

**THE FLOWER MOUND TOWN COUNCIL JOINT WORK SESSION WITH THE ENVIRONMENTAL CONSERVATION COMMISSION HELD ON THE 16<sup>TH</sup> DAY OF DECEMBER, 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 and Environmental Conservation Commission(ECC) met in a joint 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

and the following ECC members present:

Marilyn Lawson, Wayne Farley, Russ McNamer, Dana Crawford

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

Harlan Jefferson	Town Manager
Theresa Fawcett	Interim Town Secretary
Terry Welch	Town Attorney
Chuck Springer	Assistant Town Manager/Chief Financial Officer
Kent Collins	Assistant Town Manager
Doug Powell	Executive Director of Development Services
Gary Sims	Executive Director of Community Services

**A. CALL JOINT WORK SESSION TO ORDER**

Mayor Northern called the joint work session to order at 6:06 p.m.

**B. INVOCATION**

Chaplain Michael Simpson gave the invocation.

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

Chaplain Michael Simpson led the pledges.

**D. JOINT WORK SESSION ITEM**

**1. Solid Waste Collection and Recycling Service Presentations**

Mayor Northern indicated that residents will have a future opportunity to voice their opinion as to what they would like for future services.

**Presentation:**

Greg Roemer, CWD (Community Waste Disposal), 2010 California Crossing, Dallas, TX

CWD gave a presentation regarding services provided. Due to the length of the presentation, it is on file in the Town Secretary's Office.

Council and Board members expressed interest in the following topics:

- Recycling (commercial and residential)
- Types of plastics collected
- Bundled brush collection
- E-waste disposal and events
- Dumpster availability & locations
- Landfill use (accessibility and how often)
- Cart repair process
- Regulatory body report to
- Driver background checks
- Quality control measures
- Storm debris clean-up

Board members that commented:

Marilyn Lawson, 4808 Scooner Ct, Flower Mound

Wayne Farley, 3367 Fireside, Flower Mound

Russ McNamer, 1908 Devoreaux Ct, Flower Mound

Dana Crawford, 5413 Briar Ln, Flower Mound

Jeff Whitaker, 4305 Auburn Dr, Flower Mound

Don McDaniel, 3801 Hideaway Ln, Flower Mound

Sweetie Bowman, 6524 Orchard Dr, Flower Mound

Andrea Nelson, 4381 Wanda Ln, Flower Mound

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

Mayor Northern adjourned the joint work session and called the special meeting to order at 7:11 p.m.

**G. CONSENT ITEMS**

Mayor Pro Tem Filidoro made a motion to approve by consent Items 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14. Councilmember Dixon seconded the motion. Each item, as approved by consent, is restated below along with the approved recommendation for each, for the record.

**AYES:** Wallace, Lyda, Filidoro, Hayden, Dixon

**NAYS:** None

2. Consider approval of minutes from a special meeting of the Town Council held on November 11, 2010.

**RECOMMENDATION:** Approve the minutes from a special meeting of the Town Council held on November 11, 2010.

3. Consider approval of minutes from a regular meeting of the Town Council held on November 15, 2010.

**RECOMMENDATION:** Approve the minutes from a regular meeting of the Town Council held on November 15, 2010.

4. Consider approval of an ordinance amending the Town of Flower Mound's Annual Budget for the fiscal year beginning on October 1, 2009, and ending on September 30, 2010, as adopted by Ordinance No. 36-09 and amended by Ordinance Nos. 47-09, 01-10, 21-10, and 45-10 for adjustments to the General Fund, the General Debt Service Fund, the Historical Commission Fund, and the Road Escrow Fund.

*This item was removed from the Consent Agenda and moved to Regular Items.*

5. Consider approval of the 2010 Annual Report for the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) in accordance with Chapter 311 of the Texas Tax Code.

**RECOMMENDATION:** Approve the 2010 Annual Report for the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) in accordance with Chapter 311 of the Texas Tax Code.

6. Consider approval of a Digital Library Agreement and a Library Participation Form with the North Texas Regional Library System for various digital book technology and services in the annual amount of \$8,000, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve a Digital Library Agreement and a Library Participation Form with the North Texas Regional Library System for various digital book technology and services in the annual amount of \$8,000, and authorize the Mayor to execute the same on behalf of the Town.

7. Consider approval of an interlocal agreement between the Town of Flower Mound and the City of Farmers Branch for the purchase of various goods and services, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve an interlocal agreement between the Town of Flower Mound and the City of Farmers Branch for the purchase of various goods and services, and authorize the Mayor to execute same on behalf of the Town.

8. Consider approval of an Interlocal Cooperation Agreement with Denton County for the provision of fire protection services for the benefit of the citizens of Denton County, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve an Interlocal Cooperation Agreement with Denton County for the provision of fire protection services for the benefit of the citizens of Denton County, and authorize the Mayor to execute same on behalf of the Town.

9. Consider approval of an Interlocal Cooperation Agreement with Denton County for the provision of emergency medical services for the benefit of the citizens of Flower Mound and Denton County, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve an Interlocal Cooperation Agreement with Denton County for the provision of emergency medical services for the benefit of the citizens of Flower Mound and Denton County, and authorize the Mayor to execute same on behalf of the Town.

10. Consider approval of the award of Bid No. 6-11-B, to RKM Utility Services, Inc., for the construction of the final phase of the Assimilation of Water Supply Corporations project, in the amount of \$1,073,001.00, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve the award of Bid No. 6-11-B, with RKM Utility Services, Inc., for the construction of the final phase of the Assimilation of Water Supply Corporations project, in the amount of \$1,073,001.00, and authorize the Mayor to execute same on behalf of the Town.

11. Consider approval of a Professional Services Agreement with Teague Nall and Perkins to provide engineering design services associated with the Gregory Drive Paving Reconstruction project in the amount of \$58,000.00, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve the Professional Services Agreement with Teague Nall and Perkins to provide engineering design services associated with the Gregory Drive Paving Reconstruction project in the amount of \$58,000.00, and authorize the Mayor to execute same on behalf of the Town.

12. Consider approval of the award of Bid No. 83-10-B Lake Forest Trail Extension, to Estrada Concrete Co., LLC, in the amount of \$75,568.00, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve the award of Bid No. 83-10-B Lake Forest Trail Extension, to Estrada Concrete Co., LLC, in the amount of \$75,568.00, and authorize the Mayor to execute same on behalf of the Town.

13. Consider approval of an ordinance amending Chapter 66, Article V, Section 66-214 of the Code of Ordinances of the Town of Flower Mound, Texas, relating to prima

facie speed limits for specific streets by lowering the prima facie speed limits for Christopher Court, Courtney Drive, Darcey Court, Jennifer Drive, Shelley Drive, and Woodpark Drive to 25 mph.

**RECOMMENDATION:** Approve an ordinance amending Chapter 66, Article V, Section 66-214 of the Code of Ordinances of the Town of Flower Mound, Texas, relating to prima facie speed limits for specific streets by lowering the prima facie speed limits for Christopher Court, Courtney Drive, Darcey Court, Jennifer Drive, Shelley Drive, and Woodpark Drive to 25 mph. The caption of the ordinance reads as follows:

**ORDINANCE NO. 73-10**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE TOWN OF FLOWER MOUND, TEXAS BY AMENDING SUBPART A, CHAPTER 66 OF THE CODE OF ORDINANCES, ENTITLED "TRAFFIC AND VEHICLES," THROUGH THE AMENDMENT OF ARTICLE V, "SPEED LIMITS," BY AMENDING SECTION 66-214, "ENUMERATION FOR SPECIFIC STREETS," BY THE ADDITION OF SIX MORE STREETS TO THE LIST OF STREETS ENUMERATED THEREIN AND IDENTIFYING THE MAXIMUM PRIMA FACIE SPEED LIMITS FOR SAID SIX STREETS; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.**

14. Consider approval of an agreement with Innovative Transportation Solutions, Inc., to provide professional transportation services in the amount of \$75,000.00, and authorization for the Mayor to execute same on behalf of the Town.

**RECOMMENDATION:** Approve an agreement with Innovative Transportation Solutions, Inc., to provide professional transportation services in the amount of \$75,000.00, and authorize the Mayor to execute same on behalf of the Town.

**VOTE ON THE MOTION**

**AYES:** Wallace, Lyda, Filidoro, Hayden, Dixon  
**NAYS:** None

**H. REGULAR ITEMS**

**Moved from Consent:**

4. Consider approval of an ordinance amending the Town of Flower Mound's Annual Budget for the fiscal year beginning on October 1, 2009, and ending on September 30, 2010, as adopted by Ordinance No. 36-09 and amended by Ordinance Nos. 47-09, 01-10, 21-10, and 45-10 for adjustments to the General Fund, the General Debt Service Fund, the Historical Commission Fund, and the Road Escrow Fund.

Chuck Springer, Assistant Town Manager and CFO, stated this item allows for end of year budget adjustments. He stated the Council sets the budget by department in the general fund so if there is any expenditure greater in a department, budgetary adjustments are made. In most of the other funds it's by fund so these are the items that need

adjustment. Preliminary numbers reflect the total general fund is currently \$735,000 under budget in total so this is making adjustments for departments. In terms of the general debt service there was a refunding this year, so for accounting purposes that is counting as an expenditure and an adjustment is being made to match with that. The Historical Commission fund is being closed out and that budget is being adjusted for the expense of closing that out and the road escrow fund was just increased because a couple of road escrows were refunded that were collected approximately ten years ago.

Mayor Northern inquired if this item is for the purpose of cleaning up year-end projections from actuals. Mr. Springer indicated there is always an item after year-end to clean up the prior year budget and is required before auditors come in.

Councilmember Dixon referenced Exhibit A in the packet regarding FY 2009 – 2010 and inquired about the non-departmental services and the original budget being \$2,025,332 and the current budget is \$2,848,332, which is an increase from the original to the current budget of \$823,000 due to legal expenses. He indicated there is now a situation where the amended budget is \$267,000 more than the current budget so his understanding is that due to legal expenses we've gone from the original budget of \$2,025,332 up to \$3,115,332, so it appears to be a large increase.

Mr. Springer indicated the most recent amendment is due to an increase in legal fees but there have been three amendments for non-departmental in the past. This would be the third amendment for the year. The first was for \$273,000, which was for economic development incentives. The second was for \$225,000, so \$490,000 of that increase in that year, which was mainly due to the sales tax incentive for the hospital where a portion of that sales tax went back to the hospital. Within the second budget amendment there was also \$325,000 for legal fees and this budget amendment increases non-departmental by \$267,000 and legal fees is the only line item that is required to be adjusted in this budget amendment. The total amount for legal fees is \$592,000.

Deputy Mayor Pro Tem Hayden inquired if this is an abnormal year given what has been experienced and whether we can expect to see this repeated in the future.

Mr. Springer indicated he could provide the last four year total numbers for legal fees and hoped it was an abnormal year going forward and that this is how its budgeted for in the coming year. The prior four years to this were \$561,000, \$688,000, \$713,000, and \$675,000, and in terms of this year's (2009/10) a total of \$1,184,000.

Deputy Mayor Pro Tem Hayden indicated if you do a mean over the last four years the percentage of our legal expenses as a percentage of our budget has continued to decline because the revenue of the Town have continued to increase at a rate that's faster than our legal expense.

Mayor Pro Tem Filidoro moved to approve an ordinance amending the Town of Flower Mound's Annual Budget for the fiscal year beginning on October 1, 2009, and ending on September 30, 2010, as adopted by Ordinance No. 36-09 and amended by Ordinance Nos. 47-09, 01-10, 21-10, and 45-10 for adjustments to the General Fund, the General Debt Service Fund, the Historical Commission Fund, and the Road Escrow Fund.

Deputy Mayor Pro Tem Hayden seconded the motion. The caption of the ordinance reads as follows:

**ORDINANCE NO. 74-10**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE TOWN'S BUDGET FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2009, AND ENDING ON SEPTEMBER 30, 2010, AS ADOPTED BY ORDINANCE NO. 36-09 AND AMENDED BY ORDINANCE NOS. 47-09, 01-10, 21-10, AND 45-10; FOR ADJUSTMENTS TO THE GENERAL FUND, THE GENERAL DEBT SERVICE FUND, THE HISTORICAL COMMISSION FUND, AND THE ROAD ESCROW FUND; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET, AS AMENDED; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**VOTE ON THE MOTION**

**AYES:** Lyda, Filidoro, Hayden, Dixon, Wallace  
**NAYS:** None

BREAK AT 7:23 P.M.

Mayor Northern called the meeting back to order at 7:33 p.m. At the request of Council they continued with the Regular Items so those participating in the joint session would have an opportunity to write all the questions down and gather responses to the previously asked questions.

- 15. Consider approval of a resolution supporting legislative action of the 82nd Texas Legislature that allows municipalities to retain local control, and authorization for the Mayor to execute same on behalf of the Town.**

Chuck Springer, Assistant Town Manager/CFO, indicated this item is in response to a request by Council to support this Resolution in terms of the areas of local control, including, but not limited to, land use regulations, oil and natural gas drilling regulations, and ability to raise and collect revenues. If Council approves this item staff will forward it to state legislative delegation as well as the Texas Municipal League.

Mayor Pro Tem Filidoro moved to approve a resolution supporting legislative action of the 82<sup>nd</sup> Texas Legislature that allows municipalities to retain local control in the areas, including but not limited to, land use regulation, oil and natural gas drilling regulation, and the ability to raise and collect revenue, and authorize the Mayor to execute same on behalf of the Town. Councilmember Lyda seconded the motion. The caption of the resolution reads as follows:

**RESOLUTION NO. 32-10**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, IN SUPPORT OF ANY ACTION TAKEN BY LEGISLATORS OF THE 82<sup>ND</sup> TEXAS LEGISLATURE TO ALLOW MUNICIPALITIES TO RETAIN LOCAL CONTROL IN THE AREAS, INCLUDING**

**BUT NOT LIMITED TO, LAND USE REGULATION, OIL AND NATURAL GAS DRILLING REGULATION, AND THE ABILITY TO RAISE AND COLLECT REVENUE.**

**VOTE ON THE MOTION**

**AYES:** Filidoro, Hayden, Dixon, Wallace, Lyda

**NAYS:** None

- 16. Consider approval of a resolution confirming support of the DFW Connector project in its entirety, including improvements to FM 2499 in Tarrant and Denton Counties; expressing support for the implementation of FM 2499 improvements in association with the SH 121 Section 13 project; and requesting support from federal and state delegations for the funding of improvements to the DFW Connector and FM 2499, and authorization for the Mayor to execute same on behalf of the Town.**

Kent Collins, Assistant Town Manager, presented a map of the Town's transportation strategies and major arterials and indicated how the Town relies heavily on roads such as 121, 114, and 635 that make up the DFW Connector project. He indicated the project began in February 2010 and the funded portion of the project is \$1.02 billion. He included a presentation indicating the overall project, which is available via the Town's web site with the Morriss/Gerault road construction project.

Councilmember Lyda inquired about the Dallas and Fort Worth Districts both being part of the Texas Department of Transportation (TxDOT) districts and that Denton County is in the Dallas District. He commented that the Dallas District has a better idea as to what is going on regionally in Denton County as opposed to the Tarrant County office.

Mr. Collins responded that most of the projects that they deal with locally are either implemented or permitted through the Denton area office.

Councilmember Lyda asked for clarification regarding limited access coming from the flyover and the north end of the airport.

Mr. Collins responded the term controlled and limited access describes what happens from the perspective of the main lanes and gave the example of if heading south or northbound on 2499 a controlled access facility wouldn't allow mid-block access and the cross street access would be grade separated so you would access it via some type of higher speed ramp with a merge or free flow.

Councilmember Dixon inquired about the location of the Denton County boundary line prior to the judge's ruling that moved the boundary line north. Councilmember Lyda responded the southern border where the Town's southern limits are was where the Tarrant/Denton County border was at the time before the move and the line was moved further north. Councilmember Dixon asked for clarification about the location being in the Dallas District prior to the line being moved farther north because it was in Denton County.

Mr. Jefferson responded that about half of it was in Denton County. Councilmember Dixon noted that in this situation more of it so this provides even more reason why it needs to be pushed in the Dallas District versus the Fort Worth District.



Councilmember Lyda noted currently there is not a good relationship with the Tarrant County District and has had difficulties in getting projects through.

Councilmember Dixon asked what's the response and how quickly can we see some potential action by moving it from Tarrant to Dallas and the receptiveness of this?

Mr. Collins responded that there is precedence with the Section 13 project and projects are generally not going to be held up because they are implemented by one district or another. He indicated it might give the 2499 improvements a better chance of being funded sooner. The bottom line is it has to be funded and that will be the determining factor on schedule.

Mr. Jefferson mentioned there is some discussion within TxDOT about moving projects around from one district to another in terms of management because some districts are funded better, in addition to having a wealth of projects they are involved in. For this reason they need some additional manpower and support, so the Town is trying to intervene with comments about which projects should move along that is in the best interest of Flower Mound.

Deputy Mayor Pro Tem Hayden indicated that community-wide there is a frustration in traveling in the area of Grapevine Mills Mall around 8am. He applauded staff for trying to bring it farther north and for trying to improve the flow of traffic in this area. Councilmember Lyda also commented on the importance of this project and how it will become a priority in the future.

Councilmember Lyda moved to approve a resolution confirming support of the DFW Connector project in its entirety, including improvements to FM 2499 in Tarrant and Denton Counties; expressing support for the implementation of FM 2499 improvements in association with the SH 121 Section 13 project; and requesting support from federal and state delegations for the funding of improvements to the DFW Connector and FM 2499, and authorize the Mayor to execute same on behalf of the Town. Mayor Pro Tem Filidoro seconded the motion. The caption of the resolution reads as follows:

**RESOLUTION NO. 33-10**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, CONFIRMING THE TOWN'S SUPPORT OF ALL ELEMENTS OF THE ORIGINAL DALLAS/FORT WORTH CONNECTOR PROJECT, INCLUDING IMPROVEMENTS TO FM 2499 IN GRAPEVINE; PROPOSING THAT THE IMPROVEMENTS TO FM 2499 BE REMOVED FROM THE SCOPE OF THE DFW CONNECTOR, AND INSTEAD BE ADDED TO THE SCOPE OF THE SH 121 SECTION 13 PROJECT; SUPPORTING THE ADMINISTRATION OF THE PLANNED IMPROVEMENTS TO FM 2499 BY THE DALLAS DISTRICT OF THE TEXAS DEPARTMENT OF TRANSPORTATION; SUPPORTING THE USE OF FEDERAL AND STATE FUNDING FOR THE IMPLEMENTATION OF THE FM 2499 IMPROVEMENTS; CALLING ON THE UNITED STATES CONGRESS AND ITS LOCAL FEDERAL DELEGATION TO SUFFICIENTLY FUND THE REAUTHORIZATION OF THE FEDERAL HIGHWAY AID PROGRAM SO THAT FUNDS ARE AVAILABLE FOR THE TIMELY CONSTRUCTION OF FM 2499; CALLING ON THE TEXAS LEGISLATURE AND ITS LOCAL STATE DELEGATION TO**

**SUFFICIENTLY FUND THE STATE'S HIGHWAY PROGRAM SO THAT FUNDS ARE AVAILABLE FOR THE TIMELY CONSTRUCTION OF FM 2499; AND PROVIDING FOR AN EFFECTIVE DATE.**

**VOTE ON THE MOTION**

**AYES:** Hayden, Dixon, Wallace, Lyda, Filidoro

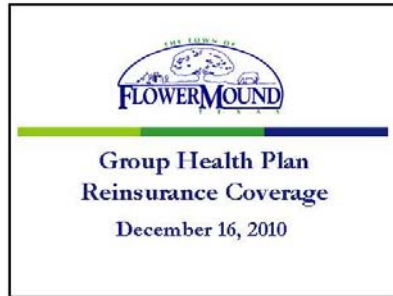
**NAYS:** None

- 17. Consider approval of a contract with Highmark Life Insurance Company in the amount of \$349,289 for reinsurance coverage for the Town's Group Health Plan; and authorization for the Mayor to execute same on behalf of the Town.**

**Staff Presentation**

Chuck Springer, Assistant Town Manager/CFO, noted a few definitions prior to making his presentation. He indicated the Town has a self insured plan; however, re-insurance is purchased (an additional insurance in order to limit liability from any single plan participant in the health care plan). A specific deductible (amount that must be incurred by the Town for any claim before benefits from a re-insurance carrier paid) is set, which is currently \$100,000 and being proposed to go up to \$125,000. The Town's self-insurance plan operates by budgeting costs based on claims experienced. Any savings are maintained by the Town in the group health plan fund versus a fully insured plan that operates with a fixed annual premium. In that situation savings or additional cost are covered by the insurance company. The Town has been self insured since 1993 for health insurance. In 2008, along with requesting re-insurance bids, quotes were received for completely insured plans for comparison. Two fully insured proposals of nineteen were received in 2008 and the lowest fully insured proposal was approximately \$260,000 above the estimated cost of self insurance plan with re-insurance. The Town continues to maintain the self insurance plan and in the past there has been a specific deductible for re-insurance of \$100,000.

The presentation is as follows:



### Additional Benefits of Self-Insured Plans

- Savings of state premium taxes
- Plan costs are based on the Town's own claims experience
  - Not pooled with any other group
- Allows for development of plan design tailored to the employees' needs
- Town receives benefit of cost savings which enables the Town to build reserves in the health fund

### Definitions

- **Reinsurance** - additional insurance purchased in order to limit the liability from any single plan participant
- **Specific Deductible** - the dollar amount that must be incurred by the Town for any claim before benefits from a reinsurance carrier will be available
- **Self-insured** - a plan that operates by budgeting costs based on claims experience
  - Any savings realized will be maintained by the Town's group health plan fund
- **Fully-insured** - a plan that operates with a fixed annual premium
  - Any savings realized will be maintained by the insurance company

### What is the Stop Loss Deductible for our benchmark cities?

City	Stop Loss Deductible
Carrollton	\$175,000
Coppell	\$110,000
Denton	\$175,000
<b>Flower Mound</b>	<b>\$100,000/\$125,000</b>
Frisco	\$150,000
Grapevine	\$175,000
Lewisville	\$125,000
N. Richland Hills	\$250,000
Plano	\$150,000
Richardson	\$200,000

### Self-Insured vs. Fully-Insured

- Since 1993, the Town has provided a self-insured plan. In 2008, the Town solicited bids from both self-insured and fully-insured carriers.
  - The Town received two fully-insured proposals of the nineteen received. The lowest fully-insured proposal was approximately \$200,000 above the estimated cost of a self-insured plan.
  - The Town continues to maintain a self-insured plan and purchases reinsurance coverage to mitigate catastrophic losses above the specific deductible (currently \$100,000).

### Stop Loss Proposals Effective January 1, 2011

Stop Loss Carrier	Highmark BCBS/Blue Choice	Highmark BCBS/Blue Choice
TPA / Network	BCBS/Blue Choice	BCBS/Blue Choice
<b>SPECIFIC DEDUCTIBLE</b>	<b>\$100,000</b>	<b>\$125,000</b>
<b>Total Annual Premium</b>	<b>\$439,677</b>	<b>\$349,289</b>
<b>Annual Difference</b>		<b>(\$90,388)</b>

**Historical Town Cost if Deductible was \$125,000**

Calendar Year	Claims	Additional Town Cost
2005	2	\$50,000
2006	2	\$40,062
2007	5	\$109,946
2008	4	\$92,043
2009	3	\$48,363
2010	3	\$80,092
	Average	\$85,084
	2011 Premium Difference	\$90,388

**Recommendation**

- Based on the proposals received, savings to fixed premium costs, comparison with other municipalities, and recommendation from the Town's health insurance consultant, we recommend acceptance of Highmark's proposal with an increase to a \$125,000 specific deductible.

**Questions**

Mayor Northern mentioned that this item was pulled from last Council Agenda. Councilmember Dixon reported staff addressed his concerns.

Councilmember Dixon moved to approve a contract with Highmark Life Insurance Company in the amount of \$349,289 for reinsurance coverage for the Town's Group Health Plan; and authorize the Mayor to execute same on behalf of the Town. Councilmember Wallace seconded the motion.

**VOTE ON THE MOTION**

**AYES:** Dixon, Wallace, Lyda, Filidoro, Hayden

**NAYS:** None

**Opened Items 18 & 19 together:**

18. **ZPD 03-10 – Timber Creek Medical Park** **Public Hearing**  
Public Hearing to consider a request for rezoning (ZPD 03-10 - Timber Creek Medical Park) from Agricultural (A) uses to Planned Development District-114 (PD-114) with Retail District-2 (R-2) and Office (O) uses, and to consider adopting an ordinance providing for said amendment. The property is generally located on the east side of Long Prairie Road (FM 2499) north of the hospital development. (The Planning and Zoning Commission recommended approval by a vote of 4 to 0 at its November 08, 2010, meeting.) (This item was tabled at the December 6, 2010, Town Council Meeting.)
19. **Public Hearing**  
Public Hearing to consider an application for a tree removal permit for the removal of four specimen trees on property proposed for development as Timber Creek Medical Park. The property is generally located south of College Parkway and east of Long Prairie Road. (The Environmental Conservation Commission recommended approval by a vote of 6 to 0 at its October 5, 2010, meeting). (This item was tabled at the December 6, 2010, Town Council Meeting.)

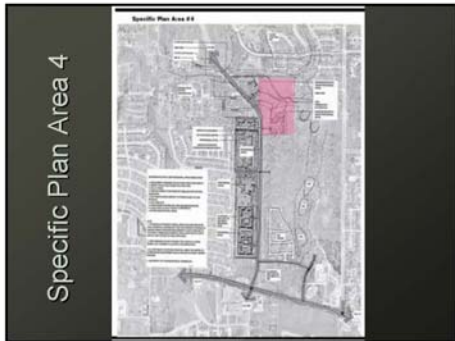
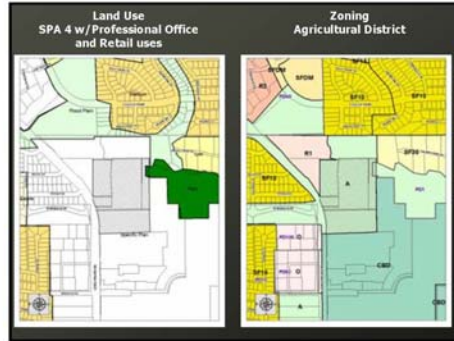
**Staff Presentation**

Doug Powell, Director of Development Services, presented slides of the property that included location, boundaries of the River Walk at Central Park, land use and zoning, flood plains, adjacent areas including the hospital, elevations from the concept plan, traffic flows, and identified the four trees being requested for removal (item no. 19). He also clarified zoning districts and uses and planned developments. He listed all the uses that are allowed in the R2 District. Hospitals are only allowed in the R2 District and the Office District with a Specific Use Permit (SUP). The Ordinance presented eliminates that use within the SUP for both the R2 & Office districts. He indicated that is another item the applicant would like to have back in the development standards or Ordinance.

The presentation is as follows:

Town Council  
December 16, 2010

Timber Creek  
Medical Park  
Zoning Planned Development  
ZPD 03-10  
Tree Removal Permit











### Zoning

- Zoning Districts
  - Dimensional Standards
  - Uses
    - Permitted
    - Specific Use (SUP)
    - Temporary
- Planned Developments
  - Conceptual Site Plan
  - Conceptual Elevations
  - Development Standards
    - Architectural Standards
    - Landscape Standards
    - Miscellaneous Standards
    - Uses

### Retail 2 – Permitted Uses

01. Accessory to building use	09. Laundry, residential
02. Accessory use, general, subject to other zoning	10. Local delivery
03. Adult day care	11. Medical office building
04. Art gallery or museum	12. Office building, accessory
05. Art gallery	13. Office building, professional
06. Automobile repair shop	14. Office building, retail
07. Automobile sales and service (auto)	15. Office building, retail
08. Automobile repair shop	16. Office building, retail
09. Automobile repair shop, retail	17. Office building, retail
10. Automobile repair shop, retail	18. Office building, retail
11. Automobile repair shop, retail	19. Office building, retail
12. Automobile repair shop, retail	20. Office building, retail
13. Automobile repair shop, retail	21. Office building, retail
14. Automobile repair shop, retail	22. Office building, retail
15. Automobile repair shop, retail	23. Office building, retail
16. Automobile repair shop, retail	24. Office building, retail
17. Automobile repair shop, retail	25. Office building, retail
18. Automobile repair shop, retail	26. Office building, retail
19. Automobile repair shop, retail	27. Office building, retail
20. Automobile repair shop, retail	28. Office building, retail
21. Automobile repair shop, retail	29. Office building, retail
22. Automobile repair shop, retail	30. Office building, retail
23. Automobile repair shop, retail	31. Office building, retail
24. Automobile repair shop, retail	32. Office building, retail
25. Automobile repair shop, retail	33. Office building, retail
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### Hospital Use

- Retail 2
  - Section 543 – Specific Uses
  - Hospital use is allowed only with SUP
- Office
  - Section 603 – Specific Uses
  - Hospital use is allowed only with SUP

## Timber Creek Medical Park

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Zoning Planned Development  
ZPD 03-10  
Tree Removal Permit

## Town Council

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December 16, 2010

Mayor Northern indicated this item was tabled from the last meeting due to the amount of debate from the floor on uses.

Councilmember Wallace inquired about the hospital use not being allowed in the PD as a specific use. Mr. Powell indicated they would have to come back in and rezone the property to add the use back in and ask for a specific use permit. Councilmember Wallace inquired about why the Town wouldn't allow a hospital use and questioned how that got removed. Mr. Powell noted the concern of competition between hospitals and this project being put forth as a medical office district and the hospital didn't seem to be part of that.

Mike Silvaggio of Landcore Development Company summarized meetings with staff and development representatives regarding uses that were debated at previous meetings. They were willing to concede to removal of some uses; however, he noted they were surprised to learn that the hospital use request was removed. He believes it's needed for their development and to serve Flower Mound's future additional medical services. He indicated the project conforms to the Town's vision and master plan, landscape plans, engineering studies, SMARTgrowth, and unanimously approved by the ECC and Planning Commission. They are prepared to move forward with the development but not to accept the removal of that use.

Thad Finley, Attorney with Hammerly Finley Law Firm, Council to developer, clarified they are not asking for a specific use or approval of a hospital or approval of a rehabilitation hospital. They are only asking that hospital remain as a permitted specific use according to the Town's Ordinances. He stated there are many medical services that can be provided, but only through a hospital, such as specialty hospitals such as behavioral health, pediatrics, and other long term care. They are asking that the zoning that's been requested be approved and that the hospital permitted specific use that's already in the Ordinance be allowed to remain there. Council can look at whatever they bring to them and make whatever decision needs to be made at that time.

Terry Welch, Town Attorney, clarified that this is not a straight zoning case. The applicant is coming forward with a Planned Development (PD) which is generally a mixture of uses. In this situation it's Retail 2/Office and in that situation Council is given broad discretion regarding uses based on community needs. In a PD it's not unusual to have office uses, however, not every office use that's permitted in a straight zoning office district may be allowed in a PD District and the same would apply for retail. He offered some examples of those situations. He indicated that if a use such as "hospital" is deleted from the PD that does not prohibit someone coming forward with a proposed amendment to the PD later and can be reviewed by Council at that time.

**PUBLIC HEARING OPENED AT 8:32 PM:**

**Public Comments**

Don McDaniel, 3801 Hideaway Lane, Flower Mound

Inquired from Council why they are asking to have the hospital use removed from the PD.

Patrick Lee, CEO, Continuum Rehabilitation Hospital, 3100 Peters Colony Rd, Flower Mound

Opposed the item.

Dana Crawford, 5413 Briar Lane, Flower Mound

Spoke in favor of development and their request to have the hospital use included.

Chuck Elsey, Elsey & Elsey Law Firm, 3212 Long Prairie Rd, Ste 100, Flower Mound

Opposed the item.

Tim Lavender, Rainier Medical Investments, 13760 Knoll Rd, Ste 800, Dallas

Opposed the item.

Rick Carter, President, Flower Mound Presbyterian Hospital, 4400 Long Prairie Rd, Flower Mound

Opposed the item.

**Closed Public Hearing at 8:46 p.m.**

**Questions and Answers from the Governing Body**

Mayor Pro Tem Filidoro inquired with the President of the Flower Mound Hospital as to how long their group looked at Flower Mound before making a decision and investment.

Mr. Carter replied 2007, and an investment of \$130 - \$150 million.

Mayor Pro Tem Filidoro referenced the Central Business District and how the Town actively recruited a hospital, and inquired had the Town not gone through that process, along with having just straight zoning, and the land was available, if he believed the hospital would have made an investment in the community.

Mr. Carter replied he was not here at the time, but probably not.

Mayor Pro Tem Filidoro referenced the vision of the community to have a quality medical community and asked if he believed the hospital is important to that vision.

Mr. Carter replied he would compare them to the anchor store in a large mall. He indicated other hospitals cannot be close together due to the dollars involved to make these facilities viable and make it flourish.

Mayor Pro Tem Filidoro inquired as to if their business was considered mature at this point.

Mr. Carter replied they are into their seventh month and ramping up, however, these things take anywhere from 13-14 months to two years to grow.

Councilmember Wallace wanted to address the question about whom on Council or Town staff initiated the change where the hospital use was removed from the PD.

Mr. Jefferson replied that the applicant and Council were sent the application notes and it stated any uses should be removed that are not part of the Council's vision. At the

Dec. 6<sup>th</sup> meeting it was pointed out that there were some uses that are inconsistent with the Council's vision as he knows it and the applicant's statements that night indicated they may want to consider removing those. Tuesday morning that list was communicated to the applicant. Some Council members indicated some concerns regarding the hospital use component. Applicant was made aware of this by staff. Councilmember Wallace indicated he had no problem with the hospital use being part of the PD.

Councilmember Dixon inquired of staff as to how many types of medical businesses would be prohibited if the hospital designation or use were removed or how many possible businesses would the Town be missing out on that would be complimentary to the area and existing hospital. He pointed out the zoning case presented is not approving anything, and it's the concept plan where if this moves forward they would come back with an actual request to start building certain things. If this passed with a hospital as a specific use permit the applicant would have to come back before P&Z and Council and gain another approval. It's his understanding that if the hospital use is included, then the applicant would need to request a specific use or if the hospital use is out, the applicant needs to come back and ask for it to be rezoned. He indicated he hasn't heard that the parties involved have talked to each other to work out any differences they might have.

Mr. Powell explained that the hospital use is broad. For this site early on the applicant did request an open-ended SUP for a hospital and there was some discussion of the hospital definition. He indicated there can be medical uses that are not hospital-related. He said if the title has hospital in it then it wouldn't be allowed.

Mayor Northern indicated comments were heard from the Continuum and the Presbyterian Hospital that they were opposed to having the hospital component.

Mayor Northern asked the applicant if they would like to table the item at this time or should they go through the motion and come back at a later time when there is a development.

Mr. Silvaggio asked for an opportunity to respond to some of the things said. Council agreed to let developer address some of the concerns addressed. Mr. Silvaggio said their only interest is to bring a development they believe would include a use that is compatible and fair for the surrounding community. He pointed out that every discussion they had with staff was for potentially bringing forward an SUP for a rehab hospital. There was never a discussion about not having a hospital and the discussion was circled around what defines a rehab hospital. He said it's about the market being able to dictate if it is supposed to be there and the availability of health care services. They are not prepared to table at this time and not in support of removal of the hospital use.

Deputy Mayor Pro Tem Hayden clarified that the motion presented is not to deny the project and it approves 90% of what's being asked for and it's also not saying no to a future hospital. The applicant has the ability to come back and ask for a hospital use in the future. The motion is not saying no, it is saying not at this time.

Mr. Welch commented it's a zoning case and looking at what's the best course for the community and under state law zoning needs to be in accordance with your

comprehensive plan. It comes down to interpretation of what the Master Plan states. For specific plan area 4 and reference to uses, it states the general use land concept for Specific Plan # 4 is one that mixes medium density residential with neighborhood retail, professional office, and a combination of the two. When looking at a use in a zoning area there needs to be the question does that use comply with the Master Plan. It's not about competition and market forces in a zoning case; however, zoning has to be in accordance with the Comprehensive Plan under Chapter 211 of Local Government Code. For any proposal coming forward, regardless of the uses, the question needs to be asked if it's in compliance with the Comprehensive Master Plan.

Councilmember Dixon moved to postpone this item until the first meeting in January to allow businesses to have the opportunity to get together to identify if a solution can be offered from them as opposed to Council enforcing something that might not be best.

Councilmember Wallace inquired from Mr. Welch that if having the hospital use remains in the zoning necessitates a master plan amendment to be consistent with what has been described?

Mr. Welch replied that would be a decision that Council or the applicant would make. The Master Plan talks about professional office and the Master Plan has general concepts and needs to ask questions such as do you consider a hospital part of a professional office? It's a specific use in an office district – is that a professional office? It's a decision Council makes after hearing the facts followed by the belief as to if it complies with the Master Plan. Another words there needs to be a determination as to whether that definition of professional office contained in the Master Plan encompasses a hospital.

Council member Wallace seconded the Motion to table the item.

**VOTE ON THE MOTION**

**AYES:** Wallace, Dixon  
**NAYS:** Lyda, Filidoro, Hayden

Mayor Pro Tem Filidoro moved to approve a request for rezoning (ZPD 03-10 - Timber Creek Medical Park) from Agricultural (A) uses to Planned Development District-114 (PD-114) with Retail District-2 (R-2) and Office (O) uses and adopt an ordinance providing for said amendment. Steve Lyda seconded the motion. The caption of the ordinance reads as follows:

**ORDINANCE NO. 75-10**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FLOWER MOUND, TEXAS, AMENDING THE OFFICIAL ZONING MAP, EXHIBIT "A" OF SUBPART B, LAND DEVELOPMENT REGULATIONS, OF THE CODE OF ORDINANCES OF THE TOWN OF FLOWER MOUND, TEXAS, BY CHANGING THE ZONING FROM AGRICULTURAL DISTRICT (A) USES TO PLANNED DEVELOPMENT DISTRICT NO. 114 (PD-114) FOR OFFICE DISTRICT (O) AND RETAIL DISTRICT-2 (R-2) USES ON APPROXIMATELY 21.62 ACRES IN THE C. CHACON SURVEY, ABSTRACT NO. 229, IN ACCORDANCE WITH THE TOWN'S**

**MASTER PLAN 2001 AND SPECIFIC REQUIREMENTS STATED HEREIN AND EXHIBITS ATTACHED HERETO; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.**

**Discussion on the Motion**

Council member Dixon indicated he will be voting no with the sole reason being he does not think Council will be allowing our businesses the opportunity to discuss how they run their businesses in Flower Mound.

Deputy Mayor Pro Tem Hayden reiterated it's not saying no to the project, it's saying yes to 90% of what's being asked for and the door is still open for the future.

Council member Lyda stated he believes the dialogue will happen in the near future given the land uses in the overall area. He is concerned about adding the hospital designation given the amount of interest being generated and how they are almost in dire need of this use and in reality Council is not prohibiting any kind of office building or medical type facilities or other specialists.

Council member Dixon stated this is a clear case of putting the cart before the horse and would think Council is keenly aware not to rush to make a vote to have the public have the opportunity to consider and look over this information and allow the businesses the opportunity to talk.

Deputy Mayor Pro Tem Hayden stated putting the cart before the horse would be approving something that is a generic hospital. We don't know if it's an acute care, rehab, etc. He indicated that given it's been going around for six months there has been plenty of time for discussion.

Council member Lyda stated to deny the landowner the ability to move forward with 90% of his project would be unfair to him and that's what we need to offer him.

Council member Dixon stated it's clear the applicant doesn't have a problem postponing. He's made it clear that he does not agree to having the hospital use removed.

Mr. Welch pointed out that on the Ordinance being discussed it's found in the packet of page 24-123 as Exhibits A-G attached to it and hospital is not a specific use in any of it.

**VOTE ON THE MOTION**

**AYES:** Lyda, Filidoro, Hayden

**NAYS:** Dixon, Wallace

Steve Lyda moved to approve a tree removal permit for the removal of four specimen trees on property proposed for development as Timber Creek Medical Park. The property is generally located south of College Parkway and east of Long Prairie Road. Mike Wallace seconded the motion.

**VOTE ON THE MOTION**

**AYES:** Filidoro, Hayden, Dixon, Wallace, Lyda  
**NAYS:** None

- 20. Consider approval of Change Order No. 5 for construction of the Morriss/Gerault Road Improvement Phase I project, amending the contract with TISEO Paving Company, for an increase in the amount of \$189,578.80, and authorization for the Mayor to execute same on behalf of the Town.**

Staff presentation by Kent Collins, Assistant Town Manager

Mr. Collins stated the change order covers changes in scope made to the median work and items that were initially covered in Phase I to II, elements include paving and striping deductions, curb additions, irrigation, and the net increase is \$189,578.80. A review all the Change Orders today for the Morriss/Gerault project would show there is a total net increase of \$53,000 on the project from when it was originally awarded, which is a .38% increase in the project cost to date.

Mayor Pro Tem Filidoro moved to approve Change Order No. 5 for construction of the Morriss/Gerault Road Improvement Phase I project, amending the contract with TISEO Paving Company, for an increase in the amount of \$189,578.80, and authorize the Mayor to execute same on behalf of the Town. Steve Lyda seconded the motion.

**VOTE ON THE MOTION**

**AYES:** Hayden, Dixon, Wallace, Lyda, Filidoro  
**NAYS:** None

Closed open meeting at 9:27 p.m.

BREAK AT 9:28 p.m.

Reconvened in work session: 9:33

- D. Presentations were continued on the solid waste collection and recycling services by:
1. IESI, Bob Kneis, 2301 Eagle Parkway in Alliance, Fort Worth, TX
  2. Republic Services, Jeri Harwell, 3936 Mohawk, Flower Mound, TX and Nick Stefkovich
  3. Waste Management, Greta Calvery and Michael Holbrook, 1601 S Railroad St, Lewisville, TX

Due to the length of the presentations, each is on file in the Town Secretary's Office.

Deputy Mayor Pro Tem Hayden commented to all presenters when it comes to recycling that it seems as though all offered the same services and how he was looking for innovative things that separate each from their peers.

**I./J. CLOSED/OPEN MEETING**

The Town Council convened into a closed meeting at 11:29 p.m. on December 16, 2010 pursuant to Texas Government Code Sections 551.071, 551.072, 551.074, and 551.087 to discuss matters relating to consultation with Town Attorney, pending litigation, real property, personnel, and economic development negotiations and reconvened into an open meeting at 11:43 p.m. on December 16, 2010 to take action on the items as follows:

- a. Discuss and consider economic development incentives.

Council member Lyda Moved that the Mayor be authorized to execute a Termination and Release of Amended Chapter 380 Partnership Agreement with Granite Properties, Inc. Seconded by Deputy Mayor Pro Tem Hayden.

**VOTE ON THE MOTION**

**AYES:** Wallace, Lyda, Filidoro, Hayden, Dixon  
**NAYS:** None

- b. Discuss and consider appointment of Alternate Presiding Municipal Judge(s) for the Municipal Court of Record No. 1 in the Town of Flower Mound, Texas.

Mayor Pro Tem Filidoro Moved that Joshua Smith and Victor Rivera be appointed as alternate municipal judges for the Town of Flower Mound and authorize the mayor to execute letter agreements with them specifying the terms and conditions of their retention. Mayor Pro Tem Hayden seconded the motion.

**VOTE ON THE MOTION**

**AYES:** Lyda, Filidoro, Hayden, Dixon, Wallace  
**NAYS:** None

**K. ADJOURN SPECIAL MEETING**

Mayor Northern adjourned the regular meeting at 11:46 p.m. on Monday, December 16, 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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