Minutes of City Council Regular Meeting

The City Council
City of Richwood

A City Council Regular Meeting of the City Council of City of Richwood was held Monday, February 11, 2019, beginning at 6:00 PM in the Richwood City Hall, 1800 N. Brazosport Blvd. Richwood, Texas.

CALL TO ORDER
The meeting was called to order at 6:11 p.m.

INVOCATION
Michael Coon led the invocation.

PLEDGES OF ALLEGIANCE
Pledge of Allegiance & Texas Pledge
Mayor Guthrie led the pledges.

ROLL CALL OF COUNCIL MEMBERS
Mark Guthrie, Mayor
Mike Johnson
Frank Blanks
Sarah Reed – ABSENT
Mark Brown II
Katie Johnson

Others present: Michael Coon, City Manager; Giani Cantu, City Secretarty; Clif Custer, Public Works; Lindsay Koskiniemi, Finance Director; Stephen Mayer, Police Chief

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; the first five individuals who sign up for the public comment section will be permitted to speak

Dianne Hester, 108 Bailey's Court, shared concerns of not having Richwood dispatch. Reported that at 2:30 in the morning she had banging on the front door and had issues getting a response. No officer responded initially and she had to call more than once. She feels Richwood residents should get more respect when they call. The incident took place the Thursday before the Council meeting in January.

CONSENT AGENDA

Approval of Minutes of Previous Meetings

Payment of Bills

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

<u>DISCUSSION AND ACTION ITEMS</u>

Discuss various alternatives for financing TCEQ utility infrastructure compliance projects and updates on associated engineering studies

Lauren LaCount, 2000 Brazosport Blvd, shared utility bond concerns of alternate funding and transparency, so that residents are completely informed. There are a lot of issues not being addressed in this bond. She believes it is super important to be as transparent as possible. She is glad to see the City considering the town hall meeting to lay it out there for the residents honestly and openly.

Melissa Strawn, 33219 Blue Marlin Dr, stated whoever wrote the petition was very misinformed and didn’t understand. She has had contact with city and TCEQ. There are sometimes that she cannot wash her hands if the city is pumping. She has been told that if there is a fire in the city there is not enough pressure to fight it. The City is trying very hard to flush and keep the pressure up but it is still not working. These repairs are necessary. Even though roads were approved, she felt that the priorities needed to be in the right places and health and safety should be prioritized. She believes there was a lot of misinformation, not many people will attend the town hall meeting and suggested the city send notices to every resident get the information out there and tell them exactly why these repairs are necessary.

Michael Coon reported the petition has been filed. The next best option is to present it to the voters on the general election. The cheapest option was going to be to issue Certificate of Obligation bonds. However, it is no longer an option. General Obligation bonds will be the next best option. There is another option to apply for long term loan through Texas Water Development Board (TWDB). However, it is more restrictive and there is no guarantee. The third option is to pay directly from utility revenues which requires assessing fee now and collecting up front. It is also more costly for the city. Even with the repairs, Oakwood shores will likely require more flushing until it is completely built out. There is not enough water usage in Oakwood Shores.

Michael Johnson asked do we have one report that has the state of our water system.

Michael Coon stated a report was sent out in the newsletter. It was sent to all residents that we have information for and shared on Facebook. There will be another coming out in the next few weeks.

Katie Johnson asked what happens if we apply with TWDB and we are not approved.

John Robuck, Financial Advisor, stated the ideal route is going to be getting the bond passed. TWDB is a last resort and is a far more expensive option.

Mark Brown asked how long has the City been dealing with the water issue.

Clif Custer replied officially since May 2018.

Michael Coon stated TCEQ showed up in May, but the City was not fully aware of pressure until September.

Mark Brown asked if we knew in May, why was it not prioritized in the budget or the initial bond issue.

Michael Coon replied there was understanding there was problems. There has been discussion for the last two years. The budget did include funding for the study, but it was postponed due to Harvey.

Mark Brown asked what is worst case scenario.

John Robuck replied the City could do a water sewer revenue bond right now. It would just be a lot more expensive.

Michael Coon replied at this point, without increases to utility rates now, the city will not get a good bond rating.

John Robuck stated with a utility revenue bond you would be looking at paying 1 million more just in interest alone over the 30 year bond.

Mark Brown asked when can we expect the report.

Michael Coon replied Freese and Nichols should have 1 report this week. However, we are waiting on a report from Strand Engineering also.

Mark Brown asked what is the $4 million going to fix.

Michael Coon replied the variable depends on the yield available by depth of the wells.

Mark Brown stated that the City can't keep stacking stuff year after year, so we need to be sure that this issue is going to not only fix but be good enough for years to come.

Michael Coon replied with the information that we have now, the $4 million is enough if the city sees no growth in the upcoming years

Mike Johnson asked do we have water pressure to fight a fire today.

Clif Custer stated no.

Michael Coon stated it depends are where you are located. Likely it would result in a water boil notice city wide.

Mike Johnson asked what are we doing to be able to fight a fire. Can we put tanks or something?

Clif Custer replied this has been discussed with the Fire Department. There is an option to run vacuum pumps. Public works has workers on call 24 hours a day. Someone could be on site within 30 minutes to assist.

Mark Guthrie stated the Fire Department will also call for support of other agencies.

Clif Custer stated it is probably time to meet again and get an update with Fire Dept.

Melissa Strawn asked is 30 minutes a long time.

Mark Guthrie replied that the more average response time for the Fire Department is less than 10 minutes.

Clif Custer stated to clarify it is not that we cannot fight a fire. It is that we cannot fight a fire and not issue a water boil notice.

Mark Guthrie asked at what capacity are we running these pumps.

Clif Custer stated 100% there is no variable.

Mark Guthrie asked so we run them all 24 hours a day.

Clif Custer stated each pump is run about a couple of hours.

Mark Guthrie asked if BWA is cut off would we have sufficient water to sustain the City.

Clif Custer replied no.

Mark Guthrie asked if our pumps shut off can BWA sustain the City.

Clif Custer replied no sir. BWA provides water but doesn't pressurize.

Mark Brown asked what does the $4 million do.

Clif Custer replied the $4 million will buy ground storage tank, a well and high service pumps. It will increase high service pumps to get us back under the 85% pumping capacity, it will increase chlorination on the North side of town, and it will regulate pressure under TCEQ compliance.

Mike Johnson stated so not a water tower.

Clif Custer replied no. The cost for elevated storage is almost a $1 more per gallon.

Mark Brown asked so right now where is our pumping capacity.

Clif Custer stated we are passed the 85% cutoff for TCEQ. For water production, we're are 98% and at 86% on the high service pumps.

Discussion was held on the capacity of current infrastructure.

Mike Johnson shared concerns that this may be a temporary fix. He wants to know that this is going last through future growth.

Clif Custer stated that the current proposal was a fix in a tiered plan to be done over time and doing more up front will cost more up front.

Mark Guthrie asked is there any concern with over building the utility infrastructure.

Clif Custer stated he doesn't believe so. It looks great on paper.

Mark Brown asked is there ever an option to do away with BWA.

Clif Custer stated he doesn't believe so and the city is trying to minimize the use of BWA because it is expensive.

Further discussion was held on water quality and possible depths of wells and if the amount proposed is enough.

Discuss and consider an ordinance calling a special election for May 4, 2019 for the consideration of the issuance of general obligation bonds in the amount of $4,000,000 for water and wastewater facilities construction and improvements

Neil Thomas, Bond attorney, the deadline to call for May 4 election is February 15th. The other option is to call a November election. The law requires you to give notice of what you are going to be discussing generally. They know that you are discussing bonds. He doesn't see an issue with increasing it now.

Mike Johnson stated it seems like they are approving something with no information. He doesn't even know what the $4 million dollars is getting us.

Mark Brown agreed. There is not enough information.

Michael Coon stated that Freese & Nichols has met with staff prior to say $4 million provides a tank, pumps and a well.

Mike Johnson stated that is a swag. He can't make a decision based on a cover.

Mark Brown asked what happens if we don't spend the money.

Michael Coon replied putting something on the ballot is just the first step. It has to come back to Council prior to issuing the debt.

Mike Johnson asked what is the trouble with waiting until the November election.

Michael Coon replied that the issue is the city could be found grossly negligent if someone gets sick.

Mark Brown stated however, there is not enough information be presented to make the best decision.

Lauren LaCount stated this is what I am talking about. This process has to be done with integrity. You cannot come back in a few years and ask for another bond or increase.

Mark Brown asked again what is the $4 million getting us.

Clif Custer stated he could review the preliminary report of what has been presented to staff.

Michael Coon stated he feels it has been explained but it can be explained some more.

Mark Brown replied but clearly more information is needed.

Mark Guthrie recessed at 7:11 p.m.

Mark Guthrie recalled open meeting at 7:18 pm.

Mark Guthrie stated he would like to remind visitors that public comments were already allowed. No other comments will be allowed during discussion, with the exception of the bond attorney and financial advisor.

Clif Custer presented the draft proposed by Freese and Nichols.

Mark Brown asked how much contingency is built in to the $4 million.

Michael Coon stated the $4 million includes 20% contingency built in.

Mark Guthrie stated, as a voter, I would want to pay for the fix but not for a big buffer for future development. He would expect that Council and staff would ensure that new residents pay for the future development.

Michael Coon stated he does understand the desire for more information. Unfortunately, they are not further along in the process and this is a necessity for public safety. Freese and Nichols is one of the best public agency engineering firms in the state.

Mark Brown stated, just so we are clear, the $4 million amounts to about a $6 increase on the utility bill.

Michael Coon stated that is correct. $6 is a very conservative estimation and there are other options that may be able to lower the impact $1 or so.

Mark Brown stated if the bond fails we are looking at $3.50 more a month.

Michael Coon stated yes. That is a very conservative estimate.

On motion by Frank Blanks second by Katie Johnson with all present member voting "aye" an ordinance calling a special election for May 4, 2019 for the consideration of the issuance of general obligation bonds in the amount of $4,000,000 for water and wastewater facilities construction and improvements was approved.

Discuss future Town Hall meeting regarding the needed utility infrastructure improvements

Michael Coon stated the plan is to have more complete study and information for the residents prior to the town hall meeting.

Mark Brown asked what is the timeline that we can see progress on this should the bond pass.

Michael Coon replied that likely September of 2020 would be a good estimate nearing completion.

Mark Guthrie asked what hard factual information do you want in hand prior to town hall meeting.

Michael Coon stated the report that is being done by Strand Engineering.

Mark Guthrie agreed that sooner the better. However, does not want to go into a town hall meeting with not enough information.

Review and discuss the final recommendations for proposed amendments to the Charter
Clint Kocurek presented the proposed Charter Amendments and Final Report of the Charter Review Commission.

Discuss and consider an ordinance calling a special election for May 4, 2019 for the consideration of proposed amendments to the Richwood City Charter

Mark Brown moved to approve the ordinance calling a special election for May 4, 2019 for the consideration of proposed amendments to the Richwood City Charter. Frank Blanks seconded.

Katie Johnson asked what happens in the event someone is elected that does not have residency requirement as approved in the election.

Giani Cantu stated changes cannot go into effect until the results of the election are canvassed.

With all present members voting "aye", an ordinance calling a special election for May 4, 2019 for the consideration of proposed amendments to the Richwood City Charter was approved.

Discuss and consider an ordinance calling a special election for May 4, 2019 for the reauthorization of the local sales and use tax at the rate of one-fourth of one percent to continue providing revenue for the maintenance and repair of municipal streets

On motion by Mark Brown second by Mike Johnson with all present members voting "aye" an ordinance calling a special election for May 4, 2019 for the reauthorization of the local sales and use tax at the rate of one-fourth of one percent to continue providing revenue for the maintenance and repair of municipal streets was approved.

Discuss and consider an ordinance calling the May 4, 2019 General Election and approving a joint election contract with Brazoria County

On motion by Mark Brown II second by Katie Johnson with all present members voting "aye" an ordinance calling the May 4, 2019 General Election and approving a joint election contract with Brazoria County was approved.

Discuss and consider an ordinance amending Section 17-5 Classification of Signs to amend the definition and classification of political sign and creating Section 17-66 regulating political signs

On motion by Katie Johnson second by Mark Brown with all present members voting "aye" an ordinance amending Section 17-5 Classification of Signs to amend the definition and classification of political sign and creating Section 17-66 regulating political signs was approved.

Discuss and consider an ordinance creating and designating a Capital Improvement Advisory Committee

Appoint Steve Cone to Capital Improvement Advisory Committee

On motion by Mark Brown II second by Katie Johnson with Mike Johnson voting "nay" and all other present members voting "aye" an ordinance creating and designating a Capital Improvement Advisory Committee (CIAC) and appointing Steve Cone to the CIAC was approved.

Discuss and consider ordinance amending Chapter 15 Planning and Development Article II Planning and Zoning Commission for the purpose of amending the membership, organization, and powers thereof and adopting rules of procedure therefor

On motion by Mark Brown second by Frank Blanks with all present member voting “aye” an ordinance amending Chapter 15 Planning and Development Article II Planning and Zoning Commission for the purpose of amending the membership, organization, and powers thereof and adopting rules of procedure therefor was approved and adopted.

Discuss and consider an ordinance amending Chapter 10 - Miscellaneous Provision and Offenses Section 10-7 Sale of Alcoholic Beverages for the purpose of regulating permitting and licensing for the sale of alcoholic beverages within the City of Richwood

On motion by Frank Blanks second by Mike Johnson with all present members voting “aye” an ordinance amending Chapter 10 - Miscellaneous Provision and Offenses Section 10-7 Sale of Alcoholic Beverages for the purpose of regulating permitting and licensing for the sale of alcoholic beverages within the City of Richwood was approved and adopted.

Discuss and consider an ordinance amending Section 3-7 of the code of ordinances regarding animal bites; confinement, observation and destruction of biting animal

On motion by Mike Johnson second by Mark Brown II with all present members voting “aye” an ordinance amending Section 3-7 of the code of ordinances regarding animal bites; confinement, observation and destruction of biting animal was approved and adopted.

Discuss and consider a resolution amending the ammortization of the debt owed from the Utility Fund to General Fund; authorizing the initial payment be made and repealing the remaining ammortization schedule payments
Mark Brown asked what is the rate calculation for the lower debt over the 15 year time span.

Michael Coon stated that calculation was not done. It was just an option to delay the need to pay this back when there is not any more pressing issues.

Mark Brown asked if paying this debt is affecting infrastructure.

Michael Coon no. This is one thing that can be delayed without affecting the infrastructure.

Mark Brown stated he doesn’t see the benefit to delaying. It is still money that needs to be owed.

On motion by Frank Blanks second by Katie Johnson with Mark Brown voting “nay” and all other present members voting “aye” the resolution amending the ammortization of the debt owed from the Utility Fund to General Fund; authorizing the initial payment be made and repealing the remaining ammortization schedule payments was approved.

Discuss and consider additional regularly scheduled meetings and resetting November 11, 2019 meeting date

No action was taken. This was delayed until the new Council takes their place.

Approve items removed from Consent Agenda

No items were removed from Consent Agenda.

REPORTS

Reports that require no action.

Update and review of Fiscal Year 2018-2019 Strategic Priorities scorecard

Lindsay presented the Strategic priorities updated.

Financial Reports

CITY MANAGER'S REPORT

Michael Coon gave his review.

FUTURE AGENDA ITEMS

No items were presented.

COMMITTEE REPORTS

No reports were given.

COUNCIL MEMBER COMMENTS & REPORTS

Mark Brown stated let's not forget that we were in a bad space with flooding in the past. Hurricane season is not far away and thinks its good to start planning now.

MAYOR'S REPORT

No report was given.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:00 p.m.

These minutes were read and approved on this 11th day of March, 2019.

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Mayor

ATTEST:

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Giani Cantu, City Secretary