

Minutes of City Council

The City Council Special Meeting of Wednesday, October 23, 2019

BE IT KNOWN THAT, a City Council Special Meeting of the City Council of City of Richwood was held Wednesday, October 23, 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 6:04 p.m.

II. INVOCATION

Lindsay Koskiniemi led the invocation.

III. PLEDGE OF ALLEGIANCE

Pledge of Allegiance and Texas Pledge

The pledges were led by Mayor Boykin

IV. ROLL CALL OF COUNCIL MEMBERS

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: Lindsay Koskiniemi, Interim City Manager; Clif Custer, Public Works Director; Stephen Mayer, Police Chief; Kirsten Garcia, City Secretary

V. PUBLIC COMMENTS

All comments will be subject to the following rules: All speakers will be permitted to speak not 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.

There were no public comments.

VI. COUNCIL CONSIDERATION AND ACTION ITEMS

- A. Discuss and consider an ordinance setting the Utility Fee Schedule to generate additional revenue of at least \$176,160 to support the bond payment as well as possible increases to address negative fund balance for activities consisting of Water, Wastewater, and Solid Waste.

This presentation will be presented with a live spreadsheet to show Council utility discounts, issued debt, and outstanding debt to consider when adopting a rate structure

and amortizing the outstanding debt to be repaid over a period of time.

Presenter: Clif and Lindsay

Mark Brown II asked where the \$45840 amount is coming from.

Lindsay Koskiniemi reported that staff was going by the accounts that consistently use over 20k gallons a month.

Mark Brown II stated that this number isn't new revenue. We would have to take the difference in the old rate and the new rate to figure out the new revenue.

He added that the numbers based on the annual amount, if we do this increase, is a projected increase of \$206K, which would cover the increase. If we did go with the proposed plan here, we would have enough to cover it and maybe even more. He stated he is not convinced this is the right way to go since we are still looking at quite a discrepancy between the bulk of the users and how much revenue they generate.

Discussion held on how many accounts use over 20,000 gallons of water.

Mark Brown II asked about the one bedroom apartments versus the 3 or 4 bedroom apartments being charged the same amount. The smaller usage residents in the apartments will be punished by this.

Clif Custer reported that the demand placed on the system by the high usage accounts is where we come up with the higher number. It's not to punish anyone, but to cover the effect they hold on our system.

Matthew Yarborough stated he favored the multi-tier system.

Mark Brown II asked if staffs has a different rate for residential and commercial?

Lindsay Koskiniemi stated she wouldn't recommend it. The commercial accounts we have aren't necessarily using any different amount than residential accounts.

Clif Custer added that it's hard to justify seeing as we have so few businesses in the city.

Mark Brown II stated he was thinking certain businesses that use a lot, such as ones with a car wash.

Clif Custer reported he is leaning more towards using a usage based rate rather than commercial versus residential. We also found out we are not eligible for TCEQ grant funding without a tiered rate.

Mayor Boykin asked if we are looking at a rate study, so what we are doing tonight is just temporary?

Clif Custer reported yes, but we aren't sure what that is going to look like or how long that will take.

Mayo Boykin stated that what we can do tonight is go ahead and cover the bond and not get us any further behind.

Council took a 5 minute recess at 6:29 p.m.

Council reconvened regular session at 6:35 p.m.

Discussion held on debt in the utility funds.

Lindsay Koskiniemi stated that we aren't utility rate specialist and we have a lot going to the wayside here. Her recommendation is that if we can't come up with a decision, we need to employ an agency to assist with this.

Melissa Strawn stated that all of our surrounding cities do this rate structure that we are looking at.

Mark Brown II stated that we don't always have to do things the way everyone else does it. It's not always the best. He would like to get down to the core of the problem. That being that we don't have a good grasp on what it's costing us for water from BWA.

Discussion held on the expenditures of our utility system.

Matt Yarborough asked if it was common practice to charge a meter fee for apartment complexes.

Clif Custer stated that it's not in this area, but he hasn't done too much research into the idea at this point. John created this plan to increase revenue and have higher usage accounts paying their fair share. He added that with the tier rate, we still have quite a bit of users who will see a significant increase, around \$10.00

Mayor Boykin stated that this plan is a work in progress and we have a year to work on it before the rate study. He stated he prefers the multi-tier rates, but I see where this gets the job done for now.

Lindsay Koskiniemi requested feedback on what threshold Council would like to see the tiers be at.

Melissa Strawn stated she is happy with the way this is presented and it seems like we change the rate every year.

Matthew Yarborough stated that's the problem, we are always just fixing for the year and never really fixing the problem.

Discussion held on past rate study.

New/Revised Water Rate Fees and Charges	
GALLONS INCLUDED IN BASE RATE	2,000
PER MONTH Minimum monthly charge	\$29.79
Monthly usage in excess of 2,000 gallons but below 20,000 gallons	\$4.90 Per each additional 1,000 gallons of usage
Monthly usage in excess of 20,000 gallons	\$5.10 Per each additional 1,000 gallons of usage
New/Revised Sewer Rate Fees and Charges	
GALLONS INCLUDED IN BASE RATE	2,000
PER MONTH Minimum monthly charge	\$24.65
Amounts in excess of 2,000 gallons	\$4.35 Per each additional 1,000 gallons of usage
New/Revised Solid Waste Collection Fees	
PER MONTH Includes one garbage and one recycle bin	\$18.85
ADDITIONAL BIN CHARGE PER MONTH	\$7.00
ACCUMULATION OF BULK WASTE	\$20.00 per cubic yard

IN EXCESS OF 5 CUBIC YARDS	
Water and Sewer Base Discount	
OVER 65 DISCOUNT	\$7.50
Any person who meets the criteria of “Voting member” of the Richwood Volunteer Fire Department as defined by their Constitution and By-Laws, or any member of the Richwood City Council, will receive the first 4,000 gallons free and then be charged \$4.35 \$4.90 per each additional 1,000 gallons of usage	
Solid Waste Collection Discount	
OVER 65 DISCOUNT	\$1.50

On motion by Melissa Strawn, second by Mike Johnson, with Mike Johnson, Melissa Strawn, Matthew Yarborough and Katie Johnson voting “aye”, Mark Brown II voting “nay” the ordinance setting the Utility Fee Schedule to generate additional revenue of at least \$176,160 to support the bond payment as well as possible increases to address negative fund balance for activities consisting of Water, Wastewater, and Solid Waste was approved.

- B. Review and possible action to reschedule regular Council meeting in November.
Discussion and possible action to re-schedule November Regular Council Meeting from November 11, 2019 to Tuesday, November 12, 2019. November 11, 2019 is Veteran's Day, and City Hall is closed on that date.

Matthew Yarborough requested the 18th of November

On motion by Mark Brown II, second by Melissa Strawn and all present members voting “aye”, the November Regular Council meeting was moved from November 11, 2019 to November 18, 2019.

VII. CITY MANAGER'S REPORT

Lindsay Koskiniemi reported that interim audit is next week, and she has a long ways to go before its ready. She will be concentrating efforts there.

VIII FUTURE AGENDA ITEMS

. Strand and associate's presentation

Property at 215 Halbert

Update on flood mitigation meeting – regional flood advisory committee

IX. COUNCIL MEMBER COMMENTS AND REPORTS

No report

X. MAYOR'S REPORT

No Report

XI. ADJOURNMENT

There being no further business the meeting adjourned at 7:17 p.m.

These minutes were read and approved on this 18th day of November, 2019.

Mayor

ATTEST:

City Secretary