

MINUTES OF A STUDY SESSION OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD AT TOWN HALL, 4700 DREXEL DRIVE, HIGHLAND PARK, TX, 75205 AT 8:46 A.M. ON TUESDAY, SEPTEMBER 7, 2021.

Present at the meeting were Mayor Margo Goodwin, Mayor Pro Tem David Dowler, and Town Council Members Marc Myers, Lydia Novakov, and Craig Penfold. Council Member Jimmy Grisham was absent.

UPCOMING AGENDA DISCUSSION

**Future Agenda Discussion**

*Review and discuss an ordinance amending the Fiscal Year 2020-21 Adopted Budget.* Karen Kurtin, Controller, stated during the year, the Town incurred expenses that were not anticipated within the Fiscal Year 2020-21 Adopted Budget ("FY 2021 Budget"). This agenda item provides an opportunity for the Town Council to review and discuss the proposed amendments to the FY 2021 Budget. In the General Fund, staff is proposing an amendment to total appropriations of \$196,009. This amount is broken down as follows: (i) in response to COVID-19, outdoor drinking fountains with touchless bottle fillers were purchased at \$77,987; (ii) third party inspection services and employee retirements in the amount of \$113,055; and (iii) repairs to the pool related to Winter Storm Uri for \$4,967. The budget amendment proposed addresses these expenditures by department which are completely funded through the CARES grant funding that is being administered by Dallas County, insurance proceeds, and building inspection fees. The Technology Replacement Fund also incurred expenditures related to COVID-19 totaling \$4,800. This increase in appropriation is fully funded through the CARES grant being administered by Dallas County. In the Building Replacement Fund, expenditures in connection with repairing the Town Hall Security System total \$28,191. This expense was not anticipated and will be funded using existing fund balances. Mayor Goodwin asked if anyone would like to make a comment or ask a question, to which there were none.

*Review and discuss interlocal agreements with Dallas County for: (i) food establishment inspections and vector and/or mosquito control; (ii) health services; and (iii) participation in the Household Hazardous Waste Program.* John Eaglen, Assistant Director of Development Services, explained that the Town engages in interlocal agreements with Dallas County (the "County") for (i) food establishment inspections and vector and/or mosquito control; (ii) a variety of public health services; and (iii) the Household Hazardous Waste ("HHW") Program. These services are provided under three separate agreements which will begin on October 1, 2021, and will end September 30, 2022. In response to a question raised by Council Member Myers, Mr. Eaglen explained the cost associated with the contract is the same as last year and continues to be minimal. Mayor Goodwin asked if anyone would like to make a comment or ask a question, to which there were none.

*Review and discuss an ordinance approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding 2021 Rate Review Mechanism filings.* Steven Alexander, Director of Administrative Services and Chief Financial Officer, explained that the Rate Review Mechanism filings were thoroughly reviewed by Atmos Cities Steering Committee ("ACSC"), whose expert consultants negotiated and recommended the proposed settlement. Mr. Alexander introduced Susan Harris, member of the

ACSC, for any questions. The impact of the settlement on average residential rates results in an increase of \$1.28 monthly, or 2.2%. The increase for average commercial usage will be \$4.03 or 1.61%. The effective date for the new rates is December 1, 2021; the Town is required to approve the ordinance before October 1, 2021. Mayor Goodwin asked if anyone would like to make a comment or ask a question, to which there were none.

## **Reports**

*Review and discuss the Fiscal Year 2021-22 Proposed Combined Operating and Capital Budget.* Steve Alexander, Director of Administrative Services and Chief Financial Officer, explained this item is to provide an opportunity for staff to receive comments from the Town Council relating to the Fiscal Year 2021-22 Proposed Combined Operating and Capital Budget (the "FY 2022 Budget") and other items the Town Council would like staff to consider, study, or incorporate into the FY 2022 Budget. Mr. Alexander introduced Dave Yanke, President of Newgen Strategies and Solutions, to answer any questions the Town Council may have. Mr. Yanke had previously presented the results and recommendations in connection with the water and wastewater study at the Study Session held on August 17, 2021. Mr. Alexander explained after further discussion, a flat increase of 3% every year would be less complicated than other suggested solutions. Town staff requested direction from the Town Council. Mayor Goodwin stated a 3% increase to the water bill every year is understandable due to inflation and, as a homeowner, a constant reasonable increase every year is preferable compared to the other suggestions offered, as they were too difficult to explain and rationalize. Mayor Pro Tem Dowler, Council Members Penfold and Myers agreed, the simplicity of the 3% increase is compelling and modest. Mayor Goodwin asked if there were any further comments, to which there were none.

## CLOSED SESSION

- 1. In accordance with the Texas Government Code Chapter 551, Subchapter D, Section 551.071 - CONSULTATION WITH ATTORNEY - the Town Council will convene into closed session for consultation with and legal advice from the Town Attorney regarding pending or contemplated litigation: McCullers v. USAI, et al. (Cause No. DC-18-08709).*
- 2. In accordance with the Texas Government Code Chapter 551, Subchapter D, Section 551.071 - CONSULTATION WITH ATTORNEY - the Town Council will convene into closed session for consultation with and legal advice from the Town Attorney regarding pending or contemplated litigation: USAI, LP v Town of Highland Park (Cause No. DC-20-08213).*

Mayor Goodwin recessed the study session at 9:14 a.m. and convened a closed session pursuant to: (1) Section 551.071 of the Texas Government Code for consultation with and legal advice from the Town Attorney regarding pending or contemplated litigation: McCullers v. USAI, et al. (Cause No. DC-18-08709) and USAI, LP v Town of Highland Park (Cause No. DC-20-08213).

Mayor Goodwin ended the closed session at 9:28 a.m., and reconvened the study session in open session at 9:28 a.m. No final action, decision, or vote was taken during the closed session.

OPEN SESSION

Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding Closed Session Item 1. above, shall be made, if any. No motion was made.

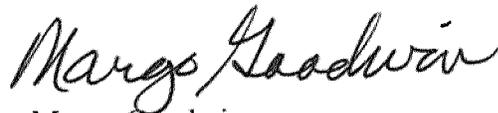
Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding Closed Session Item 2. above, shall be made, if any. No motion was made.

Mayor Goodwin asked if there are any further comments, to which there were none.

Mayor Goodwin adjourned the Town Council meeting at 9:29 a.m.

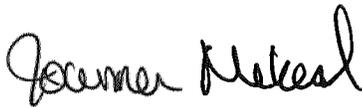
APPROVED on this 21<sup>st</sup> day of September 2021.

APPROVED:



Margo Goodwin  
Mayor

ATTEST:



Joanna Mekeal  
Town Secretary