

NOTICE OF REGULAR COUNCIL MEETING

AUGUST 6, 2012 7:00 PM

SHADY SHORES COMMUNITY CENTER

101 S. SHADY SHORES ROAD

SHADY SHORES, TX 76208

AGENDA

MINUTES

1. CALL TO ORDER

MEMBERS PRESENT

**Jerry Williams, Mayor
Cindy Spencer, Mayor Pro-Tem
Cindy Aughinbaugh
John Reedy
Lance Sandmann
Charles Grimes**

MEMBERS ABSENT

**Also Present: Sarah Swanson, Town Secretary
Jim Shepherd, Town Attorney**

2. PLEDGE ALLEGIANCE TO THE UNITED STATES FLAG AND THE TEXAS FLAG.

(HONOR THE TEXAS FLAG; I PLEDGE ALLEGIANCE TO THEE, TEXAS, ONE STATE UNDER GOD, ONE AND INDIVISIBLE.)

3. CONSENT AGENDA-each item listed on the consent agenda is considered to be routine by the Town Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.

1. Consider and take action relative to the following minutes:
 - a. Town Council Meeting 7/2/2012
 - b. Town Council Meeting 7/18/2012
 - c. Consider and take action relative to the June Financial Reports.

Cindy Spencer asked that item 'C' (June Financial Reports) be moved to the end of the agenda for discussion. John Reedy made a motion to approve the Town Council Meeting minutes. Cindy Aughinbaugh seconded. Motion carried.

4. COUNCILMEMBER/COMMITTEE REPORTS-Consider and take action relative to the following Councilmember/Committee member reports:

1. Title 36 Update (Williams)

Mayor Williams explained that after doing more research, he understood that the shoreline is part of the town limits; therefore our police service can enforce any and all ordinances on our town property. After getting help from Charles Grimes, Robert Jordan, John Mattney and Brian Phelps, we concluded that we are covered without having to pass Title 36. We have confirmed this with our attorney and with the attorney from the City of Corinth. Mayor Williams appreciates the information from Mr. Grimes and also the CORP.

2. Police Report (Grimes)

Grimes has not yet received the police report. Due to the reports from All American Dogs, Grimes reminded the residents to keep out plenty of food and water for their pets because of the extreme heat. This was a majority of the calls. John Reedy said that the Corinth Police Department is creating a new report for future use.

3. Strategic Planning Report (Reedy)(Cecil Carter)

Agenda number eight tonight will conclude the findings of the Master Planning Committee.

4. Community Events Committee (Spencer)

Spencer said that there will be a meeting on Thursday at 7 pm to plan the details of the Labor Day Picnic, which is 11 to 1 on Saturday, September 1. The committee will also start planning for the Christmas celebration.

5. New website (Aughinbaugh)

Aughinbaugh said that the new website is complete and ready for review by the council in order to go live.

6. Fire Report (Sandmann)

Mayor Williams has appointed Lance Sandmann as our fire liaison and he will begin giving us updates for the fire department. Sandmann met with Chief Clark and has asked for monthly

reports. He did get one for January through July for this year, and from this point on he will get it broken out. So far for the year, we have had 66 calls, five of those being fire, 36 being rescue and emergency, hazardous conditions, hazardous calls, five false alarms, and one severe weather and natural disasters. Sandmann will get definitions of all of these. The report also has their training, about 4,868 hours. He is new to this type of report, so if there is anything the residents would like to get, he asked for them to not hesitate to call him or the Mayor.

7. Budget (Williams)

Mayor Williams said that the final work session is tonight and we have concluded what we will need for our expenditures. We now know what our ad valorem tax revenues are going to be and we have had an adjustment to our fire interlocal agreement which will be discussed later in our work session. At the conclusion of the work session tonight, we will be able to move that budget to our town secretary. She will then make it available for town inspection, and the appraisal district will have the notice in the paper a week from Thursday, with the actual public hearing on the 29th. The actual ordinances establishing the tax rate and the budget will be at the September 10th meeting.

8. KSSB Report (Carter)

We are now a Keep Texas Beautiful affiliate. Polly Carter reviewed the meeting from July in which the committee discussed getting a pavilion for the town property. Carter provided a packet with the details to the council. The committee is looking into something about 30 by 5 for a total of around \$22,000. John Reedy asked what kind of purpose she sees the pavilion having. Carter explained that there was an area originally left open that would be intended for something of use to the resident's, in which a pavilion can be used for picnics, etc. Cindy Spencer elaborated that they are considering a fundraiser for the pavilion.

5. CITIZENS COMMENTS-PURSUANT TO THE STATE OF TEXAS OPEN

MEETINGS STATUTE: The governing body of the Town of Shady Shores may not take action on items not posted on the agenda. Those items mentioned by citizens may be placed on a future agenda.

Gordon Duncan

Duncan discussed the ordinance that requires homeowners to maintain their own septic. He said that the current required training in San Antonio is lacking the material relevant to maintaining an aerobic system and the training in provided by the Denton County Health Department is far more relevant.

Paul Brown

Brown requested the council report to the citizens the five questions that are related to the middle school development:

1. When was the official notice given of the public hearing and where is the documentation of that?
2. Did that notice comply with the ordinances and state law?
3. Is there record of the proper notice to the property owners within 200 feet of the property in question?
4. What engineering plans did the city include?
5. What did the plans provide for protection for downstream owners?
6. Has responsibility ever been discussed by the city engineer and City of Shady Shores for downstream infrastructure for the middle school?

Mayor Williams reminded Brown to fill out the proper form for being placed on the agenda.

Michael Thompson – 409 W. Shady Shores Rd.

Thompson asked the council if any of them have been to the construction site. He said that the detention pond on the site has the same issues as the detention pond in Corinth.

- 6. PUBLIC HEARING HIDDEN VALLEY ANNEXATION REQUEST**-Conduct a public hearing relative to a request by Hidden Valley Airpark Association to annex 63 acres of land situated in the W. Durham Survey Abstract Number 330 and the M.E.P. and P.R.R. Survey Abstract Number 911, Denton, Texas.

A. Open Public Hearing

Charles Grimes made a motion to move to an open public hearing. John Reedy seconded. Motion carried.

B. Public Comments

Keith Perry – 22 Hidden Valley Airpark

Perry lives in Hidden Valley and thinks this should not be done. The original petition states that it is currently pasture land, yet in Resolution 733 it says that the petition states that they will maintain it as pasture land. Perry does not see any guarantee that this will be maintained. He sees some problems with the way it is set up. He would hate to see any problems arise later.

Jeff Pohlman – 36 Hidden Valley Airpark

Pohlman asked about representation. He has gotten no information about this, but instead had to go looking for it. It is as though Steve Aughinbaugh is representing. Pohlman wants to remind everybody that this association is in a suit over situations like this and to request all of the stockholders in this association be aware of what is going on. Who they actually represent is a very serious question here. Many stockholders have not been made aware of the situation.

Gordon Duncan – 57 Hidden Valley Airpark

His lot is number 57 which joins the 53 acre annexation and he objects to it, which he has put in writing for the council. The members of the association did not vote on this.

Linda McIntyre – 203 Moonlit Path Dr.

McIntyre stated that she had not been provided much information and the rest of the community would like to be aware of what is going on. Last month was the first she has heard of it and she doesn't know why the annexation is being suggested and does not know the ramifications for the town if it is annexed. She would like some information on it.

Paul Brown – 420 Fritz Ln.

Brown encouraged the council to not accept the annexation because he feels the town cannot handle the current infrastructure. For us to bite off another 60 acres to be responsible for is not very prudent. He would like the council to address the issues on the table right now.

Michael Thompson – 409 W. Shady Shores Rd.

Thompson also feels the exact same is Mr. Brown.

JR Mosier -

Mosier represents the association who made the request. He would like to clarify a few things. There are no stockholders – it is a member only association. As for notification, it has been discussed at length at all of the board meetings, which are circulated by email. The main issue is that the property is adjacent to the City of Corinth in which they do not want to be incorporated. It is agriculture now, and will be in the future. They will maintain it the same.

C. Rebuttal

Steve Aughinbaugh – 122 Hidden Valley Airpark

Aughinbaugh stated that the reason the Hidden Valley Airpark Association has asked to be annexed is because everyone was basically under the assumption that that property was part of Shady Shores until the Mayor started the process of redrawing the town map. As part of

redrawing the map, they found out that Corinth is a home law town, while Shady Shores is a general law. The significant difference is that Corinth could annex the property and would then be providing services within three years. They can then tax at their rate and there really are no services to be provided. The association did not want the possibility of becoming part of Corinth and having two municipalities to deal with. They like the protection of the ordinances that Shady Shores has. Because of the type of town Shady Shores is, they had to ask to be annexed.

John Reedy asked if this is the last of the property that needs to be annexed in Hidden Valley. Aughinbaugh said that it is.

Charles Grimes asked if the letters to the residents have been sent out. Mayor Williams sent all the letters out within 200 feet concerning the request and also placed a notice in the newspaper.

Mayor Williams reminded the council and residents that no action will be taken on this agenda item tonight and also that if it is annexed, the town will not be responsible for the land, as it is a gated community.

D. Close Public Hearing

John Reedy made a motion to close the public hearing. Charles Grimes seconded. Motion carried.

7. INTERLOCAL COOPERATION AGREEMENT FOR LAW ENFORCEMENT

SERVICES-Consider and take action regarding the amended Interlocal Agreement for Law Enforcement Services for the next five years. Chief Walthall will be present to answer questions.

Mayor Williams explained that Captain Wilkerson will be presenting in place of Chief Walthall. He also said that she said she has received no calls regarding the agreement so she assumes there are no issues. One of the things originally brought up by council was that the ETJ was left out of the agreement so she included this in there. She also included the request from council that the budget not grow more than 9%. One of the things that was taken out is the 90 day agreement for which we could basically cancel out, however she spoke with her attorney and the Mayor spoke with the town's and both were advised to go forward, as we can opt out of the agreement at the end of the fiscal year. Charles Grimes said that his only concern is the possibility of their performance lacking; basically all they offer is mediation if so. Cindy Aughinbaugh explained that in the contract, it states that if they are negligent and not performing, and they are at fault at mediation, we have the ability to terminate. Charles grimes

said it is very vague and that it is odd to have no opt-out clause. Mayor again explained that they have spoken to the attorney, with both sides assuring that it would not be an issue getting out of the contract. Cindy Spencer then asked how much notice the department will need to end the contract, in which Mayor responded that they need 30 days. Cindy Spencer asked if there was a history of conflicting ordinances. Captain Wilkerson said that the language, from what he understands, is simply for legal protection. He also wants to remind the Mayor and council that he is not there to portray any legal advice. The precursor to the change actually came from the agreement with the Lake Cities Fire Department, in which there is no out-clause. Both sides of the legal counsel have ensured the Chief that a specific opt-out clause is not necessary. Mayor Williams further explained that they attempted to draft the agreement to coincide with the fire departments that was already approved.

Michael Thompson – 409 W. Shady Shores Rd.

Thompson has an issue with the numbers presented and also the change in the out-clause. He is concerned that the Chief did this because we are looking at the possibility of our own police department. He also does not understand why they presented another five year contract when the town only agreed to one. He has an issue with the numbers and he feels like we are getting the higher end of their salary (e.g. the sergeants).

The Captain explained that regarding the details of the contract, it is best to refer to the town attorney for specific questions, as he provided his advice to the Mayor. Regarding the pay in the contract, based on simplicity, is usually based on top out salary. Shady Shores is only paying for one officer but technically the town has four because of 24/7 coverage provided by Corinth PD. Charles Grimes questioned the Captain on whether the town was really receiving 24/7 coverage as the Captain had said, in which the Captain again ensured, with exception to factors beyond their control, such as taking people to the Denton jail or backing up other officers elsewhere, when needed. Charles Grimes said that he sees what he sees, and he often does not see an officer in Shady Shores. Captain said there are so many variables he is not seeing or understanding, but they work the beat 24/7.

John Reedy made a motion to approve the amended agreement as written. Lance Sandmann seconded. Cindy Aughinbaugh was for. Cindy Spencer and Charles Grimes were opposed. Motion carried, three to two.

- 8. FIVE YEAR MASTER STRATEGY PLAN**-Consider and take action regarding the recommendations of the Strategy Committee for modifications to the Town of Shady Shores infrastructure for the next five years.

Cecil Carter

Carter presented the Master Planning Committee Report to the town council. Carter discussed ideas submitted such as sidewalks, a community park, technology upgrades, etc. He discussed the possibility of Shady Shores having their own police department. He said the requirements to do so would be a police chief, five officers (six ideal) and administrative help. In addition, we would need to contract with Denton for 9-1-1 dispatch and computer assisted record-keeping and would also need to facilitate agreements with other local police forces for Detectives, SWAT teams and other items that would be too expensive to do on our own. Assuming that we would want to spare the expense of a police station, the Shady Shores town hall would probably need to be partitioned for areas for the police service. Carter then explained the cost. For example, another town of 3,000 has six officers, two police cars and uses the county's jail for a cost of \$400,000. As for the existing contract: The Corinth P.D. uses a full-time, dependable force backed with tools, training and an experienced staff of professionals, 24/7 seven days a week. Included in Corinth's fees at a minimum are: supervision and scheduling of officers, the officers themselves, insurance, training, retirement, dispatch and record keeping. Carter then elaborated on the detailed cost of the list of Shady Shores having a police department.

Carter then gave an example of roads and drainage cost by group and the plan thereof.

Keith Perry – 22 Hidden Valley Airpark

Perry stated that the committee had done an excellent job. He said that the five year plan that was drafted was over half on why we can't have our own police force. He thinks this is not really a vision, and while the issue should be visited, it should not be part of this plan.

Linda McIntyre – 203 Moonlit Path Dr.

McIntyre said that while she appreciates the efforts of the committee, this is not what she expected from a master plan.

Tom Spencer

There was a focus on law enforcement, which there should be because it's the most expensive of any city budget. But that is one part, while there is also the roads and drainage. So this is a good beginning analysis of problems. He asked for some more analysis and prioritization and thinks that this committee is a good idea.

Lance Sandmann made a motion to table the action. Charles Grimes seconded. Motion carried.

9. RESOLUTION 734 AMENDING RESOLUTION 715 INVESTMENT POLICY-

Consider and take action relative to amending Resolution 715 revising and restating the Shady Shores Investment policy for the 2012-13 fiscal year as recommended by the Investment Committee.

Cindy Spencer made a motion to amend Resolution 715 with Resolution 734. Reedy seconded. Motion carried.

10. RESOLUTION 735 AMENDING RESOLUTION 714 REGARDING INVESTMENT

COMMITTEE-Consider and take action regarding Resolution 735 amending Resolution 714 appointing a chief investment officer and members to serve on the investment committee for the fiscal year 2012-13.

John Reedy made a motion to amend Resolution 714 for Resolution 735 appointing a Chief Investment Officer and members of the investment committee for the fiscal year 2012-13. The Investment Officer will be Cindy Spencer and members Jerry Williams (Mayor), Cindy Spencer (Investment Officer and Mayor Pro Tem), John Reedy and Charles Grimes. Lance Sandmann seconded. Motion carried.

11. RESOLUTION 736 REGARDING MOVEMENT OF FUNDS - Consider and discuss the recommendation of the Investment Committee to move \$350,000.00 from the reserve account into laddered CD'S.

Tom Spencer

Seeing this on the agenda, he has looked at the financials. As long as you have a good handle on your reserve needs and are meeting your investment policies then it's a good idea and a good thing to do.

Cindy Spencer made a motion to accept Resolution 736. Lance Sandmann seconded. Motion carried.

12. RESOLUTION 737 APPOINTING ROAD COMMITTEE AND POLICE SERVICE

COMMITTEE MEMBERS - Consider and take action regarding appointing citizen volunteers to the Road Committee and the Police Service Committee.

Steve Aughinbaugh – 122 Hidden Valley Airpark

The council was elected to manage the budget of this town which was just handed off to committees. He is a little concerned that we might start government by the squeaky wheel.

Charles Grimes asked for a timeline to be put on these committees so they are not endless.

We are going to do Oakwood Circle and then we will then pick an additional item within the right price range. We will then give the rest of the list to the roads committee for prioritization. By June 1, 2013, this report should be ready from the engineer study and their recommendation.

John Reedy made a motion to accept Resolution 737 with a time limit amendment. Cindy Spencer seconded. Motion carried.

13. SEPTEMBER COUNCIL MEETING-Consider and take action relative to setting a date for the September 2012 town council meeting.

John Reedy made a motion to move the meeting to September 10th. Lance Sandmann seconded. Motion carried.

14. BUDGET WORKSESSION-Conduct a work session relative to the proposed Town of Shady Shores budget for the 2012-13 fiscal year. Council discussion relative to authorizing the budget be filed with the town secretary.

The interlocal agreement should be \$298,557 with the vehicle fee. With the concessions they made with Lake Dallas and Hickory Creek, the amount is now \$276,288 which includes the vehicle replacement cost. Mayor Williams will present the new agreement on the 29th that includes concessions and limitations. The budget can now reduce our fund balanced to \$489,046. To balance the budget, we will need revenues of \$1,392,511 which we will get the majority from our standard revenues.

The remaining budget was reviewed from the last work session and no changes made.

Mayor Williams recommended not raising the taxes for the town. If we stay at the tax rate of .31465 we do not have to have two additional public hearings and the paper will put in the notice after the meeting on the 29th.

The Town Secretary will establish the 2012-2013 budget and will be available for the public and the Denton CAD will be notified of the tax rate is established.

As authorized by section 551.071(2) of the Texas Government Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the town attorney on any agenda item listed herein.

15. ADJOURN

Charles Grimes made a motion to adjourn. John Reedy seconded. Motion married.

PASSED AND APPROVED THIS _____ DAY OF _____, 2012

_____ Jerry Williams, Mayor

IN ADDITION, A QUORUM OF PLANNING AND ZONING MEMBERS MAY CHOOSE TO ATTEND THE COUNCIL MEETING POSTED ABOVE. THEREFORE THIS IS NOTICE OF A PLANNING AND ZONING MEETING AT THE SAME TIME AND PLACE, WITH THE SAME AGENDA AS THE COUNCIL. IN THE EVENT A QUORUM OF P&Z MEMBERS IS PRESENT AT THE MEETING, NO ACTION OF THE MEMBERS WILL BE TAKEN. THIS NOTICE IS POSTED AT THE TIME STATED ABOVE

UPCOMING EVENTS AND MEETINGS

August 9, 2012 Community Events Meeting

August 16, 2012 Planning and Zoning Meeting

August 29, 2012 Budget Public Hearing

September 1, 2012 HOOT AND HOLLER Day 11AM to 1PM

September 10, 2012 Special Council Meeting (Moved Due to Holiday)

September 15, 2012 Fall Clean Up

