Minutes of City Council Regular Meeting

The Board of Trustees
City of Richwood

A City Council Regular Meeting of the Board of Trustees of City of Richwood was held Monday, September 16, 2019, beginning at 6:00 PM in the Richwood City Hall, 1800 N. Brazosport Blvd. Richwood, Texas.

I. CALL TO ORDER
The meeting was called to order at 6:01 p.m.

II. INVOCATION
Deacon Dexter Fernil led the invocation.

III. PLEDGES OF ALLEGIANCE
Mayor Boykin led both pledges.

IV. ROLL CALL OF COUNCIL MEMBERS
Present:
Steve Boykin, Mayor
Mike Johnson, Position 1
Melissa Strawn, Position 2
Matt Yarborough, Position 3
Mark Brown II, Position 4
Katie Johnson, Position 5

Others present: John Washburn, Interim Finance Director; Lindsay Koskiniemi, Interim City Manager;Clif Custer, Public Works Director; Kirsten Garcia, Court Administrator.

V. PUBLIC COMMENTS
All public comments will be subject to the following rules: All speakers will be permitted to speak no longer than 3 minutes; all speakers will only be permitted to speak once; speakers cannot defer their 3 minutes to another speaker. Discussion is not allowed on items not posted on the agenda.

Rodrigo Escalante, 2918 Oakwood Shores Drive, Oakwood Shores HOA met to discuss the recent bond that passed and there was a lot of discussion on allocation of the money and the contradictions in what voters were shown at the election. The HOA wants to have another formal meeting to discuss details, but what did come to light was the overall revenue of this city and how much comes from oakwood shores. 23% of revenue comes from property taxes in Oakwood Shores and we are only at 25% capacity. I come to council to say, how can we generate revenues? We have a goldmine in Oakwood, but it's neglected. One, being the water and two, being the roads. People say the roads are horrible. I firmly believe if we get the neighborhood to engineering standards, not just patch jobs, and the water fixed, more people will flow in and start building out there which will generate more revenue. If we would fill to capacity, we would surpass the entire budget. We must start now to generate revenue for this city. I ask that you look at the neighborhood down the road.

VI. CONSENT AGENDA

These items are considered routine and can be approved in one motion unless a Councilmembers asks for separate consideration of an item. It is recommended that the City Council approve the following items which will grant the Mayor or City Manager the authority to take all actions necessary for each approval:

A. Approval of minutes from previous meeting - September 9, 2019.

Mark Brown II commented regarding the emergency management meeting, stating that he took it upon himself to attend the meeting that was held. He also apologized for any offense taken by the meeting being held.

On motion by Katie Johnson second by Mark Brown II with all present members voting "aye" all consent agenda items were approved.

VII. COUNCIL CONSIDERATION AND ACTION ITEMS

A. Consideration and Possible Actions - Reading of Ordinance 2019-463
An Ordinance appropriating adopting a budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020.

John Washburn presented an Ordinance appropriating adopting a budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020.

Mark Brown stated that there were quite a few typos on ordinance, specifically an error in his name. He added that we might want to take a once over on the ordinance for the typographical errors.

Katie Johnson stated that with what seems like having a new finance director every year, one thing brought up is that there are always things that must be fixed immediately, or it will all fall apart. There is never a plan on how to fix the problems. We never have solid plan or a timeline on when we will have resolution. We just had a resident crying over a discount on her utility rate and now we are talking about raising it again.

Clif Custer stated that as far as funding goes with crisis, the main thing that staff would ask is to try not to cut revenues, cut expenditures. We are working on a plan; it just takes more skill than he has. We need more resources, but more resources cost money. He added that we are working on a plan as best we can, but we need the funds to fund it.

Lindsay Koskiniemi reported that we are working with Freese and Nichols on a wastewater plan, but it's not cheap. The full replacement we need is about 2.6 million dollars. She added that we have to be judicious in how we allocate these funds. She recommended a low interest loan, an option that will have the least impact to residents.

Katie Johnson stated that it's not just the utilities and her only concern is that we don't have a firm plan and every year it comes to council that something is critical and failing. Every year it's asking for more without there being a plan to fix it.

Clif stated that he understood, and the biggest hike is from the bond, but there was nothing we could do about that. He reported that the water systems constantly need maintenance. He added that we have fallen behind on water, streets and in other areas, but if we keep cutting revenues, it's only going to get worse.

Mark Brown asked what revenue are we cutting? He stated he feels like we need to have a plan, which he feels like we are getting there. We are trying to think about the taxpayers in all, but we keep getting asked for more. It's hard for us to raise tax rates on the backs of citizens.

Clif Custer stated we can't continue to develop plans without revenue. As of right now, the revenue must come from the citizens. He reported that we are pursuing other means of funding, but we aren't getting the millions that we need in the next five years. If we want to keep tax rate low and water rate low, we need to cut expenditures.

Katie Johnson asked what are we doing to bring more business?

Lindsay Koskiniemi reported that we can't bring anyone until we fix water, the system can't handle the load.

Mayor Boykin stated that one thing we forget is that this is residential community and most of what we do will fall on the taxpayer. He added that he sees areas where we could cut expenditures and he also sees some areas where he can go back and see that the councils have done the same thing of trying to maintain a decent tax rate and water rates while also trying to fix things piece by piece.

Clif Custer stated that it is not our goal to make request that put burden on taxpayer, and we work as hard as we can to minimize the impact, but we can't ignore the needs. It is up to you guys to weigh and asses those needs and tell us yes or no, but we must tell you the best way we know how to move forward not maintain or fall behind.

Katie Johnson asked if the current budget gives the funds to make a plan.

Clif Custer reported that we have been making a plan and Council will see the plan we are creating with Freese and Nichols by using the bond funding and grants.

John Washburn reported that he has come in to the city as an outsider but he has seen a plan coming together. He added that it will take dedication, focus, commitment and patience; it could be 5-20 years away from something that generates revenue.

Mark Brown asked what if this hole is too deep, is there an option for us to be absorbed by the city of lake Jackson? He added that no one is going to want to come here with highest tax with the least services.

Discussion held on ways to build growth and possible absorption by a city in the surrounding area.

On motion by Mike Johnson second by Melissa Strawn, with Mike Johnson, Melissa Strawn and Mark Brown II voting "aye", Katie Johnson and Matt Yarborough voting "nay" the ordinance appropriating adopting a budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020 was passed.

B. Consideration and Possible Action - Reading or Ordinance 2019-464
An Ordinance adopting a tax rate of $0.670204 and levying taxes for the use and support of the Municipal Government of the City of Richwood, Texas and providing for the interest and sinking fund of the taxable year 2019.

John Washburn presented an ordinance adopting a tax rate of $0.670204 and levying taxes for the use and support of the Municipal Government of the City of Richwood, Texas and providing for the interest and sinking fund of the taxable year 2019.

Matt Yarborough stated that he does not believe this is the best course of action and he doesn't think we've worked on getting out of the hole. He added that he thinks it's is fair for staff to say we've cut revenue and if we would've kept last year's tax rate, we would've helped this year.

Mark Brown clarified that the motion could be made to be whatever tax rate desired as long it doesn't exceed the $.0670204 and a vote can be held. He added that he is not interested in raising taxes, but he doesn't feel like we are doing ourselves anything for the future if we drop is down.

Discussion was held on proposed tax rate.

Melissa Strawn stated that she doesn't think it's responsible to drop it down, especially when the residents who voted for the bonds knew that it was going to increase.

Discussion continued on proposed tax rate.

Mike Johnson motioned, “I move that the property tax rate be increased by the adoption of a tax rate of $0.670204, which is effectively a 6.23 percent increase in the tax rate.”, Second by Melissa Strawn , with Mike Johnson, Melissa Strawn and voting “aye”, Katie Johnson and Matt Yarborough voting “nay”, Mark Brown II abstaining, and the mayor Steve Boykin breaking the tie vote by voting “aye” the an ordinance adopting a tax rate of $0.670204 and levying taxes for the use and support of the Municipal Government of the City of Richwood, Texas and providing for the interest and sinking fund of the taxable year 2019 was adopted.

Mark Brown asked if there was any way to revisit the budget or tax rate?

John Washburn answered that with the tax rate no, but not the budget, we can always revisit the budget.

Discussion was held on budget and timelines.

C. Consideration and Possible Action - Contract with SGR for Interim Finance Director Services

To discuss the possibility of extending John Washburn's services with the City beyond the intended date of September 30, 2019.

Mark Brown II requested executive session to discuss personnel matters.

Council went into Executive Session at 7:30 p.m.

Council reconvened at 8:07 p.m.

Mayor Boykin directed staff to add this item to the agenda for the next council meeting.

Katie Johnson ask if there was any concern with waiting until October 14th?

Lindsay Koskiniemi replied that the contract doesn’t expire September 30th, we just have to give SGR 14 days’ notice to terminate.

Discussion held on when to reconvene and discuss the SGR contract.

D. Consideration and Possible Action - Interlocal Agreement with Brazoria County for Roadway Maintenance

Lindsay Koskiniemi presented the attached proposed interlocal agreement with

Brazoria County for roadway maintenance.

Matthew Yarborough asked if the map displayed in red depicted the 4 miles the county has agreed to repair.

Clif Custer reported that the red is over 5 miles. The map just shows how our roads ranked according to the engineer. With the transportation fund and the bond, we are looking at about 2.3 million dollars to expend. By contracting with the county, we are getting the most for our money. 4 miles of full reconstruction would normally cost us about one million dollars per mile, and we are getting four miles for $950,000.

Mark Brown II asked if an independent contractor would provide warranty, because the interlocal has no warranty.

Clif Custer reported that we have a method from the county in writing, the process in which complete the project will leave us with a 20 year road.

Mark Brown II asked how these roads were completed before by the county.

Clif Custer replied that we know more now than we did before and we have core samples; now we know how they need to be built.

Discussion held on current road repair in Oakwood Shores.

Lindsay Koskiniemi reported that in her experience, contracts would warranty the roads for about 12 months.

Clif Custer reported that we have an engineer coming out to do an assessment and producing a report back saying we have a road with integrity of 20 years. The county advises that's about all you can bank on an asphalt road. It's not perfect, but it's a good way to stretch our dollar. We are tearing up the existing road and producing a road that is at the county's current standard. He added that he is confident in this and he thinks if we don't do this now, we may not have the opportunity to do it again.

Discussion held on the possibility of getting spec reports from other cities.

Clif Custer reported that we can't take specs from other city, because they aren't experiencing the same soil types that we have. We need to develop a standard from the area.

Matthew Yarborough asked in regard to the bond money and extra funds – would you take off all the red and yellow from the map?

Clif Custer replied no, but we are going to knock out a big part of it. Some things have changed since this map was created, but we will have additional money to repair. He doesn't think we are going to run short. This is the best we could come up with the plans we've made, and the help Strand Engineering has given us to make this money spread as far as we can go.

Matthew Yarborough asked if we spend this money in Oakwood Shores and they do boom, are those roads going to be in worse condition faster than just waiting on it to grow and then repair?

Discussion held on how to maintain new road integrity and current cause of road failure.

Clif Custer reported that the priority is protecting the integrity of the work that is done.

Mark Brown II ask about a plan for these roads failing, what are we going to do?

Clif Custer replied that once we do repairs necessary, he plans to take what money I can every year within the budget to throw towards failing roads. We are going to be able to set everything to a level field and we are going to develop a preventative maintenance plan. It is a plan and needs to be funded. He is hoping the $262k a year will cover this plan.

Discussion held on street conditions in Oakwood Shore.
On motion by Mark Brown II, second by Katie Johnson with all present members voting "aye" the Interlocal Agreement with Brazoria County for Roadway Maintenance was approved.

VIII. CITY MANAGER'S REPORT

Lindsay Koskiniemi reported she will be out of town Wednesday through Friday, in Odessa for Public Funds Investment training. She also has a conference next week for Women Leading Government.

Also, National Night Out will be a big deal, it is October 1st and we hope to see you all there.

Officer Skelton reported that it is October 1st from 5:00 p.m. to 9:00 p.m there will be BBQ, amusement rides, pony rides, water slides, fire department will be there, and possibly a helicopter from the Coast Guard.

Matthew Yarborough asked if there was any drive or donations.

Officer Skelton reported that he did reach out to local business for donation, and Flowstream donated a brisket.

Lindsay Koskiniemi requested direction on Chris Hartung and SGR; do I need to get a rep in house for meeting?

Discussion held on the contracts and when to meet.

Mark Brown II asked if once we sign, we are stuck in the contract, correct? Have we not explored the option of posting it ourselves through TML?

Lindsay Koskiniemi reported that TML does allow you to post positions for free, we posted the City Secretary position that way. The users of TML would be tenured and versed in the city. You have recent scope that was done with the previous City Manager, so, you could try and save the $22,000. She added that she doesn't want to say anything else; she doesn't want to be engaging in any conflict of interest.

Discussion held on options for City Manager search.

John Washburn addressed council on a recommendation of how to address topics during open meetings and developing protocols for revisiting items.

Discussion continued discussing options for the City Manager search and pending contract.

IX. FUTURE AGENDA ITEMS

1. Executive session regarding personnel: interim City Manager, interim Finance Director and City Secretary.
2. Discussion on SGR contract.

X. COUNCIL MEMBER COMMENTS AND REPORTS

Mark Brown II conveyed his best wishes to John Washburn and that he hopes everything goes well.

XI. MAYOR'S REPORT

No Report.

XII. ADJOURNMENT

There being no further business the meeting adjourned at 8:41 p.m.

These minutes were read and approved on this 14th day of October, 2019.

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Mayor

ATTEST:

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City Secretary