The Irving City Council met in special session on August 22, 2018 at approximately 8:45 a.m. The following members were present / absent:

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Organization</th>
<th>Title</th>
<th>Status</th>
<th>Arrived</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor Rick Stopfer</td>
<td>Irving City Council</td>
<td>Mayor</td>
<td>Present</td>
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<tr>
<td>John C. Danish</td>
<td>Irving City Council</td>
<td>Councilman</td>
<td>Present</td>
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<tr>
<td>Allan Meagher</td>
<td>Irving City Council</td>
<td>Councilman</td>
<td>Present</td>
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<tr>
<td>Dennis Webb</td>
<td>Irving City Council</td>
<td>Councilman</td>
<td>Present</td>
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<tr>
<td>Phil Riddle</td>
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<td>Present</td>
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<tr>
<td>Oscar Ward</td>
<td>Irving City Council</td>
<td>Councilman</td>
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<td>Al Zapanta</td>
<td>Irving City Council</td>
<td>Councilman</td>
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<tr>
<td>Kyle Taylor</td>
<td>Irving City Council</td>
<td>Councilman</td>
<td>Present</td>
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<tr>
<td>Wm David Palmer</td>
<td>Irving City Council</td>
<td>Councilman</td>
<td>Present</td>
<td></td>
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8:00 A.M.  Breakfast

8:45 A.M.  A.  City Manager's Overview

Chris Hillman, City Manager, presented a broad overview of the budget presentations. He noted that the priorities used to create the budget were maintaining current service levels; maintaining and improving the city's existing infrastructure, equipment, facilities, services and programs; finish unwinding budget-balancing decisions made during the last recession; incorporating prior years' commitments, and implementing increase over 65 tax exemption. He reviewed the FY 17-18 accomplishments, outlined several key initiatives for the upcoming years and highlighted ongoing and successful economic development plans and programs.

B. Budget Overview

1. FY 2017-18 Estimates – Major Funds

   Bret Starr, Budget Administrator, described the FY 2017-18 estimates of the major funds. Handouts are on file in the City Secretary’s Office or online at http://www.ci.irving.tx.us/DocumentCenter/View/31797/FY-18-19-Budget-Retreat-Presentations.

2. FY 2018-19 Revenue Projections

   Bret Starr, Budget Administrator, presented the FY 2018-19 projected revenues. Handouts are on file in the City Secretary’s Office or online at http://www.ci.irving.tx.us/DocumentCenter/View/31797/FY-18-19-Budget-Retreat-Presentations.

3. Major Cost Drivers

   Bret Starr, Budget Administrator, outlined the major cost drivers that affected the proposed FY 2018-19 budget. Handouts are on file in the City Secretary’s Office or online at http://www.ci.irving.tx.us/DocumentCenter/View/31797/FY-18-19-Budget-Retreat-Presentations.
4. Personnel Changes

Each department head that requested additional personnel detailed the proposed personnel requests and the need for increased employees. Handouts are on file in the City Secretary’s Office or online at http://www.ci.irving.tx.us/DocumentCenter/View/31797/FY-18-19-Budget-Retreat-Presentations.

C. Policy and Direction of Utility Rate Recommendations

1. Water and Sewer Rates, Operations, and Capital Program

Todd Reck, Water Utilities Director, presented the current water and sewer rates, operations and capital program for the next fiscal year. Staff is recommending a 2.5% rate increase.

2. Solid Waste Services Rates, Fees, Operations, and Capital Program

Brenda Haney, Solid Waste Services Director, discussed the current water and sewer rates, operations and capital program for the next fiscal year. Staff is recommending no rate increase.

3. Municipal Drainage Rate, Operations, and Capital Program

Casey Tate, Capital Improvement Program Director, discussed the municipal drainage rate, operations and capital program for the next fiscal year. Staff is recommending no rate increase.

D. Capital Improvement Program Five Year Plan

This item was not discussed during the Budget Retreat and will be brought back to a future Work Session meeting for discussion.

E. Discussion Topics

1. Vehicle and Equipment Replacement Fund (VERF)

This item was not discussed during the Budget Retreat and will be brought back to a future Work Session meeting for discussion.

2. Technology Fund

This item was not discussed during the Budget Retreat and will be brought back to a future Work Session meeting for discussion.

3. Pension Funds

This item was not discussed during the Budget Retreat and will be brought back to a future Work Session meeting for discussion.

4. Economic Development Fund

Mike Morrison, Deputy City Manager, described the current budget for the Economic Development Fund. He requested clarification on the following:
a) Continue to fund tennis event at four seasons?
   Consensus from council was that it is not something they wish to continue assisting with the funding.

b) Fund increases to chamber contract and sister cities contract?
   It was the consensus of the Council to fund the increases to the Chamber of Commerce contract and Sister Cities contract.

c) Long term funding strategic or economic development fund?
   This item will be discussed at future meetings as the city looks for dedicated revenues for economic development for future years.

5. Entertainment Venue Operating Budget

Jeff Litchfield, Chief Financial Officer, described the Brimer revenues used for the Entertainment Venue and reviewed the operating budget for the venue.

6. TIF Districts Update

i. TIF No. 1 Projects for unencumbered fund balance
   Jeff Litchfield, Chief Financial Officer, detailed the projects planned for the remaining unencumbered funds in the TIF No. 1 fund.

ii. TIF No. 1 Extension
   Jeff Litchfield, Chief Financial Officer, presented the staff’s recommendation for the term and rates of the TIF 1 extension.
   Council and staff had a lengthy discussion and it was the consensus of the Council to extend TIF 1 for 20 years. Participation rates and projected revenues to TIF 1 are recommended at the City Manager’s recommended rate of $100,925,538 at 10 years and $154,687,051 at 20 years. DCURD’s projects were also discussed and the Lake Carolyn Walls allocation was reduced to $32,362,874 in order for the total DCURD project amount to match the City Manager’s recommendation of $90,000,000 in funding. It was noted that the APT System project estimates have been reduced to $38,126,919 from an earlier estimate of approximately $90,000,00 and asked Jacky Knox, DCURD General Manager, to provide additional details on this project.

Council recessed at approximately 12:15 p.m.
Council reconvened at approximately 1:15 p.m.

iii. Residential PIDs Update
   Mike Morrison, Deputy City Manager, presented an update on the residential PID funds collected by the city.

F. Review of Resident Input

Bret Starr, Budget Administrator, outlined the public input that the staff received throughout the budget process.
G. FY 2018-19 Total Supplemental Requests

Bret Starr, Budget Administrator, outlined the supplemental budget requests submitted by each department. His presentation included the requests being recommended for funding and future plans to fund resources needed by departments.

H. Council Priorities

1. Strategic Plan
   Councilmembers did not specify any priorities related to the Strategic Plan at this meeting.

2. City Council Special Projects
   Councilman Webb mentioned wanting funding for the Youth Action Council to attend NLC again; land near Shady Grove and Senter Park, develop and allow elongation of the street.
   Councilman Riddle mentioned the need for a Southwest Rec Center and improvement of amenities to Oak Meadows Park.
   Councilman Ward mentioned the following projects: Parking at the Lumber Yard that was used by the Texas Musicians Museum, the parks assessment for a southwest recreation center, and costs to implement multi-family recycling.
   Councilman Zapanta mentioned the future development of land near Ranchview Park and Cypress Waters as it is a popular area.
   Mayor Stopfer mentioned the need for a retreat for council and staff to discuss various issues; the date and time will be determined at a later date.

I. Council Action

1. Approving Work Session Minutes for Wednesday, August 01, 2018
   Motioned by Councilman Ward, seconded by Councilman Taylor to approve Work Session Minutes for Wednesday, August 01, 2018.
   Motion approved 9-0.

   RESULT: ADOPTED [UNANIMOUS]
   MOVER: Oscar Ward, Councilman
   SECONDER: Kyle Taylor, Councilman
   AYES: Stopfer, Danish, Meagher, Webb, Riddle, Ward, Zapanta, Taylor, Palmer
2. **Approving Regular Meeting Minutes for Thursday, August 02, 2018**

   Motioned by Councilman Riddle, seconded by Councilman Taylor to approve the Regular Meeting Minutes for Thursday, August 02, 2018.

   Motion approved 9-0.

   **RESULT:** ADOPTED [UNANIMOUS]
   **MOVER:** Phil Riddle, Councilman
   **SECONDER:** Kyle Taylor, Councilman
   **AYES:** Stopfer, Danish, Meagher, Webb, Riddle, Ward, Zapanta, Taylor, Palmer

3. **Resolution RES-2018-293 -- Authorizing an Agreement with the Las Colinas Association for Public Open Space Improvements Within Tax Increment Reinvestment Zone No. One with a Reimbursement Payment in an Amount Not to Exceed $1,900,000**

   Motioned by Councilman Ward, seconded by Councilman Taylor to approve Resolution -- Authorizing an Agreement with the Las Colinas Association for Public Open Space Improvements Within Tax Increment Reinvestment Zone No. One with a Reimbursement Payment in an Amount Not to Exceed $1,900,000.

   Motion approved 9-0.

   **RESULT:** ADOPTED [UNANIMOUS]
   **MOVER:** Oscar Ward, Councilman
   **SECONDER:** Kyle Taylor, Councilman
   **AYES:** Stopfer, Danish, Meagher, Webb, Riddle, Ward, Zapanta, Taylor, Palmer

4. **Resolution RES-2018-294 -- Authorizing the Filing of a Lawsuit Related to the Lower Delaware Creek Wastewater Interceptor Project**

   **EXECUTIVE SESSION**

   Council convened into executive session pursuant to Section 551.071 of the Texas Local Government Code at approximately 2:12 pm. to discuss item (I)4.

   Council reconvened from executive session at approximately 2:27 p.m.

   Motioned by Councilman Danish, seconded by Councilman Ward to approve Resolution -- Authorizing the Filing of a Lawsuit Related to the Lower Delaware Creek Wastewater Interceptor Project.

   Motion approved 9-0.
5 Resolution RES-2018-295 -- Approving an Addendum to the Agreement for Legal Services with Wolfe, Tidwell & McCoy, LLP

Motioned by Councilman Taylor, seconded by Councilman Riddle to approve Resolution -- Approving an Addendum to the Agreement for Legal Services with Wolfe, Tidwell & McCoy, LLP.

Motion approved 9-0.

RESULT: ADOPTED [UNANIMOUS]
MOVER: John C. Danish, Councilman
SECONDER: Oscar Ward, Councilman
AYES: Stopfer, Danish, Meagher, Webb, Riddle, Ward, Zapanta, Taylor, Palmer


Motioned by Councilman Ward, seconded by Councilman Zapanta to approve Resolution -- Nominating Atos IT Solutions and Services, Inc., to the Office of the Governor, Economic Development and Tourism through the Economic Development Bank for Designation as a Qualified Business and an Enterprise Project Under the Texas Enterprise Zone Act, Chapter 2303, Texas Government Code.

Motion approved 8-0-1.

Councilman Taylor was absent during this vote.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Kyle Taylor, Councilman
SECONDER: Phil Riddle, Councilman
AYES: Stopfer, Danish, Meagher, Webb, Riddle, Ward, Zapanta, Taylor, Palmer
ABSENT: Kyle Taylor

7 Resolution RES-2018-297 -- Expressing Intent to Consider Adopting the Proposed Tax Rate

If the City Council determines an increase in revenue is necessary by adopting a tax rate that is
above the effective rate, this action is needed to comply with state law.

Motioned by Councilman Danish, seconded by Councilman Webb to express the intent to consider adopting a tax rate that will not exceed $0.5941.

Motion approved 9-0.

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<tr>
<td>AYES:</td>
<td>Stopfer, Danish, Meagher, Webb, Riddle, Ward, Zapanta, Taylor, Palmer</td>
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The meeting was adjourned at approximately 4:55 p.m.

_____________________________
Richard H. Stopfer, Mayor

ATTEST:

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Shanae Jennings, TRMC
City Secretary