

**REGULAR COUNCIL MEETING
JANUARY 9, 2006
MINUTES**

1. Call to Order

The Town Council of the Town of Shady Shores convened in a regular meeting on January 9, 2006 at 7:00 p.m., Shady Shores Community Center, 101 South Shady Shores Road, Shady Shores, Texas. Notice of the meeting was posted as required by Title 5, Chapter 551 of the Government Code. The following members were present. Mayor Olive Stephens, Mayor pro tem Nita Watkins, Councilmembers Brown, Carter, Durkin and Falkenberg. A quorum was present.

2. Pledge Allegiance to the Flag

The Pledge of Allegiance to the United States Flag and the Texas Flag was recited by all present.

3. Fire Department Report (Kathe Strantz)

The ISO rating is in and it is a (4).

Burn ban still in effect—NO outdoor burning

4. Discussion and action to approve the second Amended and restated interlocal agreement between the cities of Corinth, Hickory Creek, Lake Dallas, and Shady Shores for mutual support of the Lake Cities Fire Department.

(Presentation by Fire Chief-Jason Collier) Fire Chief—Jason Collier was present to present the interlocal agreement and answer any question. (A copy of the complete agreement will be attached to the minutes at the community center.)

**SECOND AMENDED AND RESTATED
INTERLOCAL AGREEMENT BETWEEN THE
CITIES OF CORINTH, HICKORY CREEK, LAKE DALLAS, AND SHADY SHORES
FOR MUTUAL SUPPORT OF THE
LAKE CITIES VOLUNTEER FIRE DEPARTMENT**

**STATE OF TEXAS
COUNTY OF DENTON**

*This Agreement is made on the 15 day of December, 2005, between the **City of Corinth, Town of Hickory Creek, City of Lake Dallas, and Town of Shady Shores, County of Denton, State of Texas** (each referred to herein as "Participating Governments"), and the **Lake Cities Volunteer Fire Department ("Department")**.*

WHEREAS, *the respective Participating Governments are authorized by the Interlocal Cooperation Act, V.T.C. A. Government Code, Chapter 791, to enter into joint contracts and agreements for the performance of governmental functions and services such as fire protection and emergency medical services; and*

WHEREAS, *it is the desire of the aforesaid Participating Governments to comply with and further the policies and purposes of the Interlocal Cooperation Act;*

and

WHEREAS, *the Participating Governments cannot normally obtain the best possible fire protection and emergency medical services acting individually and without cooperation, and to achieve those ends in 1997 authorized the formation of the Lake Cities Volunteer Fire Department; and*

WHEREAS, *the Lake Cities Volunteer Fire Department, Inc., ("Department") is a non-profit corporation created under the laws of the State of Texas for the purpose of providing fire protection and emergency medical services to citizens and businesses located in and on behalf of the Participating Governments; and*

WHEREAS, *it is deemed in the best interest of all Participating Governments that said Governments continue in this mutually satisfactory agreement for the purpose of supporting the Lake Cities Volunteer Fire Department in providing the best possible fire protection and emergency medical services for citizens in their respective communities; and*

WHEREAS, *this Second Amended and Restated Agreement, the Original Interlocal Agreement, and the First and Second Amendments to the Original Interlocal Agreement each of which is attached hereto in Exhibit A, and Revises the funding formula for the Department which is attached hereto in Exhibit B.*

NOW, THEREFORE, *the Parties hereto, in consideration of the mutual covenants and conditions contained herein and pursuant to the authority permitted under the Interlocal Cooperation Act, promise and agree as follows:*

Section 1. Purpose

The purpose of this Agreement is to continue the manner in which the Participating Governments will support and fund the Department to enable the Department to continue to provide the best possible fire protection and emergency medical services for citizens in their respective communities. Participation in this cooperative program is found to be highly beneficial to the taxpayers of the Participating Governments through economies of scale achieved by the formation of a single department to serve the four communities, and by the agreement as to budgetary matters which allows planning certainty by the Department in order to continue high standards of service.

Section 2. Duration of Agreement

a. *This Agreement shall be effective as of October 1, 2005 and shall remain in effect for a period of Three (3) years or until September 30, 2008 (" the Primary Term). This Agreement automatically renews for additional one (1) year terms unless otherwise notified in writing by any participant.*

b. *Termination of this Agreement or request for modification of its terms by any Participating Government shall be upon a minimum six (6) month written notice prior to the end of the initial or subsequent term. A Participating Government terminating participation in this Agreement shall remain obligated to pay its share of capital indebtedness incurred during its participation under this Agreement until said indebtedness is paid in full*

Section 3.

Provision of Service

- a. *In order to provide fire protection and emergency medical services for the Participating Governments, the Department will use its best efforts to acquire and maintain adequate equipment and personnel to provide a high level of service and response. The Department will operate and maintain the equipment and from time to time enlarge, improve, repair, replace, and/or extend the capabilities of the Department as approved by the Department Board of Directors.*
- b. *The Department shall provide, manage, operate, and maintain the equipment and provide fire protection and emergency medical services in such a manner as it determines is necessary for providing adequate, effective, and efficient service to the Participating Governments.*

Section 4.

Finance

- a. *The Fire Chief shall submit a proposed budget for the next fiscal year to the Board of Directors not later than May of each year. By Simple majority of the Whole (3 of 5), the Board of Directors shall submit a final proposed budget, not later than July 1 of each year, for approval by the City Council for each Participating Government. The Participating Government shall include its proportionate share of the annual cost of the Department in its municipal budget, subject to Section 9 herein. Any Participating Government that performs services or functions for the Department under this Agreement shall be paid by the Department in an amount that fully compensates the performing Participating Government for such services or functions. All such services and/or functions must be approved by the Department Board of Directors.*
- b. *For the fire protection and emergency medical services rendered by the Department under this Agreement, each Participating Government agrees to pay at the time and in the manner hereinafter provided, a share of the annual budget as described specifically on Exhibit B attached hereto and made a part hereof for all purposes.,*
 - (1) *In the event of disagreement by a Participating Government as to the budget or funding levels adopted by the Board, the dissenting Participating Government may, upon approval of three-fourths vote of the whole Board (4 of 5), fund the Department a level no less than the prior year's funding level and continue to receive fire and emergency medical services. The dissenting Participating Government, however, shall thereafter forfeit its vote on the Board until such time as it is prepared to fund the Department in accordance with its full current year proportionate share, or the dissenting Participating Government may withdraw from the Agreement subject to the provisions set forth in Section 2(b) herein.*
 - (2) *In the event the Board does not approve the dissenting Participating Government's reduces share of the funding, the dissenting Participating Government shall remain subject to the provisions set forth in Section 2(b) herein, but will be considered in default and fire and emergency medical services to the dissenting Participating Government may be terminated. Dissenting Participating Governments continuing to pay at no less than the previous year's share under this subsection will not have services terminated for six (5) months. Dissenting Participating Governments may be reinstated during the six (6) month terminal period upon payment of all delinquent shares.*
- c. *In the event of an unexpected equipment casualty or other unforeseen emergency expenditure, the Board of Directors may amend the budget during the budget year to recover the expenditure, and invoice the Participating Governments in the same proportionate shares as calculated in Appendix B. In the event of disagreement by a Participating Government as to the unexpected equipment casualty or other unforeseen emergency expenditure, provisions of Section 4, (b)(1) and (b) (2), shall apply.*
- d. *No Participating Government shall hold any capital equity in the Department or Department equipment during the term of this Agreement. In the event of Department dissolution, assets shall be distributed to each Participating government in accordance with Appendix B.*
- e. *Any Participating Government may independently and outside of this Agreement enter into additional financial agreements with the Department to enhance a needed level of service.*
- e. *Each Participating Government's annual budgeted share shall be paid in monthly installments on or before the 20th of the month in which the installment is due. If a Participating Government fails to pay its monthly installment by the due date a penalty of two percent (2%) of the delinquent amount together with any legal or other costs incurred as a result of the delinquency shall be added to the amount due. Each Participating Government's annual budget share for the Department's capital improvements shall be paid in a lump sum on or before the 20th day of January in each fiscal year. If a Participating Government fails to pay its lump sum installment for Department capital improvements by the due date, a penalty of two percent (2%) of the delinquent amount together with any legal or other costs incurred as a result of the delinquency shall be added to the amount.*

Section 5.

Department Board of Directors

- a. *The Department Board of Directors shall consist of five (5) members. Each of the Participating Governments of the Cities of Corinth, Hickory Creek, Lake Dallas and Shady Shores shall appoint one primary member and one alternate to the Board of Directors. The Department shall elect from the volunteers and/or paid firefighters, in the manner provided for in the Department Bylaws, one member and one alternate to the Board of Directors. Alternate Directors have voting authority in the absence of their respective Primary Director.*
- b. *Department Directors appointed by the Participating Governments shall serve at the will and pleasure of such governing bodies and shall be appointed for terms of two (2) years. The Director appointed by the volunteer and paid firefighters from the Department shall be a volunteer firefighter and shall have a term of two (2) years.*

Section 6.

Personnel Policies

- a. *Paid firefighters, and other paid personnel of the Department, shall be employees of the City Corinth subject to the personnel rules and Regulations of the City of Corinth, and employees shall receive a copy of the Corinth employee handbook. Such paid personnel may participate in the benefits plans approved by the City of Corinth. Pay records, personnel records, and other administrative records required by law or deemed advisable by the City of Corinth shall be maintained by the City of Corinth.*
- b. *The Board of Directors, as the body responsible for adopting operational policies for the Department, shall adopt the personnel policies and rules of the City of Corinth as the Department policies governing paid personnel. The City of Corinth shall delegate to the Board the authority to hire, fire, and discipline paid personnel of the Department, subject to the requirements of the personnel policies and rules of the City of Corinth. The Board may delegate some or all of such authority to the Fire Chief and his subordinates. In exercising this delegated authority, the Board, the fire Chief, and his subordinates, shall comply with the personnel policies and rules of the City of Corinth, as they may be from time to time amended by the City Council of the city of Corinth. Paid personnel shall be entitled to appeal of personnel decisions and actions in accordance with the City of Corinth personnel policies and rules.*
- c. *The City of Corinth shall supply the Department with copies of the employee handbook as it may be amended.*

Section 7.

Liability

- a. *Nothing in this Agreement shall give any claim or cause of action to any person or party not a party to this Agreement, nor create any claim or Cause of action against any Participating Government that would not exist in the absence of this Agreement. Nothing in this Agreement shall waive any defense, privilege, or immunity of any of the parties to this Agreement nor of any of their elected officials, officers, or employees, as to any claim or cause of action brought by any person or entity.*
- b. *Subject to Section 7(a), the Participating Government that would have been responsible for furnishing fire protection services or emergency medical services in a particular case in the absence of this Agreement, shall be liable for any civil liability that arises from the furnishing of these services. Notwithstanding the foregoing, if a claim is made against or suit is brought against the City of Corinth arising out of or connected with the employment, discipline or discharge of paid personnel, or the administrative services provided by the City of Corinth for paid personnel, the City of Corinth shall be reimbursed by the Department for all attorney's fees, court costs, pre- and post- judgment interest, litigation expenses, amounts paid in settlement, and amounts awarded as damages of whatever nature. Such reimbursement by the Department shall be paid by the parties to this Agreement proportionally as provided for in Appendix B. If all or part of these expenses are paid by a risk pool or insurance*

company with which the City of Corinth has contracted for coverage, such risk pool or insurance company shall not be entitled to subrogation against the other Participating Governments.

Section 8

Remedies

Any party to this Agreement can expect and may require any party hereto and its officials and employees to carry out, respect, and enforce the terms and obligations of the Agreement. Any party in default shall be provided a reasonable opportunity to remove the default or apply for relief through Section 4(b)(1) herein, but the Board of Directors may seek any and all appropriate relief by legal means.

Section 9.

Effect of Legislative Powers and Duties.

Nothing in this Agreement shall be construed to bind or require the Participating Governments to assign any priority to the Department's budget request, nor shall the Participating Governments be required to automatically fund the Department's budget at the level approved by the Board of Directors. Each Participating Government retains full legislative discretionary powers and duties in determining its individual annual budget and funding priorities. Payment for performance of government functions or services under this Agreement shall be made from current revenues available to the Participating Governments.

IN WITNESS WHEREOF, the parties hereto acting under the authority of their respective governing bodies have caused this Agreement to be duly executed in several counterparts, each of which shall constitute an original, all as of the 15 day of December, 2005, which is the date of this Agreement.

Betty Brown made a motion to approve the second Amended and restated interlocal agreement between the cities of Corinth, Hickory Creek, Lake Dallas, and Shady Shores for mutual support of the Lake Cities Fire Department. Seconded by Nita Watkins.

For: Unanimous

The Motion carried 5-0.

5. Status of pending items from Town Attorney.

Misty Closs asked who placed this item on the agenda. Ann Falkenberg and Patty Durkin placed this on the agenda. No action taken.

6. Discussion and action to adopt a resolution authorizing the granting of a water well permit to Heath & Leanne Zingelmann at 10 Hidden Valley Airpark. (Presentation by Heath & Leanne Zingelmann)

Misty Closs asked who placed this item on the agenda. The Mayor placed this item on the agenda.

RESOLUTION No.665

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SHADY SHORES, TEXAS, PERTAINING TO THE DRILLING OF A WATER WELL ON THE PROPERTY LOCATED AT 10 HIDDEN VALLEY AIRPART OWNED BY HEATH AND LEANNE ZINGELMANN.

WHEREAS, the Town of Shady Shores, Texas is a general law city located in Denton County, Texas and is a municipality organized under the laws of the State of Texas; and

WHEREAS, The Town of Shady Shores, Texas in cooperation with the Lake Cities Municipal Utility Authority (owner of the local water system), has a duty to protect the public's health and the quality and integrity of the water source; and

WHEREAS, the Town of Shady Shores, Texas has adopted an ordinance (Ordinance 116-94) regulating the construction of water wells within the corporate limits of the Town:

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN OF SHADY SHORES, TEXAS, THAT;

The Town Council of the Town of Shady Shores, hereby approves the drilling of a water well on the property of **HEATH AND LEANNE ZINGELMANN** located at **10 HIDDEN VALLEY AIRPARK** with the understanding that all provisions of Ordinance 116-94 are followed and applied.

The Town Council of the Town of Shady Shores hereby declares that this Resolution shall become effective **JANUARY 9, 2006**

PASSED AND APPROVED this the 9th day of **JANUARY 2006**.

Patty Durkin made a motion to adopt Resolution No. 665. Seconded by Nita Watkins.

For: Unanimous

The motion carried 5-0.

7. Discussion and action to contract for removal of 4 trees in old Shady Shores necessary to establish fire access route (Presentation by Jean Bowers)

(Presentation by Jean Bowers) This item was placed on the agenda by the Mayor.

Speaking on the item were: Marie Edwards, Misty Closs, James Melton, Sharon Bounds and Sheldon Newman.)The trees in question are located at June and 9th, down 9th on the north side of 9th, dead tree on 7th street and another tree on 7th street.) Ann Falkenberg made a motion to remove two trees and we use Keith's Tree Service to remove two trees and they are located on north side of 9th street and the other at turn at Jones and 9th in addition I ask that Sonny work with us to take down the dead tree on 7th Street relocated the fence. Motion dies for lack of second.

Betty Brown made a motion to that we ask Mr. James Melton to clear the dead tree on 7th street and go ahead and move his fence back as he volunteered to do. That's step 1. Step 2 would be then we would be make the decision if the tree directly across from the dead tree needed to be removed or trimmed. The fire chief has that authority to decide and members of the old Shady Shores committee. Then moving forward up June Street to 9th that either trimming up or the removal of the tree on the north side of 9th street. Again the decision of the Chief. And then coming around 9th Street to Jones Street and assessing that tree the fourth tree at the turn of Jones and 9th. And this is all providing that all of the trees that we've just discussed are on town property. According to the survey done by Landmark Surveyors. Seconded by Ann Falkenberg.

For: Unanimous

The motion carried 5-0.

**7(a) Discussion regarding the closing of June Road, from 5th Street to Lakeshore Road.
(Presentation by Justin Goodale)**

Mr. Justin Goodale made a presentation to the council. Not asking for the permanent closing or closing to pedestrian traffic. Just asking to closing until a permanent fire route is decided.

This item was placed on the agenda by the Mayor. Speaking on this item were the following: Judith Halaszyn, Misty Closs, James Melton, Sharon Bounds, Sheldon Newman, Tom Spencer and Marie Edwards. Opposed to closing June Road were: Judith Halaszyn, Sharon Bounds, Ken Taylor, Mozelle Reeves, James Melton, Willis Thompson, Sheldon Newman and Misty Closs.

Nita Watkins made a motion to table this item for legal advice from the town attorney about a temporary closing until the February meeting for discussion and action. Seconded by Polly Carter.

For: Unanimous The motion carried 5-0.

Betty Brown made a motion to move up item # 16. Seconded by Patty Durkin.

For: Unanimous The motion carried 5-0.

8. Discussion and action to have the town attorney prepare a resolution regarding uncommitted town funds.

Asking to speak on this item were: Misty Closs and Marie Edwards. The Mayor placed this item on the agenda.

Polly Carter made a motion to have the town attorney prepare a resolution regarding uncommitted town funds. Nita Watkins seconded the motion with discussion.

For: Nita Watkins, Polly Carter Opposed: Betty Brown, Patty Durkin, Ann Falkenberg
The motion failed 3-2.

Betty Brown made a motion to solicit the town attorney to prepare and bring to the council a recommendation for a resolution regarding uncommitted funds. Seconded by Patty Durkin.

For: Unanimous The motion carried 5-0.

Polly Carter made a motion to move item #19 up on the agenda. Seconded by Patty Durkin.

For: Unanimous The motion carried 5-0.

9. Reports from Council

Mayor Olive Stephens-Budget, Finance

Fiscal 2004-2005 audit

Projections for the 2006-2007

Need to rent the voting machines from the county for May 2006 election.

Traffic survey on Shady Shores Road going west

Beavers on Shady Shores Road near Charles Bridges property.

Sidewalk in front of the new school

Mayor Pro tem Nita Watkins-Financials, Roads Funding, Fire Department

Audit

Roads

Fire Department

Councilmember Betty Brown—Library, Police

New Library Director

Police department

47 calls for November average response time of 4 minutes

45 calls for December average response time of 3.96 minutes

Corps property---possible grant

Councilmember Polly Carter-Strategic Plan, Roads, Corps Committee, Building Committee

Strategic plan (Patty Durkin)

No road meeting about Lakeshore

Corps committee had a meeting with the corps.

Councilmember Patty Durkin-Strategic Plan, Fire Department, Website, Newsletter, Shoreline, Communication, Corps Committee

Strategic Plan meeting on January 18, 2006

Fire Department

Corp Committee

Newsletter date set for April 27th

Will have more information in February

Councilmember Ann Falkenberg- Ordinance enforcement, Animal control

No report on animal control

Ordinance enforcement.

10. Approval of minutes

a) DECEMBER 5, 2005 REGULAR MEETING

Betty Brown was late to the meeting—item #4, item #5 and item #7 the motion should carry 4-0.

Betty Brown made a motion to approve the minutes with the corrections. Seconded by Ann Falkenberg.

For: Unanimous The motion carried 5-0

11. Citizens Agenda

Asking to speak on the agenda were the following:

Judith Halaszyn---Agenda, length and order

Misty Closs--- possible open meetings violations, allowing citizens to speak at workshop, late timing of the citizens agenda, rearranging of agenda items, authorship of agenda items, providing all requested items under the open records request, staying focused on the agenda item, fully disclosing e-mail, phone conversations, etc under open records, making decisions on items not on the agenda, does the council intent to restrict input from the citizens, get back to the basics of good government.

12. Discussion and action to approve expenditure for culverts on Red Bud to be installed when LCMUA is installing the (6) six-inch water line and fire hydrant. (Mayor)

Betty Brown made a motion that we allow LCMUA to proceed and that we send a letter to the homeowners along Red Bud offering that if they would like to upgrade or install or replace their culverts that at their expense they can do so and that the town would use the same policy as always and that we would do the labor. And if they have not taken care of the drainage issues they need to do that. The homeowner is responsible to see that the water in the ditch flows. Nita Watkins seconded the motion.

For: Unanimous The motion carried 5-0.

13. Discussion and action to schedule January workshop for Strategic Planning

Misty Closs asked who placed this item on the agenda.

Ann Falkenberg and Patty Durkin placed this item on the agenda.

Patty Durkin made a motion to schedule a workshop for Strategic Planning on January 18, 2006 at 7:00 p.m. The Agenda will have:

Comprehensive Master Plan/Strategic Plan for the Town of Shady Shores

A. Financial Forecasting

(a) Uncommitted funds

B. Community Building

Items to be placed on a workshop to be held on January 26, 2006.

Seconded by Betty Brown.

For: Unanimous The motion carried 5-0.

14. Discussion and action to schedule workshop for discussion of Public Works and Town Secretary contracts. Misty Closs asked who placed this item on the agenda. Ann Falkenberg and Patty Durkin placed this item on the agenda.

No action taken.

15. Discussion and action of regarding contract with Bureau Veritas for Town Building inspections. (Copy of Flow Chart given at December 5, 2005 Council Meeting should be included.) Misty Closs and Marie Edwards asked to speak on this item. Ann Falkenberg and Patty Durkin placed this item on the agenda. Marie Edwards said she had done remodeling and failed to get a permit. Nita Watkins made a presentation on this item.

Nita Watkins made a motion to revote on Bureau Verities.

Motion dies for lack of second.

Betty Brown made a motion to table this agenda item until people have time to review Nita's examples, bring in examples of their own, put it in the packet for time to study for the February agenda.

Seconded by Polly Carter.

For: Unanimous The motion carried 5-0

16. Discussion and action to establish a Committee to perform a cost study regarding emergency routes in Shady Shores Subdivision.

Item #16 was moved up on the agenda and addressed after item # 7(a).

Ann Falkenberg and Patty Durkin placed this item on the agenda. Asking to speak on this item were the following: Misty Closs, Lois Padon, Sharon Bounds and Marie Edwards.

Ann Falkenberg made a motion that Jean Bowers chair a sub committee to perform parallel activities to do a cost study and prepare a recommendation to be brought before the council at the April meeting. Seconded by Betty Brown.

For: Unanimous The motion carried 5-0.

17. Discussion and action regarding Town Tree Trimming Contract and Scheduling.

Tom Spencer was present earlier, Because of the late hour he went home. The insurance problem has been worked out. No action taken.

18. Selection of Town Council Members to participate in Lake Cities Local Government Organization as agreed upon in the November 29, 2005 meeting at the City of Lake Dallas.

Misty Closs asked who placed this item on the agenda. Ann Falkenberg placed this item on the agenda. Betty Brown made a motion to appoint Ann Falkenberg and Patty Durkin to participate in the Lake Cities Local Government Organization. Seconded by Polly Carter.

For: Unanimous The motion carried 5-0

19. Discussion and Action regarding new vs. existing Community Center "needs assessment"

Item #19 was moved up on the agenda and addressed after item #8.

Kim Meier, Chairman of the building committee addressed the council. Her suggestion was to have the council vote against the building of a new building and simply buy a fire extinguisher. Speaking on this item was Marie Edwards and Misty Closs. This item was placed on the agenda by Ann Falkenberg.

Polly Carter made a motion to hire Russell Bates to design a plan for a new building. This was the recommendation of the building committee. Seconded by Nita Watkins.

For: Nita Watkins, Polly Carter Against: Betty Brown, Patty Durkin, Ann Falkenberg
Motion failed 3-2

20. Adjourn

Betty Brown made a motion to adjourn. Seconded by Patty Durkin.

For: Unanimous The Motion carried 5-0.

_____ **Olive Stephens, MAYOR**

Attest:

Town Secretary