE TERMS AND CONDITIONS OF THE SALE OF THE PROPERTY; AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE QUITCLAIM DEED AND ALL OTHER NECESSARY OR REQUESTED DOCUMENTS TO COMPLETE THE CLOSING AND SALE OF THE PROPERTY. (Resolution No. 13-2021 recorded in Resolution Book No. 62.)

- 5 A resolution authorizing publication of Notice of Intention to issue Certificates of Obligation, approving the preparation of a preliminary official statement and a notice of sale and providing for the effective date thereof.

Approved on the Consent Agenda.

Resolution No. 14-2021, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; APPROVING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND A NOTICE OF SALE; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF. (Resolution No. 14-2021 recorded in Resolution Book No. 62.)

- 6 Bid No. 2021-050 - Annual Landscaping and Property Preservation Maintenance for Environmental Code.
(Authorize the City Manager to finalize and execute a contract with A.J. Contracting LLC, in the amount of \$180,325.00. The term of this contract is for one year, with four additional one-year renewal options. The City Manager is authorized to exercise the renewal options, subject to annual appropriation of sufficient funds).

Approved on the Consent Agenda.

- 7 Authorize the Mayor to finalize and execute an Interlocal Agreement with Kaufman County regarding development authority in Mesquite's extraterritorial jurisdiction.

Approved on the Consent Agenda.

- 8 Authorize the City Manager to finalize and execute the necessary documents for the Data Exchange Request and Safeguard Plan with the Texas Workforce Commission in an amount not to exceed \$1,500.00.

Approved on the Consent Agenda.

- 9 Authorize the City Manager to finalize and execute Amendment No. 1 to the Lawson Road Tributary Sanitary Sewer and Drainage Improvements contract with Garver, LLC, for hydrologic and hydraulic analysis services, in the amount of \$70,486.00.

Approved on the Consent Agenda.

PUBLIC HEARINGS

- 10 Conduct a public hearing and consider an ordinance designating a contiguous geographic area consisting of approximately 251.8175 acres of land generally located south of East Scyene Road, west of the Mesquite Metro Airport, north of Berry Road and Newsom Road, and east of Smokey Mountain Trail in the City of Mesquite, Dallas County, Texas, located within the Corporate Limits of the City of Mesquite, Texas, as a Reinvestment Zone pursuant to Chapter 311 of the Texas Tax Code, to be known as Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station), describing the boundaries of the Zone, creating a Board of Directors for the Zone, establishing a tax increment fund for the Zone, containing findings related to the creation of the

Zone, providing a date for the termination of the Zone and providing that the Zone take effect immediately upon passage of the ordinance.

A public hearing was held designating a contiguous geographic area consisting of approximately 251.8175 acres of land generally located south of East Scyene Road, west of the Mesquite Metro Airport, north of Berry Road and Newsom Road, and east of Smokey Mountain Trail in the City of Mesquite, Dallas County, Texas, located within the Corporate Limits of the City of Mesquite, Texas, as a Reinvestment Zone pursuant to Chapter 311 of the Texas Tax Code, to be known as Reinvestment Zone Number Fourteen, City of Mesquite, Texas (Alcott Logistics Station).

Ted Chinn, Assistant City Manager, stated that the proposed ordinance creates the boundary of Reinvestment Zone Number Fourteen (Alcott Logistics Station). The City is in negotiations with two developers to construct Class A industrial buildings on mostly vacant and undeveloped land with the exception of St. Mary's Malankara Catholic Church of Dallas and temporary soccer practice fields. Mr. Chinn stated that planned public improvements include reconstructing East Glen Boulevard to the north with the truck traffic utilizing Scyene Road and relocating a water line. The remaining portion of East Glen Boulevard would be abandoned and sold to the developers. A preliminary reinvestment zone financing plan has been prepared that identifies \$11.4 million in proposed public improvements and the tax increment not yet determined. A notice of public hearing was published in the Daily Commercial Record newspaper on March 25, 2021.

No one appeared regarding the creation of the Alcott Logistics Station TIRZ.

Mr. Aleman moved to approve Ordinance No. 4853, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA CONSISTING OF APPROXIMATELY 251.8175 ACRES OF LAND GENERALLY LOCATED SOUTH OF EAST SCYENE ROAD, WEST OF THE MESQUITE METRO AIRPORT, NORTH OF BERRY ROAD AND NEWSOM ROAD, AND EAST OF SMOKEY MOUNTAIN TRAIL IN THE CITY OF MESQUITE, DALLAS COUNTY, TEXAS, LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF MESQUITE, TEXAS, AS A REINVESTMENT ZONE PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE, TO BE KNOWN AS REINVESTMENT ZONE NUMBER FOURTEEN, CITY OF MESQUITE, TEXAS (ALCOTT LOGISTICS STATION); DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE; ESTABLISHING A TAX INCREMENT FUND FOR THE ZONE; CONTAINING FINDINGS RELATED TO THE CREATION OF THE ZONE; PROVIDING A DATE FOR THE TERMINATION OF THE ZONE; PROVIDING THAT THE ZONE TAKE EFFECT IMMEDIATELY UPON PASSAGE OF THE ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE. Motion was seconded by Mr. Smith and approved unanimously. (Ordinance No. 4853 recorded in Ordinance Book No. 123.)

11

Conduct a public hearing and consider a resolution authorizing and creating the Solterra Public Improvement District (PID) to include approximately 1,424.398 acres of land generally located southwest of East Cartwright Road and both northwest and southeast of Faithon P. Lucas, Sr., Boulevard in the City of Mesquite, Dallas County, Texas, located within the Corporate Limits of the City of Mesquite, Texas, in accordance with Chapter 372 of the Texas Local Government Code, providing for related matters and providing an effective date.

A public hearing was held to consider a resolution authorizing and creating the Solterra Public Improvement District (PID) to include approximately 1,424.398 acres of land generally located southwest of East Cartwright Road and both northwest and southeast of Faithon P. Lucas, Sr., Boulevard in the City of Mesquite, Dallas County, Texas, located within the Corporate Limits of the City of Mesquite, Texas, in accordance with Chapter 372 of the Texas Local Government Code, providing for related matters and providing an effective date.

Ted Chinn, Assistant City Manager, stated that in October 2020 the City Council approved a development agreement with Huffines Communities to develop over 1,400 acres of undeveloped property formerly known as Lucas Farms. One of the provisions of the agreement requires the City to create a Public Improvement District (PID), which is a financing mechanism where the property owners within the district will be levied an assessment above the current tax rate to help pay for the public improvements for the development. PID bonds do not constitute an indebtedness or general obligation of the City but are special obligations of the City payable solely from the assessments on each property owner within the boundary of the PID. The development agreement caps the total PID bond authorization at \$295 million. Notice of the public hearing was published in the Daily Commercial Record newspaper on March 18, 2021.

Phillip Huffines, representing Huffines Communities, spoke in support of the proposed resolution.

No others appeared regarding the proposed resolution.

Mr. Aleman moved to approve Resolution No. 15-2021, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING AND CREATING THE SOLTERRA PUBLIC IMPROVEMENT DISTRICT TO INCLUDE APPROXIMATELY 1,424.398 ACRES OF LAND GENERALLY LOCATED SOUTHWEST OF EAST CARTWRIGHT ROAD AND BOTH NORTHWEST AND SOUTHEAST OF FAITHON P. LUCAS, SR., BOULEVARD IN THE CITY OF MESQUITE, DALLAS COUNTY, TEXAS, LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF MESQUITE, TEXAS, IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE. Motion was seconded by Mr. Smith and approved unanimously. (Resolution No. 15-2021 recorded in Resolution Book No. 62.)

12

A resolution setting a public hearing under Section 311.003 of the Texas Tax Code for the creation of a Tax Increment Reinvestment Zone (TIRZ) consisting of approximately 1,920 acres of land generally located southwest of East Cartwright Road and both northwest and southeast of Faithon P. Lucas, Sr., Boulevard in the City of Mesquite, Dallas County, Texas, located within the Corporate Limits of the City of Mesquite, Texas; authorizing the issuance of notice by the City Secretary of Mesquite, Texas, regarding the public hearing; and directing the City to prepare a preliminary reinvestment zone financing plan.

Ted Chinn, Assistant City Manager, stated that the proposed resolution would set the public hearing to be held on May 3, 2021, for the creation of a Tax Increment Reinvestment Zone (TIRZ) for the Solterra development. The City's TIRZ participation rate will be 60 percent of the ad valorem property taxes levied and collected within the TIRZ over a term of 50 years. TIRZ revenues will be used to reduce the property owner assessments used to pay off PID bond debt service, and any excess TIRZ revenues will be applied to TIRZ project costs and will also

help the City fund a portion of Lawson Road. The total amount of reimbursement to the Developer for the authorized PID and TIRZ public improvement costs from any revenue source, include PID bond proceeds, TIRZ revenues or assessment revenues is limited to no more than \$200,849.065. Mr. Chinn stated that the acreage of the TIRZ boundary is approximately 1,920 acres, which includes the Girls Softball Complex, Valley Creek Park and a portion of Lawson Road extending from the four-lane divided roadway near Milam Road to Clay Mathis Road.

Mr. Aleman moved to approve Resolution No. 16-2021, as presented to the City Council at tonight's meeting with the correct acreage of approximately 1,920, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, SETTING A PUBLIC HEARING UNDER SECTION 311.003 OF THE TEXAS TAX CODE FOR THE CREATION OF A TAX INCREMENT REINVESTMENT ZONE ("TIRZ") CONSISTING OF APPROXIMATELY 1,920 ACRES OF LAND GENERALLY LOCATED SOUTHWEST OF EAST CARTWRIGHT ROAD AND BOTH NORTHWEST AND SOUTHEAST OF FAITHON P. LUCAS, SR., BOULEVARD IN THE CITY OF MESQUITE, DALLAS COUNTY, TEXAS, LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF MESQUITE, TEXAS; AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF MESQUITE, TEXAS, REGARDING THE PUBLIC HEARING; AND DIRECTING THE CITY TO PREPARE A PRELIMINARY REINVESTMENT ZONE FINANCING PLAN. Motion was seconded by Mr. Smith and approved unanimously. (Resolution No. 16-2021 recorded in Resolution Book No. 62.)

13

Conduct a public hearing and consider a resolution approving the terms and conditions of a program to promote local economic development and stimulate business and commercial activity in the City of Mesquite, authorizing the City Manager to finalize and execute an Economic Development Program Agreement (Chapter 380 Agreement) for such purposes with HC Solterra, LLC (the "Developer"), a Texas limited liability company, providing a grant to reimburse the Developer in an amount equal to fifty percent (50%) of the City Water and Sewer Impact Fees collected by the City in connection with residential building permits issued by the City for the development of approximately 1,424-acres of land pursuant to Chapter 380 of the Texas Local Government Code, and authorizing the City Manager to administer the agreement on behalf of the City.

A public hearing was held to consider a Chapter 380 agreement with HC Solterra, LLC, providing a grant to reimburse the Developer in an amount equal to fifty percent (50%) of the City Water and Sewer Impact Fees collected by the City in connection with residential building permits issued by the City for the development of approximately 1,424-acres of land.

Ted Chinn, Assistant City Manager, stated that one of the provisions of the Solterra Development Agreement anticipated an economic development agreement to rebate the developer 50 percent of all residential water and sewer impact fees for a term of 25 years. As long as the developer performs the conditions of the agreement and homebuilders comply with the architectural standards specified in the development agreement, then the City will grant rebates on a quarterly basis, subject to annual appropriations, for all residential water and sewer impact fees collected at the time a building permit application has been submitted.

No one appeared regarding the proposed Chapter 380 agreement.

Mr. Aleman moved to approve Resolution No. 17-2021, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY OF MESQUITE; AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT (CHAPTER 380 AGREEMENT) FOR SUCH PURPOSES WITH HC SOLTERRA, LLC (THE "DEVELOPER"), A TEXAS LIMITED LIABILITY COMPANY, PROVIDING A GRANT TO REIMBURSE THE DEVELOPER IN AN AMOUNT EQUAL TO FIFTY PERCENT (50%) OF THE CITY WATER AND SEWER IMPACT FEES COLLECTED BY THE CITY IN CONNECTION WITH RESIDENTIAL BUILDING PERMITS ISSUED BY THE CITY FOR THE DEVELOPMENT OF APPROXIMATELY 1,424-ACRES OF LAND PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE; AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY. Motion was seconded by Mr. Smith and approved unanimously. (Resolution No. 17-2021 recorded in Resolution Book No. 62.)

EXECUTIVE SESSION - COUNCIL CONFERENCE ROOM - 8:05 P.M.

Mayor Archer announced that the City Council would meet in Executive Session pursuant to Section 551.074 of the Texas Government Code to consider the appointment, evaluation, employment, reassignment, duties, discipline or dismissal of the City Manager, City Attorney, Municipal Court Judge, City Secretary, members of the various City boards and commissions, and City officers or other City employees (Annual review of City Secretary); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 8:25 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

ADJOURNMENT

Mr. Green moved to adjourn the meeting. Motion was seconded by Mr. Aleman and approved unanimously. The meeting adjourned at 8:30 p.m.

Attest:

Approved:

Sonja Land, City Secretary

Bruce Archer, Mayor