

CITY COUNCIL MEETING
June 9, 2005, 8:30 a.m.

CITY COUNCIL OF THE CITY OF ABILENE, TEXAS
COUNCIL CHAMBERS, CITY HALL

The City Council of the City of Abilene, Texas, met in Regular Session on June 9, 2005, at 8:30 a.m. in the Council Chambers at 555 Walnut Street. Mayor Archibald was present and presiding with Councilmen Sam Chase, Anthony Williams, John Hill, Stormy Higgins, Kris Southward, and Councilwoman Laura Moore. Also present were Assistant City Manager Michael Morrison, Assistant City Attorney Dan Santee, City Secretary Jo Moore, and various members of the City staff.

Mayor Archibald gave the invocation.

Mayor Archibald introduced Katie Barefield a 5th grade student from Jackson Elementary who led the Pledge of Allegiance. Katie's parents and sister were also present.

Mayor Archibald stated at approximately 11:00 a.m., as noted on the agenda, Council would move to item 4.6 to consider the award of bids and ordinances authorizing the issuance of Certificates of Obligation.

DISPOSITION OF MINUTES

2.0 There being no corrections, additions, or deletions to the May 26, 2005 Regular Council Meeting Minutes Councilman Higgins made a motion to approve the minutes as printed. Councilwoman Moore seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

CONSENT AGENDA

3.0 Councilman Williams made a motion to approve consent agenda items 3.1 through 3.3 as recommended by staff. Councilman Hill seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

Resolutions:

3.1 Oral Resolution approving ultra-low sulfur diesel fuel for Citylink Transit from Valero Oil Company, as a single source. This will be for a one (1) year period unless an alternate source is found sooner.

3.2 Oral Resolution approving a request from the Abilene Chamber of Commerce for a fireworks display near Crutcher Scott Baseball Field on July 4, 2005, at approximately 9:15 p.m.

City Council Meeting

June 9, 2005

Page 2

Bid Award:

- 3.3 **Bid #CB-5051** – Elm Creek Bank Restoration Phase III – South 14th Street to Southwest Drive. The bid was awarded to Austin Filter Systems, Inc., Austin, TX in the amount of \$543,222.00

REGULAR AGENDA

4.1 Richard Burdine, Assistant City Manager of Economic Development briefed the Council on an Oral Resolution authorizing the City Manager to execute an agreement with the Texas Department of Transportation for relocation of I-20 access ramps serving new commercial development at FM 351, and to amend the Development Agreement for Extension of East Lake Road to provide for cost reimbursement.

Mr. Burdine stated construction of a Wal-Mart Supercenter at the intersection of SH 351 and IH 20 is now nearing completion and other commercial development, such as the proposed Cracker Barrel restaurant, is expected to begin construction soon. Mr. Burdine noted proper planning at this early stage will help to:

1. avoid some of the access problems seen in other areas of intense development;
2. create an attractive entrance off of I-20 into an Activity Center, consistent with the Comprehensive Plan;
3. implement a portion of the Thoroughfare Plan for this area;
4. demonstrate a commitment to north Abilene growth, and;
5. encourage residential development within AISD.

Mr. Burdine further stated the City Council previously authorized an agreement with Kenneth L. Musgrave to construct an extension of East Lake Road in advance of development. Mr. Burdine noted under the agreement, Mr. Musgrave will bear all of the initial expense of extending East Lake Road as a thoroughfare from SH 351 east and south to IH 20. Mr. Burdine further noted the City of Abilene will reimburse half of the cost of the project from no more than 50% of property taxes generated by new development in an area bound by the new thoroughfare, IH 20 and Lowden Street. Mr. Burdine stated the City's responsibility would end after ten years regardless of whether or not full reimbursement was achieved. Mr. Burdine noted in meetings with the Texas Department of Transportation (TxDOT), the district engineer and his staff determined that the proposed intersection of East Lake Road with the I-20 access road cannot be permitted with the current I-20 access ramp configuration; the intersection would be too close to the current off-ramp. Mr. Burdine stated TxDOT's long-term plan is to reverse the current ramps in accordance with statewide policy, converting the current off-ramp to an on-ramp and moving it closer to SH 351 and converting the current on-ramp to an off-ramp and moving it farther east. Mr. Burdine further stated the estimated cost of each ramp conversion is \$300,000 for a total additional cost of \$600,000. Mr. Burdine noted TxDOT does not expect to have funding for ramp conversions for 5 to 10 years. Mr. Burdine stated Mr. Musgrave is willing to "front" the cost of one ramp conversion, to be reimbursed from 50% of new property tax revenues from the area as provided in the current agreement. Mr. Burdine further stated staff proposes the City Council consider loaning funds for the other ramp conversion from the General Fund undesignated fund balance, to be reimbursed from 100% of new property tax revenues from the area before Mr. Musgrave would receive any reimbursement on the project, meaning the City's cost for a ramp

City Council Meeting

June 9, 2005

Page 3

conversion would be repaid first from all new property tax revenues from the area. Mr. Burdine noted the ramp conversion will be accomplished through two agreements, the first is between the City and TxDOT to cover TxDOT's costs as work on I-20 can only be done through a TxDOT construction contract, and the second is an amendment to the previous agreement between the City and Mr. Musgrave to revise the cost sharing arrangement. Mr. Burdine stated the revised estimated cost of the project is \$1,800,000 with the City of Abilene reimbursing Mr. Musgrave the lesser of 50% of actual project cost of \$900,000. Mr. Burdine further stated staff recommends approval of the agreement and amendment.

Council and staff discussion included: 1) TxDOT not expecting to have funding available for ramp conversions for the next 5 to 10 years; 2) the success of the development depending on the project schedule being moved forward; 3) Council commending Kenneth Musgrave, Richard Burdine, staff and TxDOT for their public/private partnership in this endeavor; 4) the City's cost for a ramp conversion would be repaid first from all new property tax revenues from the area and those funds will be earmarked to go back into the fund balance, and; 5) clarification of the funding/fiscal impact.

Mayor Archibald stated his appreciation to Kenneth Musgrave for the developing of the corridor with partnership efforts and for sponsoring the upcoming July 4th fireworks display.

Councilman Higgins made a motion to approve by Oral Resolution authorizing the City Manager to execute an agreement with the Texas Department of Transportation for relocation of I-20 access ramps serving new commercial development at FM 351, and to amend the Development Agreement for Extension of East Lake Road to provide for cost reimbursement. Councilman Hill seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

4.2 Councilman Williams made a motion to remove item 4.2 from the table to consider **Z-2005-13**, an ordinance to amend PDD-91 to revise the sign requirements in the PDD (Planned Development District) zoning district, property located at I-20 and Hwy 351. Councilman Southward seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

4.2 Jon James, Director of Planning & Development Services briefed the Council on **Z-2005-13**, an ordinance to amend PDD-91 to revise the sign requirements in the PDD (Planned Development District) zoning district, property located at I-20 and Hwy 351.

Mr. James stated the applicant proposes a 60' tall, 200 square foot pole sign to identify a Cracker Barrel restaurant. Mr. James further stated the Abilene Sign Regulations do not allow any free-standing sign to exceed 50' in height in any zoning district. Mr. James noted the pole sign

City Council Meeting

June 9, 2005

Page 4

allowed in the existing Planned Development District (PDD) for use by Wal-Mart has a 35' height and 175 square feet maximum. Mr. James further noted the Planned Development District (PDD) ordinance currently allows only monument signage with a maximum height of 6' and a maximum area of 75 square feet on this and the other out-parcels in the development. Mr. James stated the Comprehensive Plan speaks to the issue of reducing sign clutter and the scale of signage in Abilene, particularly along major corridors to present a better image of Abilene, while protecting the ability of businesses to effectively advertise, and this request is contrary to that provision of the Plan. Mr. James further stated although there is significant sign clutter across Highway 351, the three other corners of the intersection of I-20 and Hwy 351 have virtually no signage. Mr. James noted setting a precedent for signs such as proposed would be detrimental to quality, long-term development in the area. Mr. James stated the request was denied by the Planning and Zoning Commission and is being presented to Council on appeal by the applicant. Mr. James noted three possible actions Council may take:

1. Deny the appeal, leaving the existing PDD ordinance language as is,
2. Reverse the decision of the Commission, granting an amendment to the PDD allowing the requested signage, or
3. Reverse the decision of the Commission, granting an amendment to the PDD allowing additional signage which is more restrictive than that requested by the applicant.

Mr. James stated staff recommends denial of the appeal to changes to the signage requirements, however, if the Council chooses to reverse the decision of the Planning and Zoning Commission, staff urges Council to grant an amendment to the PDD that is consistent with the community appearance goals of the Comprehensive Plan and does not set a unreasonable precedent for future signs along the I-20 corridor.

Council and staff discussion included: 1) west side ramp structure versus east side ramp structure; 2) the new Wal-Mart Supercenter being an anchor store for the development of the area and the working relationship between staff and Wal-Mart; 3) PDD negotiation with Wal-Mart concerning signage size; 4) no discussion having being held with Wal-Mart concerning the Cracker Barrel sign; 5) Cracker Barrel having contracted to purchase the property, and; 6) the fact that Wal-Mart's opinion concerning the additional signage requirement for the PDD is not known.

Following Council and staff discussion Mayor Archibald opened the public hearing and the following individuals addressed the Council:

- Don Roder, Identity (sign) Manager for Cracker Barrel. Mr. Roder stated the majority of the Cracker Barrel Stores are located on interstate highways and the importance of adequate visibility. Mr. Roder briefed Council on the process used for consideration or review of an area and the three items used in the determination: 1) Billboards (not permanent); 2) Department of Transportation food board signs (TxDOT has informed Cracker Barrel there is not adequate space for these), and; 3) what the local codes allow for adequate visibility. Mr. Roder noted moving of the exit ramps could possibly be beneficial but is speculative at this point. Mr. Roder stated the first target test (investigation) studies other existing signs in the area (Dairy Queen estimated height 70'-75'). Mr. Roder distributed a target test booklet to Council and reviewed the process and the photos of the area. Mr. Roder stated other signs in the area not included in the PDD are allowed to be a height of 50' and

Cracker Barrel consented to a 50' sign with a optimum height of 60'. Mr. Roder further stated Cracker Barrel is trying to be realistic and a good neighbor.

- David Perschbacher, Regional Real Estate Manager for Cracker Barrel. Mr. Perschbacher stated Cracker Barrel representatives have not spoken with representatives from Wal-Mart, but discussions will take place. Mr. Perschbacher further stated the Wal-Mart sign is designed primarily to attract local traffic.
- Vicki Anderson, opposed. Ms. Anderson stated she is pro-Abilene and is in favor of the new Comprehensive Land Use Plan, which the requested variance does not comply with, and feels if an exception is made there will be no solid ground for future sign regulations. Ms. Anderson requested Council not approve the request.
- Scott Beard, pastor. Mr. Beard stated his support for Cracker Barrel, the need for economic growth in Abilene, and being in favor of the 60' sign or taller if needed.
- Jack Hill, President of KGNZ Radio. Mr. Hill stated the need for Abilene to develop a partnership with Cracker Barrel and not be an obstacle. Mr. Hill further stated the business that will be generated from traffic off of the interstate will provide dollars to the economy and will be for the overall good of the community.
- Lisa Kargene – Ms. Kargene stated she is hopeful for the employment opportunities that will be provided if the Cracker Barrel opens and is in favor of the request.
- Brad Ingle – Mr. Ingle stated he feels the ordinance is a good idea as it is designed to keep undesirable signs out of the area but feels the Cracker Barrel sign at 60' seems to blend in.
- Jimmy Pruitt, Pastor of Morning Star Community Church. Mr. Pruitt requested Council grant the sign variance and welcomed Cracker Barrel to the community. Mr. Pruitt further stated the demographics of his church (middle/low income) being located at 3rd and Oak that there is always a need for employment.
- Gail Keiger, KTAB/KRBC. Mr. Keiger stated the value of the Comprehensive Plan but also believes in the need for exceptions. Mr. Keiger further stated Abilene needs to embrace new businesses and be pro-economic development.
- Samuel Britton – Mr. Britton stated he feels if Council makes this exception in the area of signage they will be setting a precedence for the future and that they should uphold the standard that has been set.

There being no one else present and desiring to be heard the public hearing was closed.

Council and staff discussion included: 1) the Comprehensive Plan addresses signage but it states Council could adopt a new sign ordinance, which has not been done; 2) previous Council, staff

City Council Meeting

June 9, 2005

Page 6

and community discussion concerning promoting I-20 on the north side and the need to assist businesses in order for them to succeed; 3) public sentiment is in support of Cracker Barrel and the goal of the Council should be to bring new businesses into Abilene; 4) community appearance being important but a positive message being sent is equally as important, and; 5) the need to support Cracker Barrel and the economic development impact they will bring to the north side corridor and the entire community.

Councilwoman Moore made a motion to approve **Z-2005-13**, an ordinance considered on second and final reading to amend PDD-91 to revise the sign requirements in the PDD (Planned Development District) zoning district, property located at the corner of I-20 and Hwy 351 (property site of future Cracker Barrel restaurant location) to permit one additional pole sign which shall have a maximum height of 60 feet, and a maximum area of 200 square feet. Councilman Southward seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: Councilman Hill

The Ordinance is numbered **25-2005** and captioned as follows:

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "ZONING", OF THE ABILENE MUNICIPAL CODE, CONCERNING PDD-91 A PLANNED DEVELOPMENT DISTRICT; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

Council recessed for a break at 10:25 a.m. and reconvened at 10:30 a.m.

4.3 Richard Burdine, Assistant City Manager for Economic Development briefed the Council on an oral resolution approving the Development Corporation of Abilene, Inc. Semi-Annual Report of Activities through March 31, 2005.

Mr. Burdine stated as required in the Development Corporation of Abilene, Inc. (DCOA) by-laws, a report of activities for the first one-half of the current fiscal (October 1, 2004 through March 31, 2005) year has been prepared. Mr. Burdine reviewed the report with Council which included: 1) the DCOA makeup and responsibilities; 2) ½ cent sales tax income for economic development; 3) 2004-05 Budgeted Expenditures on Revenues of \$7.38 million; 4) the Abilene Industrial Foundation, Military Affairs Council and Texas Tech Small Business Development Center Contract responsibilities to DCOA; 5) a review of the Economic Development Department, and; 6) Downtown Programs that are staff funded through the Economic Development Department. Staff and the DCOA Board recommend approval of the report by oral resolution.

Council and staff discussion included: 1) Council commending staff for their team approach; 2) reasons businesses decide to, or not to, locate in Abilene which included: Abilene being too far from the major markets, the appeal to companies that they can be part of the community, real estate being very competitive, transportation possibly a negative factor (improving trucking traffic appeals to distribution centers), good labor workforce with good work ethics, low unemployment rate and good

City Council Meeting

June 9, 2005

Page 7

labor rates; 3) the goals to increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene and clarification of service provided by the Small Business Development Center; 5) “Develop Abilene” being a good concept; 6) the involvement of Council in the revisions of the DCOA by-laws; 7) “Quality of Life” issues need to include lakes, parks, sport facilities, and sport venues, and possibly reviewing those issues as potential bond election items needs to be considered.

Councilman Chase made a motion to approve by oral resolution the Development Corporation of Abilene, Inc. Semi-Annual Report of Activities through March 31, 2005. Councilman Hill seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

At 11:00 a.m. Council moved to agenda item 4.6.

4.6 David Wright, Director of Finance distributed the Bid Results for the Combination Tax and Revenue Certificates of Obligation, Series 2005, in the amount of \$5,150,000, and Combination Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2005, in the amount of \$7,275,000.

Mr. Wright introduced Mr. George Williford of First Southwest Company. Mr. Williford reviewed the Bid Results on the Combination Tax and Revenue Certificates of Obligation, Series 2005, noting the lowest TIC on the \$5,150,000 CO’s was from First Southwest Company at 3.889085.

CERTIFICATES OF OBLIGATION, SERIES 2005

\$5,150,000

June 9, 2005

Sold in the Aggregate

Street Improvements

S. 14 th St. Traffic Safety (Pioneer to S. Danville)	\$338,500
Buffalo Gap Rd. & Sayles Blvd. Resurfacing – 4 Phases	375,000
S. 7 th Reconstruction (Clack to Dub Wright)	385,000
N. 10 th Reconstruction (Elm Creek to N. Danville)	514,000
Catclaw Dr. Reconstruction (Southwest Dr. to S. Clack)	220,000
ADA Curb Ramps	45,000
Concrete Intersections	175,000
Catclaw Dr. & Southwest Dr. – Traffic Safety (US 83-84 to Elm Creek)	40,000
Southwest Dr. Resurfacing (Elm Creek Bridge to Rebecca)	79,400
Antilley Rd. Resurfacing (Buffalo Gap Rd. to US 83-84)	155,000
Willis St. Resurfacing – 3 Phases	76,700
S. 27 th Rehabilitation – 3 Phases	<u>118,800</u>
Total	\$2,522,400

Public Safety Improvements

Central Fire Station Repairs – Reimbursement	\$144,890
Construct Communications Center	<u>1,200,000</u>
Total	\$1,344,890

Planning and Development

Animal Services – Exterior Pens	\$50,000
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Equipment and Maintenance Services

Roof Replacements – Community Services, 3 Fire Stations, and Civic Center	\$185,000
Boiler Replacements – Civic Center, Law Enforcement Center, City Hall and Library	<u>390,000</u>
Total	\$575,000

Park and Recreation Improvements

Zoo Pedestrian Walks Repairs and Replacement	\$55,000
Civic Center Carpet Replacement at Conference Center	63,750
Rose Park Road Paving	110,000
Rose Park Trail Repaving	20,000
Bridge Club Parking – Construct 25 Spaces	35,000
Nelson Park Trail Lighting – ½ Mile New Southeast Section	40,000
Lake Kirby Park Development, Phase III – Parking and Playground	80,000
Rose Park Shop – New Building/Roof on Storage Areas	150,000
Redbud Park Trail Paving	40,000
Johnson Park Fishing Pier	<u>65,000</u>
Total	\$658,750
Rounding Adjustment	<u>(1,040)</u>

GRAND TOTAL **\$5,150,000**

Councilman Hill made a motion to approve an Ordinance authorizing the issuance of City of Abilene, Texas Combination Tax and Revenue Certificates of Obligation, Series 2005, in the amount of \$5,150,000 and awarding the bid to First Southwest Company at the TIC of 3.889085. Councilman Higgins seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

The Ordinance is numbered **26-2005** and captioned as follows:

AUTHORIZING THE ISSUANCE OF CITY OF ABILENE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2005, IN THE PRINCIPAL AMOUNT OF \$5,150,000 AND OTHER MATTERS RELATED THERETO

Mr. Williford then reviewed the Bid Results for the Combination Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2005, noting the lowest TIC on the \$7,275,000 CO's was from First Southwest Company at 3.888611.

WATERWORKS AND SEWER SYSTEM
CERTIFICATES OF OBLIGATION, SERIES 2005
\$7,275,000
June 9, 2005
Sold in the Aggregate

Water and Sewer Improvements

Treatment Plant Improvements, Phase 1A	\$6,400,000
Cedar Gap Outfall – Upsize 3200’ of 10” Sewer Main	800,000
Lake Kirby West Access Road	73,000
Rounding Adjustment	<u>2,000</u>
Total	\$7,275,000

Councilman Southward made a motion to approve an Ordinance authorizing the issuance of City of Abilene, Texas Combination Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2005, in the amount of \$7,275,000 and award the bid to First Southwest Company at the TIC of 3.888611. Councilman Williams seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

The Ordinance is numbered 27-2005 and captioned as follows:

AUTHORIZING THE ISSUANCE OF CITY OF ABILENE, TEXAS COMBINATION
TAX AND WATERWORKS AND SEWER SYSTEM REVENUE CERTIFICATES OF
OBLIGATION, SERIES 2005, IN THE PRINCIPAL AMOUNT OF \$7,275,000

4.4 Jon James, Director of Planning & Development Services briefed the Council on a resolution confirming a HOME fund loan of \$281,000 to DMA Company for costs associated with the acquisition and/or construction of a senior apartment community and supporting DMA's application for Low-income Housing Tax Credits.

Mr. James stated Council approved the Goals and Objectives for the City's 5-Year Consolidated Plan at the May 26, 2005 meeting, and one of the objectives of the Consolidated Plan is to increase the availability, financial accessibility, and support for safe, decent and affordable housing for elderly citizens. Mr. James noted in addition, one of the objectives of the Comprehensive Plan adopted by Council in January 2004 is to encourage infill development and redevelopment. Mr. James further stated DMA Development Company has assisted in the development of senior and special needs communities for 25 years and was founded for the purpose of developing affordable housing under the Low-Income Housing Tax Credit (LIHTC) program. Mr. James noted the proposed project is an 80-unit senior independent living community at 2702 S. 7th, directly across

City Council Meeting
June 9, 2005
Page 10

from the Oscar Rose Park and Senior Center. Mr. James further noted sixty-nine units will be for seniors with incomes less than 60% of the area's median income, eight units will be for seniors with incomes less than 30% of the area's median income, with three units leasing at market rate. Mr. James stated this project involves infill development on a vacant tract of land in the heart of the City in an area of mixed uses and the existing infrastructure and public facilities are in place to serve the site. Mr. James noted DMA has expended a considerable investment in application fees, research and site planning. Mr. James further stated the Planning and Zoning Commission has recommended approval on the necessary zoning for this site and final action by Council will be required for approval pending the outcome of the LIHTC awards in July. Mr. James noted the initial project cost estimate is \$6.8 million and LIHTC projects are awarded additional consideration when the project has secured a commitment from the local unit of government and support from a neighborhood association. Mr. James stated DMA has formally requested a \$281,000 HOME loan toward the costs associated with the acquisition of the property and/or the construction of the project and has worked with the neighborhood association in which it will be located and has received their support. Mr. James further stated the financial success of this project will depend upon the award of Low-Income Housing Tax Credits to DMA and the commitment of \$281,000 in HOME funds is contingent upon DMA receiving the award. Mr. James noted there will be no impact on local taxes and HOME funds are available from unspent balances from previous years. Staff and the Office of Neighborhood Services Advisory Council recommend approval of the resolution. Mr. James introduced Diana McIver, owner of DMA Development Company. Ms. McIver briefed the Council on various aspects of DMA including: 1) the Developer; 2) who the Arbors will serve and where they will be located; 3) the attributes of the location; 4) the building design, amenities and unit design; 5) projected sources of funding and total development budget, and; 6) why HOME funds are needed.

Council and staff discussion included: 1) positive aspects of both the infill project and the impact of involving the Neighborhood Association; 2) repayment of the loan schedule; 3) utilizing local contractors versus out of town contractors, and; 4) the benefits of the development and Council requested local lenders and contractors be considered.

Councilman Hill made a motion to approve as recommended by staff and the Office of Neighborhood Services Advisory Council a resolution confirming a HOME fund loan of \$281,000 to DMA Company for costs associated with the acquisition and/or construction of a senior apartment community and supporting DMA's application for Low-income Housing Tax Credits. Councilman Southward seconded the motion, and the motion carried.

AYES: Councilmen Chase, Williams, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

The Resolution is numbered **14-2005** and captioned as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, APPROVING THE USE OF HOME INVESTMENT PARTNERSHIPS FUNDS FOR A SENIOR INDEPENDENT LIVING COMMUNITY PROJECT AT 2702 SOUTH 7TH STREET AND SUPPORTING AN APPLICATION FOR LOW-INCOME HOUSING TAX CREDITS (LIHTC).

Councilman Williams left the meeting at 11:40 a.m.

4.5 Tommy O'Brien, Director of Water Utilities briefed the Council on the Fort Phantom Hill Reservoir Water Quality Study and requested authorization for staff to proceed with Phase B of the Study.

Mr. O'Brien stated on May 13, 2004 the Council authorized, by Oral Resolution, execution of a contract with Carter & Burgess Inc. to conduct the first phase (Phase A) of the Fort Phantom Hill reservoir Study. Mr. O'Brien further stated the entire project consists of two phases – Phase A and Phase B. Mr. O'Brien noted Phase A evaluates the impact on water quality from development of city-owned lake property, addresses residential/commercial development of city-owned property, groundwater augmentation from the Seymour Aquifer, reuse of wastewater effluent, and costs for a central wastewater collection system to serve current and future development. Mr. O'Brien stated Phase B will use the information gathered in Phase A and better define development opportunities and will include a Market/Economic Analysis and Land Use Development Plan. Mr. O'Brien further stated the Water Department has completed Phase A, which evaluated the impact of development on the water quality of Fort Phantom Hill Reservoir and the following summarizes the conclusions set forth in the report:

1. Impacts of Development on Fort Phantom Hill:

The lake's watershed includes about 297,310 acres. The three development scenarios considered evaluated the conversion of about 413 acres of city-owned land around the lake for new residential/commercial development. The three development scenarios were: (I) Low density (2 lots/acre); (II) Medium density (4 lots/acre); and (III) High density (8 lots/acre). All three development scenarios showed minimal to no measurable impacts to the water quality. This is because on a watershed basis, the development of 413 acres out of 297,310 acres has a very minimal impact on the water quality of the lake. Water quality is impacted more by development in the watershed than at the lake. This conclusion is also based on the fact that wastewater disposal at the lake will not deteriorate in the future, and that for future development either a septic tank system will only be allowed on at least 0.5-acre lots or a collection system will be installed.

2. Groundwater Augmentation (Seymour Aquifer) from Bland Tract:

The groundwater augmentation scenario involved diverting groundwater into the lake from wells (pumping from the Seymour Aquifer) located on the Bland Tract. This scenario showed a slight benefit in water yield. There was significant degradation of lake water quality due to high salinity.

3. Reuse of Treated Effluent for the Hamby Wastewater Treatment Plant (WWTP):

The reuse of treated municipal wastewater effluent was the most promising alternative for increasing water yields and maintaining a more constant water level in the lake. However, the reuse of treated effluent will cause degradation of the lake's water quality without additional treatment. Some communities are considering constructing wetlands to provide additional treatment for reuse of wastewater effluent.

4. Infrastructure Evaluation to Provide Wastewater Collection for Development:

A conventional (gravity) central collection system was the most practical design for all three development scenarios. It offers flexibility in development and can serve current residences. A conventional collection system provides a permanent solution to disposing of wastewater from the lake property. The costs for a collection system serving the east side of the lake range from about \$10 million (Low Density) to \$14 million (High Density).

Mr. O'Brien stated staff requests authorization from the Council to proceed with the next phase of the Study (Phase B), which includes a Market/Economic Analysis and Land Use Development Plan and it is recommended that a Community Wide Task Force be established to assist staff with developing a Scope of Work for the next phase, and to provide input during the next phase. Mr. O'Brien further stated staff will present a proposed Scope of Work, and associated budget, for Phase B at a future Council Meeting.

Council and staff discussion included: 1) the report being well done but understanding that it is based on general assumptions only and that Council is not tied to those assumptions; 2) no degradation of water quality will result from the development; 3) positive aspects of the reuse of effluent water and the potential of wetlands in treating the effluent, and; 4) a Community Wide Task Force assistance and input being needed.

Councilman Higgins made a motion to authorize staff to proceed with Phase B of the Fort Phantom Hill Reservoir Water Quality Study. Councilman Southward seconded the motion, and the motion carried.

AYES: Councilmen Chase, Hill, Higgins, Southward, Councilwoman Moore, and Mayor Archibald.

NAYS: None

EXECUTIVE SESSION

Mayor Archibald recessed the Council into Executive Session pursuant to Sections 551.071, 551.074, and 551.072 of the Open Meetings Act, to seek the advice of the City Attorney with respect to pending and contemplated litigation, to consider the appointment and evaluation of public officers, and to consider the purchase, exchange, lease or value of real property.

REGULAR SESSION

The Council reconvened from Executive Session and reported no action taken.

There being no further business, the meeting was adjourned at 12:10 p.m.

Jo Moore
City Secretary

Norm Archibald
Mayor