

**THE FLOWER MOUND TOWN COUNCIL SPECIAL MEETING HELD ON THE 6<sup>th</sup> DAY OF JULY, 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 special meeting with the following members present:

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

with the following member of Council absent:

Mike Wallace	Councilmember Place 3
--------------	-----------------------

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

Harlan Jefferson	Town Manager
Paula Paschal	Town Secretary
Terry Welch	Town Attorney
Kent Collins	Assistant Town Manager
Chuck Springer	Assistant Town Manager/Chief Financial Officer
Matt Woods	Director of Environmental Services

**A. CALL SPECIAL MEETING TO ORDER**

Mayor Northern called the special meeting to order at 6:11 p.m.

**B. INVOCATION**

Chaplain Mike Liles gave the invocation.

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

Mayor Northern led the pledges.

**D. REGULAR ITEMS**

**1. Discuss and consider appointments to the Oil and Gas Advisory Board. (This item was tabled from the June 21, 2010 meeting.)**

Director of Environmental Services Matt Woods introduced the item. Bullet points from Mr. Woods' presentation are as follows:

**Background**

- Ordinance 38-10 adopted on June 7, 2010.
- Ordinance established a 180-day moratorium on issuing certain oil and natural gas permits.
- Ordinance included provisions for the establishment of an Oil and Gas Advisory Board.

**Oil and Gas Advisory Board**

- Town Council to appoint a 12 person board for a one year term.
- Eight board members shall be residents of the Town.

- The eight residents shall represent the proportion of surface rights owners to mineral rights owners in the Town.
- Four remaining members shall consist of mineral lessors, independent experts, and a neutral third party mediator.
- The Board shall conduct public hearings to identify concerns.
- After completing the public hearings, the Board shall assess the Towns' existing ordinances.
- Following the review of the ordinances and majority vote, the Board shall make recommendations regarding amendments during a public hearing.

Deputy Mayor Pro Tem Hayden asked if alternates could be added to the board, even though they were not noted in the petition ordinance.

Town Attorney Terry Welch responded that alternates could be added.

Mayor Pro Tem Filidoro stated that the alternates would be expected to attend the meetings but would not be able to vote. He stated that the Board would be tackling an arduous task. He noted there would be an education process, and the petition ordinance would have to be read along with state law and Texas Railroad Commission information. He anticipated that there would be much discussion at the meetings, and he also recommended adding four alternates.

Councilmember Dixon asked if the meetings could either be recorded or televised so residents could either listen or watch.

Town Manager Harlan Jefferson stated that if the meetings were to be televised live, they would have to be held in the Council Chambers. They could be recorded if the meetings were held off-site.

Councilmember Dixon stated his preference would be to televise.

Mayor Pro Tem Filidoro stated if the meetings were in the Council Chambers, they should be held around a large table, as the Board was really a working group. He suggested having them in the Library Program Room or the Police Community Room.

Mayor Northern stated the Council was also looking at the Community Activity Center and the large conference room at The Atrium. She noted that the Board would begin by meeting twice a month.

Deputy Mayor Pro Tem Hayden stated the meetings should be open for observation. He added that the Board would work on reviewing the ordinance over the next four to five months and then bring back recommendations to the Town Council.

Mayor Northern anticipated that the Board would make a presentation to the Town Council in November.

Mayor Pro Tem Filidoro asked about the process once the Board was appointed.

Town Secretary Paula Paschal explained that she would notify the members the next day. Committee binders would be created with the appropriate information provided by staff and would be ready for the first meeting. Additionally, the members would sign an acknowledgement form that they had received their binders.

Mayor Northern stated the first meeting was scheduled for July 13, and binders would be ready by noon on Friday, July 9. She noted that much work had been done by the Council and staff to create the board, noting that the Council had received 33 applications for the Board.

Deputy Mayor Pro Tem Hayden stated that as the Board moved forward, he hoped that the members would drive the process. Staff would be available, as needed.

Mayor Northern stated staff would be available to provide feedback and information at the meetings.

Mr. Jefferson commented that Matt Woods would be the primary staff contact. Others may participate, including staff or experts.

Mayor Northern commented that the Town Attorney would also participate. She added that the Board would know in advance what would be discussed at the meetings.

Mayor Northern stated she had looked at the criteria and tried to categorize the applicants based on the information they provided on their applications. Each member of The Council compiled lists and sent their suggestions to her. The consensus of the Council determined the membership of the Board.

Councilmember Dixon commented that 8 of the 12 on the list were residents of Flower Mound. He recalled that four members were to be mineral owners and four members were to be residents. Of the four with minerals, his had recommended two of that had mineral leases and two that did not.

Mayor Pro Tem Filidoro noted that the ordinance called for members with mineral rights and then simply "residents" and that the "in proportion" provision meant the number of mineral holders in the community compared to residents in the community. He did not have a problem with the way the make up of the Board was proposed.

Mayor Northern commented that at the time the list was received, only one person was identified as a lease holder and Councilmember Dixon had identified a few more this afternoon.

Deputy Mayor Pro Tem Hayden was not sure if the proportion should be four and four. He did not believe the Board necessarily needed lease holders.

Mr. Welch stated the Council determined the proportion.

Deputy Mayor Pro Tem Hayden moved to approve the appointments to the Oil and Gas Advisory Board as follows:

Place 1	Mediator	Virginia Moore
Place 2	Mineral Owner	Eric Jellison
Place 3	Mineral Owner	Tammi Vajda
Place 4	Could not confirm as mineral owner	Dennis McKaige
Place 5	Could not confirm as mineral owner	Al Sanchez
Place 6	Could not confirm as mineral owner	Eric Barsam
Place 7	Could not confirm as mineral owner	Rob Marcoe
Place 8	Could not confirm as mineral owner	Prakash Parameswaran
Place 9	Could not confirm as mineral owner	Jennifer Rogers
Place 10	Industry Expert	Brent Halldorson

Place 11	Industry Expert	Deborah Hempel-Medina
Place 12	Industry Expert	John Roheim

Alternate 1	Could not confirm as mineral owner	Erin Bouck
Alternate 2	Mineral Owner	Amy Yaeger
Alternate 3	Mineral Owner	Frankie Arthur
Alternate 4	Could not confirm as mineral owner	Craig Bromley

Mayor Pro Tem Filidoro seconded the motion.

Mayor Northern thanked everyone who applied and suggested that those who were not appointed seek other positions in the community. She asked that they help the members of the Board do their homework.

Councilmember Dixon asked if Mayor Northern received recommendations from Councilmember Wallace.

Mayor Northern responded yes, and the individuals he identified were on the list.

#### **VOTE ON THE MOTION**

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

#### **E./F. CLOSED/OPEN MEETING**

The Town Council convened into a closed meeting at 6:42 p.m. on July 6, 2010 pursuant to Texas Government Code Sections 551.071 and 551.072 to discuss matters relating to consultation with Town Attorney and pending litigation, and reconvened into an open meeting at 8:46 p.m. on July 6, 2010 to take action on the items as follows:

- a. Discuss Town of Flower Mound v. Mockingbird Pipeline, L.P., No. 02-10-00069-CV, pending in the Texas Court of Appeals at Fort Worth, and all matters incident and related thereto.

No action taken.

#### **G. ADJOURN REGULAR MEETING**

Mayor Northern adjourned the special meeting at 8:47 p.m. on Tuesday, July 6, 2010, and all were in favor.

TOWN OF FLOWER MOUND, TEXAS

---

MELISSA D. NORTHERN, MAYOR

**ATTEST:**

---

PAULA J. PASCHAL, TOWN SECRETARY

THIS PAGE LEFT BLANK INTENTIONALLY