STATE OF TEXAS	*	**CITY COUNCIL**
COUNTY OF HOOD	*	**REGULAR MEETING**
CITY OF GRANBURY	*	**AUGUST 7, 2007**

The City Council of the City of Granbury, Texas, convened on August 7, 2007, at 6:00 p.m. at the City Hall Council Chambers, 116 West Bridge Street, Granbury, Texas. Notice of said meeting giving date, place, and subject thereof having been posted as prescribed by Article 6252-17 V.A.T.V.S., with the following members:

David Southern	*	Mayor, Place 1
Jake Caraway	*	Councilperson, Place 2
Jeanell Morris	*	Councilperson, Place 3
Lisa Johnson	*	Mayor Pro Tem, Place 4
Mickey Parson	*	Councilperson, Place 6
	AND	
Harold Sandel	*	City Manager
Dee Arcos	*	City Secretary

Absent: Laurel Pirkle, Councilperson Place 5

5:30 p.m. Council/Staff pre-meeting. Staff briefed Council regarding items posted on the agenda.
6:00 P.M. MAYOR SOUTHERN CALLED THE REGULAR MEETING TO ORDER.

Julia Pannell introduced Stephanie Graves and Nancy Ferrara with "Encana" Oil and Gas. Ms. Graves and Ferrara presented the Council a $6,000 check donated by "Encana" for Phase III of the Firemen's Park project.

CONSENT AGENDA
Minutes of the Special Council meeting of July 30, 2007 were approved as presented.

07-182
Consider and adopt a resolution expressing intent to issue Combination Tax and Revenue Certificates of Obligation.
This resolution provides for the City Council of the City of Granbury to authorize publication of notice of intent to issue Certificates of Obligation in a principal amount not to exceed $15,100,000 for the acquisition, construction, and improvement of certain public works; and authorizing other matters related thereto.

07-183
Consider and authorize emergency expenditure for repair of hazardous condition of the Opera House windows.

07-184
Consider and authorize emergency expenditure for eleven police video cameras at $4,700/per camera, utilizing funds within the current 2006-07 FY Police Dept. Budget.

07-185
Consider and adopt a resolution allowing Granbury Municipal Electric to make Purchases in excess of the statutory limits under Chapter 252 of the Local Government Code without the necessity of formal bidding requirements whenever business needs dictate a more expeditious purchasing method.

07-186
Consider and approve closure of Bridge Street on the north side of the Square and Crockett Street on the east side of the Square and the City Hall Parking Lot for the Harvest Moon Festival.

07-187
Consider and adopt a resolution authorizing the City of Granbury a review of the reasonableness and prudence of gas purchases and expenditures of TXU Gas Company,

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now known as ATMOS Energy Corp. between 11/1/03 and 10/31/06; and authorizing the City of Granbury joining with other similarly situated Cities in a Coalition known as the ATMOS Texas Municipalities (ATM); authorizing the hiring of Special Counsel and experts in the purchase or sale of gas; and authorizing the intervention in GUD Docket No. 9732 at the Railroad Commission and related proceedings.

07-188
Consider and approve an Interlocal Cooperation Agreement for Economic Development entered into between the City and Hood County for a term of one year, effective 10/1/07 through 9/30/08.

07-189
Consider and approve an Economic Development Performance Agreement and Program Grant entered into between the City and Jerry Durant pursuant to Chapter 380 of the Texas Local Gov. Code.

Councilperson Caraway made a motion as follows:

- **that all items listed under Consent Agenda be approved with the exception of Item 07-189, Agreement with Jerry Durant;**
- **that Item 07-189 be removed from the Consent Agenda and be tabled until the next Council meeting;**
- **that Item 07-186 be amended "to not include City Hall Parking Lot for Harvest Moon Festival".**

Seconded by Councilperson Johnson, the motion carried with 4 ayes and 0 nays.

DELIBERATION AGENDA
07-190
Public Hearing regarding a request of Darrell Alldredge to rezone (305 W. Pearl St.) a portion of Lots 2 & 4, Block 26 of the Thrash Addition from Residential-7,000 and Business Commercial to Central Business District to allow for wholesale sales and retail activity; and consider and approve an ordinance providing for said rezoning.
Mayor commented Councilperson Johnson would not participate in discussion or vote of this item due to conflict of interest. Councilperson Johnson left the Council room. Mayor opened the hearing and asked for opinions for and against Mr. Alldredge's rezoning request. Scott Sopchak, Community Dev. Director briefed Council. Mr. Alldredge wished to lease approximately 6,624 square feet of space to house his commercial business, ABC Supply Company. The occupation of the existing building will comprise approximately 60% of the space located within the structure. ABC Supply Company is retail sales of H.V.A.C. and manufactured home parts that require a small showroom and a large warehouse facility. No outside merchandise, everything will be kept inside the warehouse and showroom facility. Contractors will purchase product at wholesale prices. Parking is provided in the front and rear of the property. P & Z considered this request on 7/16/07 and recommend approval of the request with the following conditions:

1. Outside storage and/or display shall be prohibited;
2. The available on-site parking spaces shall be utilized to support the businesses on-site and shall not be assigned to any other off-site business, and;
3. Heavy Commercial truck delivery (defined as eighteen wheeled tractor –trailer vehicles, and not 'bobtail' tandem axle type vehicles) shall be restricted to one trip per month. [as detailed by the applicant]

Mr. Alldredge addressed Council. He commented he would need more than one trip per month allowed him, at least until he stocked his business. Councilperson Caraway commented he was concerned that this was mostly a residential area. Mr. Alldredge commented he had a small box truck that would be making 2 trips per week. Director Sopchak commented conditions recommended by P & Z would be tied to the property, not the property owner. Councilperson Morris noted there are already delivery trucks up and down the subject area. Mayor asked if Mr. Alldredge would consider the possibility that the 18 wheelers could be unloaded elsewhere in order that they did not have to come into the Square area. Mr. Alldredge commented he needed at least one 18 wheeler per month during regular business hours. Mayor commented he wanted to be sure Mr. Alldredge understood, he would be fined if the provisions of the ordinance were violated. Stephen Johnson commented he was one of the owners of Mr. Alldredge's business

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and hoped something could be worked out regarding parking spaces. Mr. Johnson was concerned deliveries were going to be restricted and asked Council consider taking the limitation be taken off. Mayor commented there are already signs in some areas that prohibit trucks and felt the City did not really want 18 wheelers driving through residential streets. No further comments were offered by persons in the audience. Mayor closed the hearing. Councilperson **Morris made a motion the ordinance providing for the rezoning for 305 W. Pearl St. to CBD be passed and approved with the following stipulations:**

- **Outside storage and/or display should be prohibited.**
- **Available on-site parking spaces should be utilized to support the businesses on-site and should not be assigned to any other off-site business; nor should permits be issued for building expansion into the required front parking area.**
- **Heavy Commercial truck delivery (defined as eighteen wheeled tractor – trailer vehicles, and not 'bobtail' tandem axle type vehicles) should be restricted to one trip per month. [as detailed by the applicant]. There would be allowance for additional commercial truck trips to the facility for initial stocking of the business not to exceed 90 days.**
- **Commercial traffic should be limited to utilizing the route designated from Pearl Street to Thrash Street and then Bluff Street for ingress/egress onto the property.**

Seconded by Councilperson Caraway, the motion carried with 3 ayes, 0 nays, and 1 abstention. Vote was the following: Ayes: Parson, Caraway, Morris
Abstention: Johnson (conflict of interest) MOTION CARRIED.

<u>07-191</u>
Public Hearing regarding a request of 4M Youth Services, Inc. for a Specific Use Permit for 1300 Crossland Rd. (Lot 1, Block 1 of the Thrash – West Addition) to allow for the operation of a juvenile detention center; and consider and approve an ordinance providing for said SUP.
Mayor opened the hearing and asked for opinions for and against 4M Youth Services request for SUP at 1300 Crossland Rd. Scott Sopchak briefed Council. 4M Youth Services, Inc. wished to operate a pre-adjudicated and post-adjudicated juvenile detention facility. The facility would house local youth and youth from surrounding counties. They are planning to employ 65-70 staff members. (Previous facility operated with approximately 96 beds at full capacity.) Currently in Rockdale, 67 juveniles are housed. 4M Youth Services would be responsible for transportation of youth to and from the facility. They have indicated only minor modifications to the interior of the currently existing and vacant detention facility would be necessary to reopen. P & Z considered this request on 7/16/07 and recommended the SUP be allowed with conditions as follows: The SUP would be directly tied to the continual maintenance of:

- The required registration and/or permitting with the Juvenile Probation Board;
- The required certification and/or permitting with the local Juvenile Board, and;
- Other registration, certification or permitting as required by the State of Texas to lawfully operate a juvenile detention facility.

If any required license, registration, certification or permit were revoked, suspended or otherwise terminated, the SUP would become null and void and any proposal to operate a juvenile detention facility would be required to resubmit SUP to re-establish operation of the juvenile detention facility.

Mike Lindeman, of Rockdale, TX and President of 4M Youth Services addressed Council. Councilperson Johnson asked regarding the possibility of break outs. Mr. Lindeman commented there would be staff outside around the building and outside of the fenced area also. Councilperson Caraway asked if they would house felons and how long they would be there. Mr. Lindeman answered they usually stay between 6 – 9 months. He commented 4M Youth Services is very strict in their applicant acceptance and regulations and they do not fill beds just to make money.

District Judge Ralph Walton, 2706 Waters Edge Dr. commented he supported the SUP request and felt it was in the best interest of the community to open the juvenile detention facility. Jerry Campbell, 2300 Acton Hwy. representing GISD School Board, commented the Board was concerned with the location of the facility and with the fact that public dollars would be going to

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a private corporation. Another issue they also had concerns with was the requirement that teachers be highly trained individuals. Mr. Campbell asked that Council consider tabling the SUP request to allow more time for this item to be discussed further and that if it were to be approved, that it be done with restrictions and possibly wait until 2008. Hood County Commissioner Leonard Heathington, 5301 Fall Creek Hwy, commented he supported the SUP. Hood County Commissioner, Dr. Dick Roan, 7718 Ravenswood, commented he supported the SUP also, and asked if other Counties would reimburse GISD for their students. Angie Tipton 420 W. Bridge commented she was concerned that the facility would be so close to the downtown area and so near the schools; concerned with property values; and asked that Council consider postponing a decision. Brent Tipton, 726 Mustang Trail, commented he was against the SUP. Keith Tipton, 420 W. Bridge St., commented he was against it because of the location. Melanie Ferguson, 2005 N. Wood Duck Ct., commented she was concerned with the proximity of the facility and against it. Julie Pannell, 5104 Largo Dr., commented she had no problem with the juvenile facility in town. Her concern was the apparent lack of communication between the School, City, and County regarding the Juvenile Detention Center and felt all the entities needed to sit down and talk this matter out and asked that Council consider tabling the SUP request. John Webb, 9645 Airpark Dr., commented he was opposed to GISD having to utilize resources to facilitate this institution and asked that Council consider denying the SUP. Shelli Berry, 5500 Peveler Ct., Director of Hood County Juvenile Probation, commented she supported the SUP. Councilperson Parson asked if all pre-adjudicated Hood County Youth would go there. Ms. Berry answered yes.

Dwight Sadler, 1003 N. Davis #23, Cameron, TX, Administrator of the Rockvale Juvenile Detention Facility addressed Council. He commented he wanted to clarify that no Hood County youth would be turned away, even if it came down to having to move another youth not from Hood County to another facility out of town. He commented GISD would be required to provide breakfast and lunch to the students in the detention center and then GISD would be reimbursed through the National Free Lunch Program. During week-ends, holidays and GISD school breaks the school would not be required to provide meals, in which case 4M Youth Services would be responsible for providing those meals. The facility would be for both male and females and there would be security personnel in each classroom besides the teacher.

Mr. Lindeman addressed Council again, he commented they were planning to upgrade the security system and that someone would be monitoring the facility at all times. Mayor suggested a decorative fence be installed in front of the property and asked Mr. Lindeman if he would consider putting up additional fencing. Mr. Lindeman answered he did not think it was needed. Councilperson Parson asked if he could have assurance that Hood County youth would have priority as far as beds availability. Mr. Lindeman answered yes. Councilperson Johnson asked if Mr. Lindeman would consider getting together with GISD and try to work with them. He answered yes. No further comments were offered by persons in the audience. Mayor closed the public hearing.

8:46 P.M. MAYOR ANNOUNCED COUNCIL WOULD RETIRE TO GO INTO EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOV. CODE TO SEEK LEGAL ADVICE FROM CITY ATTORNEY REGARDING POSTED ITEMS ON THE AGENDA.

9:06 P.M. RECONVENE IN OPEN SESSION.

Councilperson Caraway made a motion the Juvenile Detention Center SUP request be tabled for two weeks until the next City Council meeting. Mayor asked that Mr. Lindeman meet with GISD. Seconded by Councilperson Johnson, the motion carried with 4 ayes and 0 nays. Councilperson Johnson asked that Mr. Lindeman provide in writing assurance that priority would be afforded Hood County youth. Mayor announced he had closed the public hearing on the SUP request and although this item was tabled, he would not conduct another public hearing on this same item at the next City Council meeting.

MOTION CARRIED.

<u>07-192</u>

Requests of Phil Hope:

- **Execute a Public Improvement Agreement (PIA) for the extension of a public water**

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- **and sewer main along a portion of Davis Rd. and through the proposed development, as well as the installation of a drainage improvements, public streets and sidewalks. The estimated cost of those improvements total ~$346,026.**
- **Public Hearing regarding final plat 4.234 acres (201 Davis Rd.) out of the Martin Setzer Survey, Abstract #502 to Lots 1 thru 30, Block 1 of the Cobblestone Court Addition; and consider and approve said final plat.**

Mayor opened the hearing on Mr. Hope's final plat request and asked for opinions for and against this item. Scott Sopchak, Comm. Dev. Director briefed Council. The applicant was requesting to final plat the property to allow for the construction of 30 townhome units. A general drainage plan has been approved by the City Engineer in conjunction with the public improvement plans. The site will be served by proposed water and wastewater mains meeting the City's adopted specifications. The applicant will be extending utilities from the Davis Rd. ROW through the development to serve the site. Streets are proposed to be built to the adopted urban standard of the City. Developer indicated he would escrow funds required for construction of sidewalks along Davis Rd. as well ½ the cost of improvements to bring Davis Rd. to an urban standard. Fire Inspector has approved the location of hydrants and insured there is adequate maneuvering space for EMS vehicles. Developer has stated that he will pay the standard 'fee-in-lieu of' assessment in order to meet the parkland requirement. The fee is equivalent to $350 per dwelling unit (*or $10,500 total*). Staff and P & Z at their meeting of 7/16/07 considered and recommended approval of the final plat. No comments were offered by persons in the audience. Mayor closed the hearing. **Councilperson Morris made a motion the PIA and the final plat requests of Phil Hope be approved. Seconded by Councilperson Caraway, the motion carried with 4 ayes and 0 nays. MOTION CARRIED**

07-193

Public Hearing regarding a request of Quicksilver Resources Inc. to Development Plat a 628.08 acre tract out of the N.H. Hooe Survey, Abstract #281 and the W. Williams Survey, Abstract #635, for oil and gas production; and consider and approve said development plat. This property is located south of Hwy 377 and east of FM 167 and is within the City's ETJ.

Mayor opened the hearing and asked for opinions for and against this Development Plat. Scott Sopchak, Comm. Dev. Director briefed Council. Quicksilver Resources was proposing to construct a central tank battery on-site. Pipelines, pad sites and access roads will be installed in compliance with the regulations of the City's Drilling Ordinance #06-127. Staff and P & Z at their meeting of 7/16/07 recommended approval. No further comments were offered by persons in the audience, Mayor closed the hearing. **Councilperson Johnson made a motion the Quicksilver Resources 628 acre development plat be approved. Seconded by Councilperson Caraway, the motion carried with 4 ayes and 0 nays.**

MOTION CARRIED

07-194

Consider and approve request of Quicksilver Resources Inc. to Development Plat part of a 148 acre tract and a 7.957 acre tract out of the S.M. Herron Survey, Abstract #687, the S.M Herron Survey, Abstract #247, the B.B.B.C. RR. Co. Survey, Abstract #74, and the W.R. McCreary Survey, Abstract #385, for oil and gas production; and consider and approve said development plat. This property is located northeast of the intersection of Hwy 4 and Acton Hwy and is within the City's ETJ.

Mayor opened the hearing and asked for opinions for and against this development plat. Scott Sopchak, Comm. Dev. Director briefed Council. Within the 148.00 acre tract of land are included the following: two pad sites (a six acre and one 2.65 acres) combining a total of six drill sites; two proposed temporary frac ponds (one 9.70 acres and one 3.4 acres), and; one three (3) acre central tank battery which is proposed to be screened with a fence to the referenced fence screening elevation on the plat. Staff and P & Z at their meeting of 7/16/07 recommended approval of this development plat. No comments were offered by persons in the audience, Mayor closed the hearing. **Councilperson Johnson made a motion the Quicksilver Resources development plat of the 148 acres and 7.957 acres tracts be approved. Seconded by Councilperson Parson, the motion carried with 4 ayes and 0 nays.**

MOTION CARRIED

07-195

Public Hearing regarding a request of Quicksilver Resources Inc. to Development Plat part

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of a 148 acre tract, a 67.16 acre tract, and a 7.135 acre tract out of the S.M. Herron Survey, Abstract #247, B.B.B.C. RR. Co. Survey, Abstract #74, W.R. McCreary Survey, Abstract #385, and the J.W. Shaw Survey, Abstract #514, for oil and gas production; and consider and approve said development plat. This property is located south of the intersection of Hwy 4 and Acton Hwy within the City's ETJ.

Mayor opened the hearing and asked for opinions for and against this development plat request. Scott Sopchak, Comm. Dev. Director briefed Council. Applicant was proposing to drill eight (8) new gas wells on two (2) pad sites and construct one frac pond. Pipelines, pad sites and access roads will be installed in compliance with the regulations of the City's Drilling Ordinance #06-127. Staff and P & Z at their meeting on 7/16/07 recommended approval. No comments were offered by persons in the audience. Mayor closed the hearing. **Councilperson Parson made a motion Quicksilver's development plat of 148 acres, 67.16 acres, and 7.135 acres tracts be approved. Seconded by Councilperson Caraway, the motion carried with 4 ayes and 0 nays. MOTION CARRIED**

07-196

Public Hearing regarding a request of Quicksilver Resources Inc. to Development Plat a 132.38 acre tract out of the Milam County School Land Survey, Abstract #348, for oil and gas production; and consider and approve said development plat. This property is located east of Hwy 51 and north of Stockton Bend Rd within the City's ETJ.

Mayor opened the hearing and asked for opinions for and against this development plat. Scott Sopchak, Comm. Dev. Director briefed Council. The applicant was proposing to drill five (5) new gas wells on two (2) pad sites as shown on the Development Plat. Pipelines, pad sites and access roads will be installed in compliance with the regulations of the City's Drilling Ordinance #06-127. Staff and P & Z at their meeting of 7/16/07 considered and recommended approval. No comments were offered by persons in the audience. Mayor closed the hearing. **Councilperson Caraway made a motion Quicksilver's request to development plat 132.38 acres tract be approved. Seconded by Councilperson Johnson, the motion carried with 4 ayes and 0 nays. MOTION CARRIED**

07-197

Public Hearing regarding a request of LaVera Aiken to replat (846 and 1850 Acton Hwy.) a portion of Lot 1 and all of Lot 3 of the Granbury Village Addition to Lot 3R of the Granbury Village Addition; and consider and approve said replat.

Mayor commented Councilperson Caraway would not participate in consideration of this item due to conflict of interest. Councilperson Caraway left the Council room. Mayor opened the hearing and asked for opinions for and against this replat. Scott Sopchak, Comm. Dev. Director briefed Council. The applicant was proposing to replat the property into a single lot of record to allow for the construction of 3 professional office buildings. To improve visibility, applicant was proposing to relocate the southeastern approach from its current location and shift it to the west. A new approach will be installed near the northeastern corner of the property and a fire lane will be extended through the property and around the structures. Variances were being requested by the developer in order to support the proposal.

- To Section 3.9 & 4.5, Wastewater Facilities to not extend an 8" sewer main, applicant proposed to install a private sewer service line to serve the 3 buildings.
- To Section 3.1.E (urban street standard requirements) & Section 4.10 (regarding street escrow requirements for developer not improving a non-urban street) to improve the street frontages built to a non-urban standards and to not provide escrow for ½ of the cost of urban standard improvements to Acton Hwy. The applicant agreed to place the following note on the plat: *"At such time in the future when the City or adjoining property owner improves Acton Hwy, the owner of subject property agrees to escrow funds to improve one half of the adjoining roadway along the entire length of the property's street frontage. Required distance, design and construction shall be in accordance with adopted policies of the City of Granbury"*, and;
- To Section 3.6.A.4 – Sidewalks of the Subdivision Ordinance to not install a public sidewalk along Acton Hwy.

In order to approve Variances City Council would need to make the following findings as evidence that the variance was found valid:

- Granting variance would not be detrimental to the public safety, health, or welfare or injurious to other property;

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- Conditions on which the request for variance was based were unique to the property for which the variance was sought;
- Because of the physical surroundings, shape or topographical conditions of the specific property involved, a particular hardship to the owner would result if the strict letter of these regulations were carried out, and;
- The variance would not, in any manner vary, the provisions of the Zoning Ordinance or Future Land Use Plan, Thoroughfare Plan.

Mike McKean, City Engineer recommended denial of the variance to Section 3.1.E (urban street standard requirements) & Section 4.10 (regarding street escrow requirements for developer not improving a non-urban street) to improve the street frontages built to a non-urban standards and to not provide escrow for ½ of the cost of urban standard improvements to Acton Hwy. Although the developer has agreed to escrow funds in the future, the minimum requirement of the Subdivision Ordinance is to escrow funds prior to the filing of the replat.

P & Z on 7/16/07 recommended approval of the replat with variances as follows:

- **Approval** of the variance to Section 3.9 & 4.5, Wastewater Facilities to not extend an 8" sewer main along Acton Hwy.
- **Approval** of the variance to Section 3.1.E (urban street standard requirements) & Section 4.10 (regarding street escrow requirements for developer not improving a non-urban street) to improve Acton Road or escrow ½ of the construction costs, provided that the applicant provide the following note on the plat prior to recording,
    - *"At such time in the future when the City or adjoining property owner improves Acton Hwy, the owner of subject property agrees to escrow funds to improve one half of the adjoining roadway along the entire length of the property's street frontage and install a commercial sidewalk across the front of the property at its sole cost. Required design and construction shall be in accordance with the current policies of the City's at that time. The property owner covenants and agrees that upon the failure of the property owner to escrow funds to improve the roadway and commercial sidewalk within six (6) months from the date of the approval of a CIP project to improve Acton Hwy or an adjoining property escrows funds to improve Acton Hwy, the City shall be authorized to provide for such improvements and to charge the then property owner for the costs of same and/or to place a lien upon the property to secure said costs. Upon recording of this plat in the real property records of Hood County, this obligation shall be a covenant running with the land."*, and;
- **Approval** of the variance to Section 3.6.A.4 – Sidewalks of the Subdivision Ordinance to not install a public sidewalk along Acton Hwy. Surrounding properties were developed prior to the sidewalk requirement and have not constructed sidewalks. Acton Hwy was constructed to a lesser, non-urban standard with v-bottom ditches and is not conducive to sidewalks.

No further comments were offered, Mayor closed the hearing. **Councilperson Johnson made a motion the replat of 846 and 1850 Acton Hwy. be approved with variances as recommended by P & Z. Seconded by Councilperson Morris, the motion carried with 3 ayes and 0 nays. The vote was the following: Ayes: Parson, Morris, and Johnson Abstention: Caraway, (conflict of interest). MOTION CARRIED**

<u>07-198</u>

Consider and approve request of Wayne Lee to execute a Public Improvement Agreement to construct a public road west of Nattie Baccus Elementary School and East of the proposed Villa Vista development.

Scott Sopchak, Comm. Dev. Director briefed Council. Applicant wished to enter into a PIA to construct a public road located between Nattie Baccus and the proposed Villa Vista residential development. Proposed roadway has been designed with 60' ROW with a minimum 40' curb & gutter section extending from Loop 567, transitioning to 36' section south of the second entrance of the school. The plans and estimates have been approved by the City Engineer, as well as the public dedication language for the proposed ROW. There will be $225,000 in street improvements and $68,000 in drainage improvements associated with the construction. **Councilperson Morris made a motion Mr. Lee's PIA be approved. Seconded by Councilperson Caraway, the motion carried with 4 ayes and 0 nays.**

MOTION CARRIED

07-199

Present to Council the proposed the 2007-08 Fiscal Year Budget for the City of Granbury and set the date, time and place for the Public Hearing on the Budget.

Wayne Mckethan, Finance Director commented the proposed FY 2007-2008 Budget had been delivered to Council on August 3, 2007. A copy of the proposed budget was also filed in the Office of the City Secretary on the same date and was available for inspection by the public during regular business hours. He commented in order to comply with required publication deadlines of notices of the public hearing dates, Staff recommended the public hearing on the FY 2007-2008 Budget be scheduled for 6:00 p.m. at the City Council meeting of August 21, 2007. Mayor commented the Fire Dept. had requested money for a boat and apparatus.

Mayor then announced that the public hearing on the budget would be conducted by the City Council at 6:00 p.m. on Tuesday, August 21, 2007 at City Hall Council Chamber.

07-200

Discuss the proposed 2007-08 Fiscal Year Tax Rate; take record vote on the Rate and set the date, time and place for the 2 Public Hearings on the Tax Rate.

Wayne McKethan briefed Council. According to Jeff Law, Hood Co. Appraiser, the City's FY 2007-08 effective tax rate is $ 0.33767. Staff recommended the tax rate remain at $0.4150 per $100 property valuation, the same as last year; if approved by Council, and as required by state law, when a proposed tax rate exceeded 03% of the effective tax rate, (in this case the proposed tax rate is 123% of the effective tax rate), the taxing unit's governing body must conduct two public hearings on the tax rate before the ordinance to adopt the proposed tax rate is actually voted on and adopted. **Councilperson Johnson made a motion the tax rate be set at 41 ½ cents. Seconded by Councilperson Caraway, the motion carried with 4 ayes and 0 nays.**

Ayes: Parson, Caraway, Morris, and Johnson **Absent and not voting: Pirkle**

MOTION CARRIED

Mayor announced the 1st public hearing on the tax rate would be held at 6:00 p.m. on Tuesday, August 21, 2007 at City Hall Council Chamber. The 2nd public hearing on the tax rate will be held at 12:00 noon on Tuesday, August 28, 2007 at City Hall Council Chamber.

MAYOR ANNOUNCED COUNCIL WOULD NOT GO INTO EXECUTIVE SESSION AS LISTED BELOW ON THE AGENDA.

EXECUTIVE SESSION – NOT HELD

Pursuant to SECTION 551.071 – TEXAS GOVERNMENT CODE – Consultation with City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including seeking legal advice regarding litigation, settlement offers, and or claims; including the following matters:

- City of Cresson v. City of Granbury
- Marina Property

Pursuant to SECTION 551.072 – TEXAS GOVERNMENT CODE – Real Property Matters, deliberation regarding the purchase, exchange, lease or sale of real estate –

There being no further business the meeting was adjourned at 9:25 p.m.

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DAVID SOUTHERN, MAYOR

Attest:

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Dee Arcos, City Secy.