

THE FLOWER MOUND TOWN COUNCIL WORK SESSION AND SPECIAL MEETING HELD ON THE 18TH DAY OF NOVEMBER, 2010 IN THE FLOWER MOUND TOWN HALL, LOCATED AT 2121 CROSS TIMBERS ROAD IN THE TOWN OF FLOWER MOUND, COUNTY OF DENTON, TEXAS AT 6:00 P.M.

The Town Council met in a work session with the following members present:

Melissa Northern	Mayor
Al Filidoro	Mayor Pro Tem
Tom Hayden	Deputy Mayor Pro Tem
Steve Dixon	Councilmember Place 1
Mike Wallace	Councilmember Place 3
Steve Lyda	Councilmember Place 4

constituting a quorum with the following members of the Town Staff participating:

Harlan Jefferson	Town Manager
Joy Franklin	Executive Assistant
Terry Welch	Town Attorney
Chuck Springer	Assistant Town Manager/Chief Financial Officer
Kent Collins	Assistant Town Manager
Gary Sims	Executive Director of Community Services
Doug Powell	Executive Director of Development Service
Kenneth Brooker	Police Chief
Eric Metzger	Fire Chief

A. CALL WORK SESSION TO ORDER

Mayor Northern called the work session to order at 6:00 p.m.

B. INVOCATION

Councilmember Wallace gave the invocation.

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG AND THE TEXAS FLAG

Mayor Northern led the pledges.

D. WORK SESSION ITEMS

Mayor Northern opened Item 2 before Item 1.

2. Discussion on the solid waste franchise.

Chuck Springer, Assistant Town Manager/CFO gave a presentation. The presentation is on file, and available for viewing, in the Town Secretary's Office.

Mayor Northern commented on the e-waste event and the drop in participation after the 2007 event. She asked if there was a change in advertisement for the events.

Mr. Springer stated that he was not aware of a change. He stated that the Town advertised on the website and through mailers.

Harlan Jefferson, Town Manager stated that the peak in 2007 was due to the Town holding the e-waste, shredding, and Household Hazardous Waste (HHW) event together. He stated that there was major traffic congestion because of the compilation of events thus the Town began separating the events.

Councilmember Lyda clarified that the current provider removed the Town facilities waste at no cost.

Mr. Springer stated yes.

Councilmember Dixon stated that the congestion during the events was a concern that he had heard over the years.

Mr. Jefferson stated that the traffic problems had been addressed.

Mayor Northern asked Marilyn Lawson the head of Keep Flower Mound Beautiful (KFMB) to give the background of the events.

Marilyn Lawson stated that when KFMB separated from the Town the plan was for KFMB to run the events. She stated that KFMB only wanted to hire a company that would properly handle the e-waste. She stated that because KFMB didn't have the money to fund the event the Town ran the event and KFMB.

Councilmember Lyda asked if the events were something the Town wanted to manage or was it something the solid waste company could handle.

Mr. Jefferson stated that the solid waste company partly handled it. He stated the Town handled the larger events and had no opposition to continuing. He stated that it would be included in the bid as an alternate.

Councilmember Lyda stated that he agreed with the course of action and wanted to know if it took a large amount of Town resources.

Mr. Jefferson stated that to be successful the events needed to be well advertised and handled by someone that had a vested interest. He stated that with the current structure many citizens were not aware of the solid waste provider supporting the e-waste program.

Mayor Pro Tem Filidoro asked if vendor presentations were included in the schedule.

Mr. Jefferson stated that it was not listed in the time table. He stated that there had also been discussions of having a work session with ECC. He stated that the Council could invite the vendors of the survey cities and any vendors that had requested to be included in the bid in to a work session. He stated that the other option would be to wait until it was bid and invite the responding bidders to a work session.

Mayor Pro Tem Filidoro recommended the Council hold a work session before the bid went out so that the vendors can give a presentation Council. He requested that the ECC attend that work session.

Mayor Northern asked if after the work session the Council would then decide what to put the Request for Proposal (RFP).

Mayor Pro Tem Filidoro answered no. He stated that in conjunction with the work session the RFP would be developed.

Councilmember Wallace asked if the Town was required to accept the lowest bidder.

Melanie Harden, Director of General Services stated that for that particular bid the Town would send out RFP's and would have a chance to evaluate and grade the respondents according to the list of requirements.

Councilmember Wallace asked if the incumbent would be included in the process.

Mrs. Harden answered yes.

Deputy Mayor Pro Tem Hayden asked what the advantages and disadvantages were for the city being the solid waste provider.

Mr. Springer stated that the evaluation was where to get the best value and cost. He stated that the cities providing the solid waste services had a higher cost.

Deputy Mayor Pro Tem Hayden stated that the cost was higher for the cities listed as the solid waste provider but some of them had a higher frequency in regular and bulk pick-up.

Mr. Springer stated that trash service across the country differed.

Deputy Mayor Pro Tem Hayden asked if there were advantages to the city being the trash hauler in the event of a storm with debris pick up.

Mr. Springer stated that there was a lot of capital investment and debt that went into the Town being the provider. He stated that generally when Towns are the solid waste provider they have their own landfill. He stated that if the Town was the solid waste provider they would have more equipment to remove debris in the event of a storm.

Mr. Jefferson stated that when a municipality is the solid waste provider the cost and service level are higher and when the service is outsourced the cost and service level are lower. He stated for a city to transition in and out of being the solid waste provider was very difficult.

Deputy Mayor Pro Tem Hayden asked how the citizens ranked the current solid waste provider, Republic, on the survey.

Mrs. Harden listed the following results for trash collection services from the 2009 citizen survey: 26% excellent, 54% good, 18% fair, and 3% poor.

Councilmember Lyda clarified that after the vendors gave the presentations to Council the ECC and citizens would have an opportunity to give input on the proposals.

Mayor Pro Tem Filidoro answered yes. He stated that an RFP could be developed that provided the opportunity to pick and choose the desired items.

Mr. Jefferson clarified that the Council would have a work session in January for the vendors to give presentation then go to the ECC for feedback.

Mayor Northern stated that they would like to invite the ECC to the work session.

Mr. Jefferson stated that the Town would start the RFP process after the work session. He stated that the earlier the decision was made the better the transition would be for the current provider and the Town.

Mayor Pro Tem Filidoro asked why the RFP couldn't be developed congruently with the work session.

Mr. Jefferson stated that it could and that they would try to do that. He stated that he just wanted to explain why the Town would push to stay on the timeline.

Mayor Pro Tem Filidoro asked how long the contracts normally lasted.

Mr. Jefferson answered at least five years.

Mayor Pro Tem Filidoro asked how long the Town had used Republic as the solid waste provider.

Mr. Jefferson answered at least 14 years.

Mr. Springer asked if the Council was comfortable with the current level of service being the base bid and higher levels of service being bid as alternatives.

Councilmember Dixon stated that the only way to get an accurate comparison was to bid as Mr. Springer suggested.

Mayor Northern stated the Council would like to bid the current level of service being the base bid and higher levels of service being bid as alternatives.

Mayor Pro Tem Filidoro clarified that the option to present was not a condition of bidding. He requested that the ECC give recommendation of the services after the presentations are given to the Council.

The Council requested to have the presentations from the solid waste providers at the December 16, 2010, work session.

1. Discuss the Town's Legislative Action Plan for the 82nd Texas Legislative Session and offer direction to staff.

Chuck Springer, Assistant Town Manager/CFO gave a presentation. The presentation is on file, and available for viewing, in the Town Secretary's Office.

Mayor Northern stated that the majority of the Denton County Mayors attended the Energy Resources Committee Meeting and all had local control as their theme.

Mayor Pro Tem Filidoro stated that local control being taken away and assaults by the industries were talked about at the Energy Resources Committee Meeting. He stated that one of the reasons for a legislative process was that there was more going on. He stated that he brought up the topic of ETJs and was told that Austin didn't want to give the counties any power. Mayor Pro Tem Filidoro suggested that if they didn't want counties to have the authority to pass their own legislation they should use the ordinance of the community that had the ETJ. He stated that another thing talked about was making sure each community had a right to reflect what was going on in their community. He stated that the definition of Urban Drilling was discussed.

Mayor Northern stated that they had discussed split estates rights versus surface owner rights and mineral right owners. She stated that there was a lot of discussion on Rule 37. She stated that they had talked about noise standards, pipeline standards, and specific accumulative effects of air quality.

Mayor Pro Tem Filidoro stated they talked about consistent air quality and issues which would happen when there were spills that may not be detected and also issues of potential disasters.

Mayor Northern stated that at the meeting Flower Mound was recognized for being proactive.

Fred Hill, Solutions for Local Control, L.L.C., stated that local control was important in Texas. He stated that it was important for the residents to realize that the issue of local control was constantly under attack by the State Legislature. He stated that the difference between Texas and states in trouble was that Texas had local control. He stated that many people don't realize that the cities and counties didn't get funding from the State. He stated that the ability to generate funding to meet the needs of the community was very important. Mr. Hill stated that the oil and gas industry was a powerful lobby that would be working in Austin. Mr. Hill stated that the State Legislature was involved in the selection process of the next Speaker of the House. He stated that the Speaker was elected to a two year term. He stated that the party that the Speaker would come from depended on what party was in power. He stated that in 2009 the Speaker of the House was elected when there were 76 Republicans and 74 Democrats with support from both parties. He stated that the current count was 99 Republicans and 51 Democrats elected. He stated that 100 officials were required for a quorum and also to pass a constitutional amendment. Mr. Hill stated that the people of the State were concerned about fiscal issues. He stated that the current Speaker was being categorized as moderate. He stated that there were those in the Republican Party that felt it was the time to elect a conservative. Mr. Hill stated that Mr. Joe Straus worked in the Reagan White House, his wife worked for

President George H. W. Bush, and his mother was a national committee woman for the State of Texas for the Republican Party. Mr. Hill stated that there were a lot of groups around the State that were social conservative groups that had taken a position against the re-election of Joe Straus as the Speaker. Mr. Hill stated that the Speaker of the House would be elected the second Tuesday of January. Mr. Hill stated that the budget had been under consideration for months. Mr. Hill stated that the word was that the budget deficit was going to be \$30,000,000,000 - \$32,000,000,000. He stated that they had two years in the biennium which ended August 2011. He stated that there was a \$4,000,000,000 shortfall to make the current year and the rest in the following years. Mr. Hill stated that there was a little over \$45,000,000,000 of the total budget that could be affected to fill the gap. He said the categories that could be affected were: public education, higher education, health and human services, and corrections. Mr. Hill stated that redistricting was required by the U.S. Constitution every ten years. He stated that legislatures draw lines for the state board of education seats, the congressional seats, the state senate seats, and the Texas House of Representative seats. He stated that west Texas would lose some representation because it hadn't grown at the same rate as the urban/suburban areas had. He stated that redistricting was a difficult process in which Democrats and Republicans were pitted against each other. He stated that whoever controls redistricting would have an edge in terms of the political control of the State for ten years.

Councilmember Lyda asked if Mr. Hill thought there would be outside influence on redistricting because Texas was slighted to get more congressional seats in the U.S. Congress.

Mr. Hill stated that he thought there would be. He stated that typically a speaker's race was amongst the members of the legislature but they had been spending a lot of money to try to influence people within certain legislator's districts to influence their vote on the Speaker.

Councilmember Wallace stated that he had heard the budget deficit was going to be around eight billion dollars. He stated Mr. Hill had said the deficit was going to be over thirty billion. He asked how it would go from eight to thirty billion in less than a year.

Mr. Hill stated that a lot of the deficit was from revenue shortfalls. He stated that there were other things that built in a shortfall. Mr. Hill stated that an example was in 2005 or 2007 the legislature changed the funding of public education. He stated that school districts used to have \$1.50 per \$100 valuation for maintenance and operations. He stated that it was being collected locally from property taxes with some support from the State. He said the legislature changed it to \$1.00 per \$100 valuation and said the extra \$.50 would come from the State in terms of revenue collections. He stated that it shifted a bigger burden to the State. He said the State had not built in a way to cover the burden in anticipation of continuing growth. He stated that the growth had not happened causing five or six billion dollars of the deficit. Mr. Hill stated that the other thing affecting the deficit was the over all property valuations across the State dropping by 2%. Mr. Hill stated that eighty to ninety thousand students were added to the public education every year. Mr. Hill stated that if the budget was balanced it would take five to eight years to recover from the cuts. Mr. Hill stated that the Speaker of the house would have a lot to do with how the cuts were addressed.

Mayor Northern asked if there were others running for the Speaker of the house.

Mr. Hill stated that Representative Warren Chisum and Representative Ken Paxton had announced their candidacy. Mr. Hill stated that transportation was another issue that was critical for that area. He stated that in February Deirdre Delisi, Chairman of TxDOT told the combined transportation committees of the House and Senate that in 2012 there would be no money from TxDOT for new construction and maintenance would be all that they could fund. Mr. Hill stated that in 2007 the legislature did away with CDAs, the public private partnerships to build roads. Mr. Hill stated that the Chairman of Transportation, John Carona made the announcement that he would not continue as the Chairman of Transportation. Mr. Hill stated that John Carona would be the Chairman of Business and Commerce. He stated that there was a Bill that would have a positive affect, though it would not be immediate. He stated that the Bill would freeze diversions at the current rates and the following ten years would use any surplus generated by the State to buy down diversions.

Deputy Mayor Pro Tem Hayden asked if the DFW Connector project funding could be diverted.

Mr. Hill stated that he had been assured that the funding for the DFW Connector had been set aside.

Deputy Mayor Pro Tem Hayden asked if the Town making changes to the oil and gas regulations could affect the ability to locally control oil and gas regulations at the pad site.

Mr. Hill stated that the oil and gas lobby in Austin was strong and would work aggressively to protect their interest and could affect cities.

Deputy Mayor Pro Tem Hayden asked how cautious should the Town be in making changes to the regulations.

Mr. Hill stated that it was a strong likelihood that it would happen but shouldn't influence the Towns decisions.

Mayor Northern stated that they had heard that no matter what was done there would be an attack from the floor in Austin.

Councilmember Lyda asked if the Legislature would have time to get to the issues of local control based on the amount of work to be done.

Mr. Hill answered yes. He stated that it was a high profile issue that would take a lot of time on the floor. He stated that there were 28 state agencies that were up for sunset. He stated that there were committees that had been meeting all year studying the issues with each of those agencies that would bring their recommendations to the floor of the House and Senate. He stated the members would then have an opportunity to offer amendments. Mr. Hill stated that he had counted 2,000 bills that affected cities and 500 of them affected cities in a negative way.

Mayor Pro Tem Filidoro stated that at the Energy Resources Committee meeting it appeared that one of the representatives was in denial about local control being under attack.

Mr. Hill stated that there had been bills in every Legislative Session since 2003 that would have taken away municipalities ability to do business as they want. Mr. Hill stated that municipalities did not receive money from the Legislature but they did provide money to the Legislature. He stated that they would pass legislation that would shift responsibility of different aspects of the budget to municipalities. Mr. Hill stated that funding an unfunded mandate from the State it would affect property taxes.

Mayor Northern asked if they were gaining support from other communities on the subject issues.

Mr. Hill stated that the cities and counties in the State of Texas understood the issue. He stated that the new group of legislators that had come in ran on the idea of lowering property taxes. He stated that lowering property taxes sometimes means taking away the ability to raise property taxes. He stated that when that had happened in other states it shifted the power from the local community to the centralized government and spawned new taxes.

Mayor Northern stressed that the residents needed to be aware of the affect of these bills.

Mr. Jefferson stated that the last time the tax rate was raised was in 1991.

Mr. Hill emphasized that cities and counties were the economic generators of the State of Texas. He said that if restrictions were made that affect their ability to do business the State would decline like other States. Mr. Hill stated that he worked to protect the Town's ability to make decisions.

Mr. Jefferson stated that Mr. Hill had previously spent 20 years in the House of Representatives. He stated that he was a Republican and was familiar with Republicans in Austin and Washington. Mr. Jefferson stated that Mr. Hill was a great asset to the Town.

Mr. Hill stated that he had also chaired the Committee on Urban Affairs and the Committee on Local Government Ways and Means.

Councilmember Lyda stated that he felt the DFW Connector funding, the sales tax diversions, and the HOA regulations were an important issue that were coming up in the next session.

Mayor Northern said that it was noted at the Energy Resources Committee meeting as a couple of individuals spoke that another person didn't like and it was inferred that those individuals were liberals.

Mr. Hill stated that people say things when they didn't have basis in fact.

Mayor Pro Tem Filidoro stated that people look to be dismissive of the fact that people that are fiscally conservative can take an issue in favor of local control.

Mr. Jefferson stated that staff would be bringing forward a resolution in support of the DFW Connector project.

Councilmember Lyda asked if the Town could propose a resolution to support local control as it relates to Oil & Gas ordinances.

Mayor Northern recommended that residents go to the State website and sign up for the RSS Feed. She asked that staff place a link on the Town's website.

Mayor Pro Tem Filidoro asked if we could get updates from Mr. Hill's office when there were bills that were critical regarding local control.

Mr. Jefferson stated that the Town received regular feedback throughout the session. He stated that the Texas Municipal League (TML) also sent out information regarding those bills.

Councilmember Lyda asked if TML had asked for support on anything for the 82nd Legislature.

Mr. Jefferson stated that during the TML annual conference they approve a legislative position. He stated that he would get that information to the Council.

E./F. ADJOURN WORK SESSION AND CALL SPECIAL MEETING TO ORDER

Mayor Northern adjourned the briefing session.

Mayor Northern stated that the Town posted an item for closed session, but since no action would be taken and no discussion was necessary, there was no reason to convene in closed session.

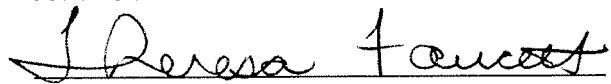
G. ADJOURN SPECIAL MEETING

Mayor Northern adjourned the regular meeting at 8:02 p.m. on Thursday, November 18, 2010, and all were in favor.

TOWN OF FLOWER MOUND, TEXAS


MELISSA D. NORTHERN, MAYOR

ATTEST:


THERESA FAWCETT, INTERIM TOWN SECRETARY

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