

**MINUTES OF TOWN COUNCIL MEETING
FOR THE TOWN OF ARGYLE
MARCH 23, 2010**

STATE OF TEXAS §

COUNTY OF DENTON §

TOWN OF ARGYLE §

The regular meeting of the Argyle Town Council was held on March 23, 2010 at 4:30 p.m. at the Argyle Town Hall. This was an OPEN MEETING, open to the public, subject to the open meeting laws of the State of Texas and, as required by law, was duly posted March 19, 2010, at Argyle Town Hall, giving notice of time, date, place, and agenda thereof.

TOWN COUNCIL MEMBERS PRESENT:

Greg Landrum	Mayor
Bonny Haynes	Mayor Pro-Tem (arrived at 4:44)
Jackie Thomas	Councilmember
Dona Schroetke	Councilmember
Wayne Holt	Councilmember
Joey Hasty	Councilmember

TOWN COUNCIL MEMBERS ABSENT:

STAFF PRESENT:

Lyle Dresher	Town Administrator
Codi Delcambre	Town Secretary
Kim Collins	Town Accountant
Doug Conner	Town Attorney
William Tackett	Chief of Police
Richard Luedke	Development Services Coordinator
Troy Norton	Public Works Director

TOWN COUNCIL AGENDA (4:30 p.m.)

CALL TO ORDER AND ANNOUNCE A QUORUM:

Mayor Landrum called the meeting to order at 4:32 p.m., noting a quorum was present.

WORK SESSION:

- 1. Receive and review a report from Mr. Rodney Dryden, LHIC, Wellspring Agency, the Town's health care insurance consultant, relating to the Town's renewal of medical and dental insurance for 2010-2011.**

Council received a report from Rodney Dryden relating to the Town's renewal of medical and dental insurance for 2010-2011.

- 2. Review and discuss the 2010 Capital Improvements Program prepared by Town Staff – Troy Norton, Director of Public Works**

Troy Norton, Director of Public Works reviewed the 2010 Capital Improvement Program with Council.

PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG.

PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG.

“Honor the Texas Flag; I pledge Allegiance to thee, Texas, one state under God, one and indivisible.”

Mayor Landrum led the recitation of the Pledge of Allegiance to the American Flag and to the Texas Flag, respectively.

REPORTS:

- 1. Report from Town Secretary/Election Officer concerning cancellation of May Election.**

Council received an update from Codi Delcambre, Town Secretary about the cancellation of the May Election. No action was taken.

CONSENT AGENDA:

- 1. Consider approval of the minutes of Town Council Meeting of March 9, 2010.**
- 2. Consider approval of a resolution approving a contract with Blue Cross Blue Shield of Texas for medical coverage and for dental coverage with Lincoln Financial Group (LFG) for Town employees and authorizing the Town Administrator to execute all documents related thereto on behalf of the Town of Argyle.**

Jackie Thomas made a motion to approve the Town Council meeting minutes for March 9, 2010. Wayne Holt seconded the motion. For: Unanimous. Carried 5-0.

Joey Hasty made a motion to approve the resolution renewing the contract with Blue Cross Blue Shield of Texas for medical coverage and awarding the contract for dental coverage to Lincoln Financial Group (LFG) for Town employees and authorizing the Town Administrator to execute all documents. Bonny Haynes seconded the motion. For: Unanimous. Carried: 5-0.

PRESENTATIONS: None

OPEN FORUM:

The opportunity for citizens to address the Town Council on any subject (limit 5 minutes per person). However, the Texas Open Meetings Act prohibits the Town Council from discussing issues which the public has not been given seventy-two (72) hours notice. Issues raised may be referred to Town Staff for research and possible future action.

Judge Hand stated that he was running for re-election and was asking for the support and vote of the Council.

OLD BUSINESS: None

NEW BUSINESS:

- 1. Hold a public hearing and consider an ordinance approving a Specific Use Permit (SUP) to allow gas well drilling and production on a 41.041-acre lot legally described as a portion of Tract 1, Timberidge Subdivision and a 62.389-acre tract of land out of the Leonard White Survey, Abstract Number 1384, located on the south side of Crawford Road approximately 2,300 feet west of U.S. Hwy. 377, and zoned SF-2.5 (Single Family Residential 2.5-acre Estate District), in the Town of Argyle, Denton County, Texas. Hillwood Oil and Gas Operating Company, L.P. is the applicant; Yvonne A. Jenkins is the property owner; Goodwin and Marshall, Inc. is the engineer. Project # SUP-10-001.**

(Joey Hasty recused himself from any discussion relating to the three proposed gas well drilling and production items on the agenda. He left the Council chambers and remainder of the meeting for the night.)

Mayor Landrum opened the public hearing.

Richard Luedke, Development Services Coordinator, presented the case background.

Mr. Eddie EcKart with Goodwin & Marshall, Inc. stated that he was the representative from Hillwood. Mr. EcKart outlined the proposed gas well drilling and production item in detail for the Council.

Mayor Landrum asked to hear from those opposed. No one spoke against.

Mayor Landrum asked to hear from those in favor. The following spoke in favor of the proposed gas well drilling and production.

Joan Delashaw of 242 Herriot Lane
Paul Kula of 603 Old Justin Road
Ed Teer of 227 Crawford Road
Will Hudson of 223 Herriot Lane
Ginger McDaniel of 811 Old Justin Road
Terry Stanford 252 Herriot Road
CR Salmon of 10795 Hilltop Road
Vicky McMurry 344 Old Justin Road
Lori Hall of 325 Old Justin Road
Larry Driskill of 134 N US 377
Marg Whitehead 217 Old Justin Road

Mayor Landrum closed the public hearing.

Bonny Haynes made a motion to approve an ordinance approving a Specific Use Permit (SUP) to allow gas well drilling and production on a 41.041-acre lot legally described as a portion of Tract 1, Timberidge Subdivision and a 62.389-acre tract of land out of the Leonard White Survey, Abstract Number 1384, located on the south side of Crawford Road approximately 2,300 feet west of U.S. Hwy. 377, and zoned SF-2.5 (Single Family Residential 2.5-acre Estate District), in the Town of Argyle, Denton County, Texas with the following conditions:

- 1. The applicant is subject to all requirements of Article 4.08 of the Town of Argyle Code of Ordinances, Oil and Gas Drilling and Production Regulations, unless specified within this Specific Use Permit.*

2. *The Specific Use Permit is subject to all conditions and specifications as outlined in the attached proposal.*
3. *Alternative pad site fencing in the form of a black vinyl-coated chain link fence surrounding permanent equipment in lieu of the required minimum 8-foot masonry fencing with masonry columns for the production phase of the process shall be allowed.*
4. *Trucks and equipment related to gas well activities shall be allowed to access the site on weekends with prior approval from the Town Administrator or designee.*
5. *Tank height shall be a maximum of eight feet (8') in height and shall be painted a natural earth tone color. The tanks and other appurtenances on site shall be painted periodically to maintain a clean and well kept appearance.*
6. *The pad site, access road and all surrounding areas shall be maintained in an orderly fashion and kept free of trash, litter and debris.*
7. *The property shall receive final plat approval before drilling permits are issued.*
8. *The applicant shall donate \$10,000 per well to the tree reforestation fund to offset the removal of trees for the pad site.*

Wayne Holt seconded the motion. For: Unanimous. Carried: 4-0.

2. **Hold a public hearing and consider an ordinance approving a Specific Use Permit (SUP) to allow gas well drilling and production on a 60.313-acre tract of land out of the Leonard White Survey, Abstract Number 1384 and the T. Gazaway Survey, Abstract Number 479, located on the south side of Old Justin Road approximately 100 feet west of U.S. Hwy. 377, and zoned A (Agricultural District), in the Town of Argyle, Denton County, Texas. Hillwood Oil and Gas Operating Company, L.P. is the applicant; Graham and Margaret G. Whitehead are the property owners; Goodwin and Marshall, Inc. is the engineer. Project # SUP-10-002**

Mayor Landrum opened the public hearing.

Richard Luedke, Development Services Coordinator presented the case background.

Mr. Eddie EcKart with Goodwin & Marshall, Inc. stated that he was the representative from Hillwood. Mr. EcKart outlined the proposed gas well drilling and production in detail for the Council.

Mayor Landrum asked to hear from those opposed. The following spoke against the proposed gas well drilling and production.

Jennifer Cole of 2440 Britt Drive stated that she was opposed the site. She stated that she was concerned due to the location of the entrance with the existing railroad tracks, the school entrance and the unknown effect on the citizens' health.

Tom Perry of Union Pacific Railroad stated that he a representative from Union Pacific Railroad. He stated that the UP has concerns about the grade of the current crossing and the ability for trucks to cross over without getting stuck.

Jamie Sizelove 622 Frenchtown Road stated that she was very concerned with the amount of truck traffic at an intersection that was already dangerous.

Mayor Landrum asked to hear from those in favor. The following spoke in favor of the proposed gas well drilling and production.

Joan Delashaw 242 Herriot Lane
Paul Kula 603 Old Justin Road
CR Salmon 10792 Hilltop Road
Carol Delbequ 124 Morning Dove Court
Steve McDaniel 810 Old Justin Road
Ginger McDaniel 811 Old Justin Road
Lori Hall 325 Old Justin Road

Mayor Landrum closed the public hearing.

Jackie Thomas made a motion to approve an ordinance approving a Specific Use Permit (SUP) to allow gas well drilling and production on a 60.313-acre tract of land out of the Leonard White Survey, Abstract Number 1384 and the T. Gazaway Survey, Abstract Number 479, located on the south side of Old Justin Road approximately 100 feet west of U.S. Hwy. 377, and zoned A (Agricultural District), in the Town of Argyle, Denton County, Texas with the following conditions:

- 1. The applicant is subject to all requirements of Article 4.08 of the Town of Argyle Code of Ordinances, Oil and Gas Drilling and Production Regulations, unless specified within this Specific Use Permit.*

2. *The Specific Use Permit is subject to all conditions and specifications as outlined in the attached proposal.*
3. *Alternative pad site fencing in the form of a black vinyl-coated chain link fence surrounding permanent equipment in lieu of the required minimum 8-foot masonry fencing with masonry columns for the production phase of the process shall be allowed. The applicant shall provide adequate landscaping on the site to screen neighboring properties within 6 months of completion of initial wells with Town Administrator or designee approval.*
4. *The request for a gas well head setback of 229 feet from the west property line in lieu of the required 300 feet shall be allowed.*
5. *Truck access to the site shall be restricted on school days from 7:00 a.m. to 8:30 a.m. and from 2:30 p.m. to 4:30 p.m.*
6. *Trucks and equipment related to gas well activities shall be allowed to access the site on weekends with prior approval from the Town Administrator or designee.*
7. *Off duty police officers shall be utilized for traffic control when gravel haul trucks are accessing the site, when the rig or fracturing equipment is being moved in or moved out of the site or during any activity that involves ten (10) or more trucks.*
8. *Tank height shall be a maximum of eight feet (8') in height and shall be painted a natural earth tone color. The tanks and other appurtenances on site shall be painted periodically to maintain a clean and well kept appearance.*
9. *The pad site, access road and all surrounding areas shall be maintained in an orderly fashion and kept free of trash, litter and debris.*
10. *The property shall receive final plat approval before drilling permits are issued.*
11. *A safety committee shall be formed comprised of representatives from the Town of Argyle, Hillwood Oil and Gas Operating Company, L.P., and the Union Pacific Railroad to address safety issues associated with the intersection of U.S. Hwy. 377 and Old Justin Road.*

Wayne Holt seconded the motion. For: Unanimous. Carried: 4-0.

- 3. Hold a public hearing and consider an ordinance approving a Specific Use Permit (SUP) to allow gas well drilling and production on a 52.686-acre tract of land out of the Patrick Rock Survey, Abstract Number 1063,**

located on the northeast corner of I-35W and Old Justin Road, and zoned CF (Community Facilities District), in the Town of Argyle, Denton County, Texas. Hillwood Oil and Gas Operating Company, L.P. is the applicant; Clarence R. Salmon and Nancy K. Hallmark Salmon are the property owners; Goodwin and Marshall, Inc. is the engineer. Project # SUP-10-003.

Mayor Landrum opened the public hearing.

Richard Luedke, Development Services Coordinator presented the case background.

Mr. Eddie Eckart with Goodwin & Marshall, Inc. was the representative from Hillwood. Mr. Eckart outlined the proposed gas well drilling and production item in detail for the Council.

Mayor Landrum asked to hear from those opposed. No one spoke against.

Mayor Landrum asked to hear from those in favor. The following spoke in favor of the proposed gas well drilling and production.

CR Salmon of 10759 Hilltop Road

Mayor Landrum closed the public hearing.

Jackie Thomas made a motion to approve an ordinance approving a Specific Use Permit (SUP) to allow gas well drilling and production on a 52.686-acre tract of land out of the Patrick Rock Survey, Abstract Number 1063, located on the northeast corner of I-35W and Old Justin Road, and zoned CF (Community Facilities District), in the Town of Argyle, Denton County, Texas with the following conditions:

- 1. The applicant is subject to all requirements of Article 4.08 of the Town of Argyle Code of Ordinances, Oil and Gas Drilling and Production Regulations, unless specified within this Specific Use Permit.*
- 2. The Specific Use Permit is subject to all conditions and specifications as outlined in the attached proposal.*
- 3. Alternative pad site fencing in the form of a black vinyl-coated chain link fence surrounding permanent equipment in lieu of the required minimum 8-foot masonry fencing with masonry columns for the production phase of the process shall be allowed.*

4. *Trucks and equipment related to gas well activities shall be allowed to access the site on weekends with prior approval from the Town Administrator or designee.*
5. *Landscaping as illustrated on the landscape plan shall be installed within 6 months of the completion of the first set of wells.*
6. *Tank height shall be a maximum of eight feet (8') in height and shall be painted a natural earth tone color. The tanks and other appurtenances on site shall be painted periodically to maintain a clean and well kept appearance.*
7. *The pad site, access road and all surrounding areas shall be maintained in an orderly fashion and kept free of trash, litter and debris.*
8. *The property shall receive final plat approval before drilling permits are issued.*

Wayne Holt seconded the motion. For: Unanimous. Carried: 4-0.

4. Consider and discuss progress on Town Hall and Police/Court Building renovation projects.

Council received an update from Town Administrator Lyle Dresher. No action was taken.

EXECUTIVE SESSION:

PURSUANT TO TEXAS GOVERNMENT CODE, ANNOTATED, CHAPTER 551, SUBCHAPTER D, SECTIONS §551.071(1) and (2), §551.072, §551.074(a) (1), and §551.087.

- (A) Consultation with Town Attorney regarding pending or contemplated litigation: *Don Molian V. City of Argyle. Cause No. 2008-30186-211.*
- (B) Deliberate the purchase, lease or value of real property and infrastructure for parks/public open space purposes.

2. Adjourn into Open Meeting
3. Take action on Executive Session item(s).

Council did not convene into Executive Session.

ADJOURNMENT:

There being no further consideration to come before the body, the meeting was adjourned at 9:52 p.m.

APPROVED this the 25th day of May 2010.

APPROVED:

Greg Landrum, Mayor

(SEAL)

ATTEST:

Codi Delcambre, Town Secretary TRMC, CMC