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MINUTES
Special Meeting of the
Prosper Town Council
Prosper Municipal Chambers
108 W. Broadway Street
Prosper, TX 75078
Tuesday, September 19, 2016

1. Call to Order/Roll Call.

The meeting was called to order at 6:00 p.m.

Council Members Present:

Mayor Ray Smith
Mayor Pro-Tem Curry Vogelsang, Jr.
Deputy Mayor Pro-Tem Jason Dixon (arrived at 6:35 p.m.)
Councilmember Kenneth Dugger
Councilmember Meigs Miller
Councilmember Mike Davis (arrived at 6:16 p.m.)

Council Members Absent:

Councilmember Michael Korbuly

Staff Members Present:

Harlan Jefferson, Town Manager
Robyn Battle, Town Secretary/Public Information Officer
Terrence Welch, Town Attorney
Hulon Webb, Executive Director of Development and Community Services
John Webb, Development Services Director
Leslie Scott, Library Director
Leigh Johnson, Information Technology Director
Baby Raley, Human Resources Director
Betty Pamplin, Accounting Manager
Doug Kowalski, Chief of Police
Ronnie Tucker, Fire Chief

2. Discussion on Town Hall/Multi-Purpose Facility. (HW)

Hulon Webb, Executive Director of Development and Community Services, introduce Randall Scott of Randall Scott Architects (RSA), who presented this item before the Town Council. Mr. Scott updated the Council on the design elements of the Town Hall/Multi-Purpose Facility that have been finalized. The landscape plan, brick and stone selections, metal finishes, wood finishes, light fixtures, and carpet have been selected. The Town Hall Design Committee will finalize its selections on remaining items by next week. RSA will be able to raise the dais a maximum of 10" due to ceiling height. Mr. Scott reviewed the current cost estimate, which is approximately \$1.1 million over the original estimate due to the increased amount of finish-out space, additional landscaping, and cost escalation. Construction documents are scheduled to be submitted for bid by the end of September, and the Town should receive a guaranteed maximum price by the end of October. Sam Adams with Pogue Construction estimated construction time to be approximately fourteen months.

No further action was taken.

Councilmember Davis took his place at the Council bench at 6:16 p.m.

3. Consider and act upon an ordinance adopting a Fund Balance Policy and authorizing the Town Manager to assign fund balance for intended specific uses. (HJ)

Town Manager Harlan Jefferson presented this item before the Town Council. During the January 2016 Strategic Planning Session, Town staff received direction to update the Town's fund balance policy to require an unassigned fund balance of five percent, which is in addition to the twenty percent restricted fund balance amount required by the Town Charter. The policy was to be updated in conjunction with the new fiscal year. The proposed 25% total fund balance reserve is comparable to other cities and towns in the area. The Town Manager will implement a strategy to use funds in excess of the new reserve amount to cash fund future capital projects and to help maintain additional reserves as expenditures grow.

Mayor Pro-Tem Vogelsang made a motion and Councilmember Miller seconded the motion to adopt Ordinance No. 16-54 approving a Fund Balance Policy and authorize the Town Manager to assign fund balance for intended specific uses. The motion was approved by a vote of 5-0.

Deputy Mayor Pro-Tem Dixon took his place at the Council bench at 6:35 p.m.

4. Consider and act upon an ordinance adopting the Fiscal Year 2016-2017 Annual Budget for the fiscal year beginning October 1, 2016, and ending September 30, 2017. (HJ)

Mayor Smith opened Items 4 and 5 concurrently.

Town Manager Harlan Jefferson presented both items before the Town Council. He reviewed several changes to the Proposed Budget and CIP since they were submitted to the Town Council in early August. The proposed budget contains no fee or rate increases. Mr. Jefferson reviewed the major program enhancements in the proposed budget as well as the proposed new personnel positions.

The Town Council emphasized the need for a competitive compensation plan for Town employees. Fire Chief Tucker responded to Council's questions about compensation issues for Fire Department personnel. Human Resources Director Baby Raley stated that compensation is one of the reasons why the employee turnover rate is higher than in previous years. Mr. Jefferson stated that he and Ms. Raley are working to address internal equity issues related to compensation, and will closely monitor compensation market studies on an annual basis to detect any areas that may need to be adjusted. The Town Council provided direction to remove the proposed Arborist position from the list of new personnel, with the associated funds to be returned to the General Fund to be used at the discretion of the Town Manager.

After discussion, Councilmember Dugger made a motion and Councilmember Vogelsang seconded the motion to approve Ordinance No. 16-55 adopting the Fiscal Year 2016-2017 Annual Budget for the fiscal year beginning October 1, 2016, and ending September 30, 2017, as proposed. Mayor Smith called the roll, and Council Members responded as follows:

Councilmember Korbuly – absent
Mayor Pro-Tem Vogelsang – approved
Mayor Smith – approved

Deputy Mayor Pro-Tem Dixon – approved
Councilmember Dugger – approved
Councilmember Miller – approved
Councilmember Davis – opposed

The motion was approved by a vote of 5-1.

Councilmember Dugger made a motion and Deputy Mayor Pro-Tem Dixon seconded the motion to ratify the property tax revenue increase as reflected in the Fiscal year 2016-2017 Adopted Budget. The motion was approved by a vote of 5-1, with Councilmember Davis casting the opposing vote.

5. Consider and act upon an ordinance adopting the Town of Prosper 2016 Property Tax Rate. (HJ)

Mr. Jefferson responded to Council's questions regarding the taxable value calculation of 8.62% by confirming that it includes the Homestead Exemption.

After discussion, Councilmember Dugger made a motion and Councilmember Miller seconded the motion to adopt Ordinance No. 16-56 stating that the property tax rate be increased by the adoption of a tax rate of \$0.52 per \$100 assessed valuation, which is effectively an 8.62 percent increase in the tax rate. Mayor Smith called the roll, and Council Members responded as follows:

Councilmember Korbuly – absent
Mayor Pro-Tem Vogelsang – approved
Mayor Smith – approved
Deputy Mayor Pro-Tem Dixon – approved
Councilmember Dugger – approved
Councilmember Miller – approved
Councilmember Davis – opposed

The motion was approved by a vote of 5-1.

6. Consider and act upon a resolution adopting the Fiscal Year 2016-2017 Capital Improvement Program. (HW)

Hulon Webb, Executive Director of Development and Community Services, presented this item before the Town Council. He provided an overview of some of the major street, traffic, parks, facilities, water, and drainage projects that are included in the proposed Capital Improvement Program.

After discussion, Mayor Pro-Tem Vogelsang made a motion and Councilmember Dugger seconded the motion to approve Resolution No. 16-57 adopting the Fiscal Year 2016-2017 Capital Improvement Program. The motion was approved by a vote of 6-0.

7. EXECUTIVE SESSION:

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

- 7a. **Section 551.087 – To discuss and consider economic development incentives.**
- 7b. **Section 551.072 – To discuss and consider purchase, exchange, lease or value of real property for municipal purposes and all matters incident and related thereto.**
- 7c. **Section 551.074 – To discuss appointments to the Board of Adjustment/Construction Board of Appeals, Parks & Recreation Board, Library Board, Prosper Economic Development Corporation Board, and Planning & Zoning Commission.**

The Town Council recessed into Executive Session at 7:24 p.m.

- 8. **Reconvene in Regular Session and take any action necessary as a result of the Closed Session.**

The Town Council reconvened the Regular Session at 7:27 p.m.

Councilmember Miller made a motion and Councilmember Dugger seconded the motion to appoint Rebekah Land to Place 3 of the Parks and Recreation Board. The motion was approved by a vote of 6-0.

- 9. **Possibly direct Town staff to schedule topic(s) for discussion at a future meeting.**
- 10. **Adjourn.**

The meeting was adjourned at 7:28 p.m. on Monday, September 19, 2016.

These minutes approved on the 27th day of September, 2016.



[Signature]

Robyn Battle, Town Secretary

APPROVED:

[Signature]

Ray Smith, Mayor