

**Regular City Council Meeting
Meeting Minutes**



Tuesday, August 8, 2023 @ 6:00 PM

**Anna Municipal Complex - Council Chambers
120 W. 7th Street, Anna, Texas 75409**

The City Council of the City of Anna met on August 8, 2023 at 6:00 PM in the Anna Municipal Complex-Council Chambers, located at 120 W. 7th Street, to consider the following items.

1. Call to Order, Roll Call, and Establishment of Quorum.

Mayor Pike called the meeting to order at 6:06 PM.

Members Present:

Mayor Nate Pike

Mayor Pro Tem Lee Miller

Deputy Mayor Pro Tem Randy Atchley

Council Member Kevin Toten

Council Member Stan Carver

Council Member Elden Baker

Council Member Pete Cain

Members Absent:

None

2. Invocation and Pledge of Allegiance.

Mayor Pike led the Invocation and Pledge of Allegiance.

3. Neighbor Comments.

No comments were given.

4. Reports.

Council recognized our First Responders, City Staff, and Volunteers for the Back to School Bash that was hosted on July 29th at the Slayter Creek Middle School.

5. Work Session.

- a. Anacapi Laguna - Building Materials Discussion (Non-residential and multiple-family residence). (Planning Manager Lauren Mecke)

Due to a miscommunication, this item will be brought forward at the August 22nd meeting.

- b. Potential Development of a 137 Acre Tract on West White Street. (Planning Manager Lauren Mecke)

The Anna 2050 Future Land Use Plan identifies this general area as Cluster Residential and Professional Campus.

- c. Presentation of the Proposed FY2023-2024 Budget. (Interim City Manager Ryan Henderson)

6. Consent Items.

MOTION: Mayor Pro Tem Miller moved to approve items 6.a. through e. Council Member Toten seconded. Motion carried 7-0.

- a. Approve City Council Meeting Minutes for July 25, 2023. (City Secretary Carrie Land)
- b. Review Minutes of the June 1, 2023, Joint Community Development Corporation and Economic Development Corporation Board Meetings. (Director of Economic Development Joey Grisham)
- c. Approve Amendments to Article 9.07 Tree Preservation of The City of Anna Code of Ordinances. (Planning Manager Lauren Mecke)

At the July 25, 2023 City Council meeting, the Council held a public hearing, considered, discussed and acted on an Ordinance repealing and replacing Article 9.07 Tree Preservation. The discussion primarily focused on eliminating tree removal permit applications and mitigation requirements for existing single-family or duplex homes and construction of a single-family or duplex residence on a single lot (not part of a larger subdivision). While staff was amending the text in accordance with the motion for approval, it was discovered that the motion removed the wrong subsection, additional sections needed to be amended to enact the intent of the motion, and a previous version of the fee schedule was included in the text.

Prior to the Council's motion and approval, staff provided a reference to a previous version of the text rather than the exhibit attached to the Council agenda packet. In removing subsections 3 and 4 of Sec. 9.07.004 (Standards for Tree Removal), it unintentionally removed "construction of a nonresidential development" rather than construction of a single-family or duplex residence on a single lot (not part of a larger subdivision). This

corrects Article 9.07 (Tree Preservation) by removing and adding text to exempt existing single-family or duplex homes and construction of single-family or duplex residences on a single lot (not part of a larger subdivision) from permit and mitigation requirements and reinstating the requirements for construction of a nonresidential development.

Fee Schedule

In the exhibit provided at the July 25th meeting, the incorrect fee schedule was included. The updated fee schedule recommended by the Planning & Zoning Commission is attached to the Council's agenda packet.

Approval of this agenda item will rectify these errors and approve a corrected Ordinance for implementation in line with the intent of the City Council's action taken at the July 25, 2023 meeting.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS AMENDING ORDINANCE NO. 1063-2023-07 REGARDING TREE PRESERVATION REGULATIONS

- d. Approve a Resolution authorizing the City Manager to approve an updated interlocal agreement for jail services between Collin County and the City of Anna. (Police Chief Dean Habel)

The Interlocal Cooperation Act (Texas Government Code Chapter 791) authorizes any local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act.

Collin County has proposed certain updated amendments to the Agreement, to include payment for County expenses in providing jail service for inmates, comprised of a "Basic Charge" of \$107.30 per day or part of day per inmate that the City requests be confined on charges brought by the City's peace officers, and additional charges for reimbursement of County expenses for health-care services, such that the updated Agreement shall be comprised of the terms set forth in Exhibit 1 and Exhibit 2 attached in the Council's Agenda Packet. Approval would extend the agreement through September 30, 2024.

A RESOLUTION OF THE CITY OF ANNA, TEXAS APPROVING AN UPDATED INTERLOCAL AGREEMENT FOR JAIL SERVICES BETWEEN COLLIN COUNTY, TEXAS AND THE CITY OF ANNA, TEXAS AND AUTHORIZING THE CITY MANGER TO EXECUTE SAME.

- e. Approve a Resolution authorizing the City Manager to execute an updated interlocal agreement for emergency dispatch services between Collin County and the City of Anna. (Police Chief Dean Habel)

The Interlocal Cooperation Act (Texas Government Code Chapter 791) authorizes any local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act.

The City of Anna contracts with Collin County to provide emergency dispatch services for the police department. Collin County has proposed certain amendments to the interlocal Agreement, to include payment of dispatch service charges for FY2023 in the amount of \$199,374.00 for the extension, and an annual connection fee of \$108.00 for each radio registered on the system. The total cost quoted by Collin County to extend the agreement to September 30, 2024 is \$204,990.00.

A RESOLUTION OF THE CITY OF ANNA, TEXAS APPROVING AN UPDATED INTERLOCAL AGREEMENT FOR EMERGENCY DISPATCH SERVICES BETWEEN COLLIN COUNTY, TEXAS AND THE CITY OF ANNA, TEXAS AND AUTHORIZING THE CITY MANGER TO EXECUTE SAME.

7. Items For Individual Consideration.

- a. Consider/Discuss/Action on a Resolution authorizing the City Manager to execute an Interlocal Agreement with Collin County for the funding of Leonard Avenue. (CIP Manager Justin Clay)

Leonard Avenue is a Minor Arterial on the City of Anna Master Thoroughfare Plan, and is shown to be a 4-lane divided roadway.

The City of Anna submitted for the 2022 Collin County Call for Projects with a request for funding for the construction of Leonard Avenue from East Foster Crossing to the Collin County Outer Loop. The Collin County Call for Projects is a very competitive process, with all cities in Collin County eligible for funds, and only a few projects selected each year.

The City of Anna was awarded a 70/30 match, with the County funding up to 70% of the project cost, up to \$2,590,000. The city has completed the engineering design for the project and is ready to move the project into the bidding phase.

Approval of the Interlocal Agreement by both the City and Collin County is required for the project funding. Once approved by both entities, staff will finalize the bid documents and prepare the project for bid. Construction is expected to begin in the first quarter of 2024.

A RESOLUTION OF THE CITY OF ANNA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF ANNA AND COLLIN COUNTY CONCERNING

LEONARD ROAD FROM FOSTER CROSSING TO THE COLLIN COUNTY OUTER LOOP

MOTION: Council Member Toten moved to approve. Council Member Carver seconded. Motion carried 7-0.

- b. Consider/Discuss/Action on a Resolution authorizing the City Manager to execute an Impact Fee Reimbursement Agreement with Canvas Anna Owner, LLC for the construction of public roadway and water improvements. (City Engineer Wes Lawson)

Canvas Anna Owner, LLC is developing property in the northwest corner of Leonard Avenue and East Foster Crossing in the City of Anna's ETJ. As a part of their project, they will be constructing water and roadway improvements which have been identified in the City of Anna Water Master Plan and Master Thoroughfare Plan. The most significant of these improvements is the extension of Leonard Avenue from the Clemons Creek Middle School to East Foster Crossing and East Foster Crossing from Leonard Avenue to the project's western property line. The project will also extend a twelve-inch water main from Clemons Creek Middle School to East Foster Crossing and continue west to the East Foster Crossing Palladium water line.

The infrastructure projects included in the agreement will be paid for through impact fee reimbursements collected from the adjacent properties. The City will reimburse the developer on a quarterly basis from collected fees from the adjacent properties for water and roadway impact fees in accordance with the City of Anna Water Master Plan and Master Thoroughfare Plan.

A RESOLUTION OF THE CITY OF ANNA, TEXAS AUTHORIZING THE CITY MANAGER TO EXECUTE AN IMPACT FEE REIMBURSEMENT AGREEMENT WITH CANVAS ANNA OWNER, LLC FOR THE DESIGN AND CONSTRUCTION OF PUBLIC ROADWAY AND WATER SYSTEM IMPROVEMENTS, IN A FORM APPROVED BY THE CITY ATTORNEY; AND PROVIDING FOR AN EFFECTIVE DATE.

MOTION: Mayor Pike moved to approve. Council Member Mayor Pro Tem Miller seconded. Motion carried 7-0.

- c. Consider/Discuss/Action on a Resolution naming the date and place of a public hearing on the FY2023-2024 Budget. (Budget Manager Terri Doby)

Texas Local Government Code 102.006 requires that a public hearing on the proposed budget be held the 15th day after the proposed budget is filed with the municipal clerk but before the date of the tax levy.

Section 7.02 of the City Charter states that on or before the 15th day of August of the fiscal year, the City Manager must submit to the City Council a budget for the ensuing fiscal year; and at the Council meeting when the budget is submitted, the City Council must name the date and place of the public hearing on the budget.

A RESOLUTION OF THE CITY OF ANNA, TEXAS NAMING THE DATE AND PLACE OF A PUBLIC HEARING ON THE FY2023 – 2024 BUDGET.

MOTION: Mayor Pike moved to set September 5th, 2023 at 6:00 PM as the date and time for a public hearing on the FY2023-2024 Budget. Council Member Cain seconded. Motion carried 7-0.

- d. Consider/Discuss/Action on a Resolution to propose a property tax rate of 0.510717 per \$100 of property valuation for the City that the Council may adopt for the 2023 tax year and setting date and time for a public hearing on the tax rate. (Budget Manager Terri Doby)

Texas Property Tax Code 26.04 requires that by August 7th or as soon thereafter as practicable, the designated officer shall submit the tax rates to the governing body. Texas Property Tax Code 26.05 requires that the governing body of a taxing unit may not adopt a tax rate that exceeds the lower of the voter-approval rate or the no-new-revenue rate until the governing body has held a public hearing on the proposed tax rate. Texas Property Tax Code 26.06 requires that the notice of public hearing contain the names of all members of the governing body, showing how each voted on the proposed tax rate, or if one or more members were absent, indicating the absences.

After properties are appraised by the Collin County Appraisal District, the Collin County Tax Assessor-Collector calculates both the No-New-Revenue tax rate, the Voter-Approval tax rate, and the De Minimis tax rate for the City of Anna as the designated officer to complete the tax rate calculation forms created by the Texas Comptroller and to certify the calculations as accurate.

No-New-Revenue tax rate:

The No-New-Revenue tax rate is a calculated rate that would provide the taxing unit with the same amount of maintenance and operations property taxes on existing property as the previous year after taking into account changes in appraised value. If property values rise, the No-New-Revenue tax rate will go down and vice versa. The No-New-Revenue tax rate for FY2024 is \$0.464353 per \$100.

Voter-Approval tax rate:

The Voter-Approval tax rate provides the taxing unit with the same amount of maintenance and operations property taxes on existing property as the previous year plus a 3.5 percent increase for those operations, in addition to sufficient funds to pay debts in the coming year. If a taxing unit adopts a tax rate higher than the Voter-Approval tax rate, a tax rate approval election must be held on the November uniform election date. The Voter-Approval tax rate for FY2024 is \$0.507024 per \$100.

De minimis rate:

The De minimis rate is the rate equal to the sum of the taxing unit's current debt rate, the no-new-revenue maintenance and operations rate, and the rate that when applied to a taxing unit's current total value, will impose an amount of taxes equal to \$500,000. The de minimis rate is an option for small cities with a population of 30,000 or less. The De Minimis rate for FY2024 is \$0.510717 per \$100.

The proposed budget is supported by a tax rate of \$0.510717. Under the Texas Property Tax Reform and Transparency Act of 2019, a city that adopts a rate exceeding the lower of the no new-revenue tax rate or the voter-approval tax rate must hold one public hearing. The following table is a comparison between the proposed tax rate, last year's rate, the No-New-Revenue rate, the De Minimis rate and Voter-Approval tax rate.

Proposed FY2024 Tax Rate	\$0.510717 per \$100
Preceding FY2023 Tax Rate	\$0.539750 per \$100
No-New-Revenue Tax Rate	\$0.464353 per \$100
Voter-Approval Tax Rate	\$0.507024 per \$100
De Minimis Tax Rate	\$0.510717 per \$100

Approval of the Resolution would set \$0.510717 as the Tax Year 2023 (FY2024) proposed rate. The Resolution also calls for the public hearing to be held on September 5, 2023 at 6:00 p.m. The public hearing notice will run in the Anna Melissa Tribune on August 17th. The Notice of Public Hearing must conform to the prescribed format from the Texas Comptroller's office and contain how each member of the governing body voted on the proposed tax rate.

	FY2023	FY2024	Change
Total tax rate (per \$100 of value)	\$0.539750	\$0.510736	\$(0.029014)
Average homestead taxable value	\$273,417	\$315,578	\$42,161
Tax on average homestead	\$1,475.77	\$1,611.77	\$136.00
Total tax levy on all properties	\$12,959,888	\$16,017,815	\$3,057,927

The budget and tax rate are scheduled for adoption at the September 12th Council meeting.

A RESOLUTION OF THE CITY OF ANNA, TEXAS NAMING THE PROPOSED TAX RATE THE COUNCIL MAY ADOPT FOR THE 2023 TAX YEAR AND SETTING THE DATES AND TIMES FOR PUBLIC HEARINGS ON THE TAX RATE

MOTION: Mayor Pro Tem Miller moved to approve. Council Member Carver seconded. Motion carried 7-0.

- e. Consider/Discuss/Action on a Resolution rejecting all bids for the Downtown Street Expansion project. (Interim Assistant City Manager Greg Peters)

The Paving, Drainage, and Utility Improvements to 5th, 7th, and Riggins Project is identified as a Community Investment Program construction project in the City of Anna, Texas.

The City of Anna has an active Capital Improvement Plan project to construct improvements to streets, drainage, and utilities in the downtown area. The project was publicly advertised in the Anna-Melissa Tribune and sealed competitive bids were received on July 28, 2023 at 2pm in compliance with Local Government Code Chapter 252.

The competitive sealed bids were opened on July 28, 2023, at approximately 2:05pm CST in the City Council Chambers at the City of Anna Municipal Complex, and three sealed bids were received for the project. One of the bids was received after the publicly noticed due time of 2:00pm. None of the bids received were within the adopted budget for the project as shown in the FY2022-2023 Budget. As such, staff recommends that all bids be rejected, and that the City conduct a value-engineering process and create bid alternates for the project scope. The City will then re-bid the project within the next 30 days.

If approved, the City will re-bid the project in the next 30 days and bring the lowest qualified bid to the City Council for award at the City Council meeting following the bid opening date.

A RESOLUTION OF THE CITY OF ANNA, TEXAS REJECTING ALL BIDS RECEIVED FOR THE PAVING, DRAINAGE, AND UTILITY IMPROVEMENTS TO 5TH, 7 TH, AND RIGGINS STREET PROJECT AT THE BID OPENING ON JULY 28, 2023; AND PROVIDING FOR AN EFFECTIVE DATE.

MOTION: Council Member Carver moved to approve. Council Member Toten seconded. Motion carried 7-0.

8. Closed Session (Exceptions).

Under Tex. Gov't Code Chapter 551, the City Council may enter into Closed Session to discuss any items listed or referenced on this Agenda under the following exceptions:

- a. Consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov't Code §551.071). Zoning and Related Ordinances. City Regulations.
- b. Discuss or deliberate the purchase, exchange, lease, or value of real property (Tex. Gov't Code §551.072).
- c. Discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1). (Tex. Gov't Code §551.087).
- d. Discuss or deliberate personnel matters (Tex. Gov't Code §551.074). City Secretary Annual Review.

No Closed Session was held.

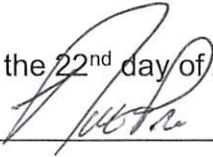
9. Consider/Discuss/Action on any items listed on any agenda - work session, regular meeting, or closed session - that is duly posted by the City of Anna for any City Council meeting occurring on the same date as the meeting noticed in this agenda.

No action was taken.

10. Adjourn.

Mayor Pike adjourned the meeting at 7:06 PM.

Approved on the 22nd day of August 2023



Mayor Nate Pike

ATTEST:



City Secretary Carrie L. Land

