

THURSDAY, SEPTEMBER 24, 2015
SPECIAL COUNCIL MEETING
6:30 P.M.

1. CALL TO ORDER: Mayor Whiting called the City of Hilshire Village Council Meeting to order at 6:34 P.M. at 8301 Westview, Houston, Texas 77055.

1.1 Invocation: was given by Mayor Pro Tem Paul Maddock.

1.2 Present: were Mayor Shannon Whiting, Mayor Pro Tem Paul Maddock and Council Members Michael Gordy, Stephanie Post and David Gunn. Also present were City Secretary Susan Blevins and City Engineer Efrain Him, P.E., HDR Inc. Council Member Russell Herron was absent.

2. CITIZEN'S COMMENTS: Pertaining to the Bridle Spur Lane Street Dedication or the contract for the Pine Creek/Bridle Spur rehabilitation contract:

Barbara Beach, # 1 Pine Creek Lane, inquired about CenterPoint marking Pine Creek Lane. Efrain Him stated that CenterPoint will be replacing the gas line prior to the street rehabilitation.

Robert Conklin, # 14 Hilshire Grove Lane, asked if the \$1,357,132 total construction contract cost was only benefiting 14 lots. Mayor Whiting stated that it was benefiting Pine Creek and Bridle Spur Lane. He also wanted to know how much the City had to pay for acquiring the right-of-ways. Mayor Whiting answered "none". Mr. Conklin also wanted to know who would be available to inspect the onsite work as it progressed. Efrain Him stated HDR would have an inspector in charge of the project.

3. ACTION ITEMS:

3.1 Council Member Gunn made a motion to approve Hilshire Village Ordinance Number 722 accepting the dedication of Bridle Spur Lane as a public right of way, approving such dedication documents from the Bridle Spur residents and authorizing the Mayor to execute documentation to finalize the dedication, seconded by Mayor Pro Tem Maddock. Mayor Whiting said the attorney left a letter stating that all documents were updated and filed with the City.

A vote was taken to approve the motion approving City of Hilshire Village Ordinance Number 722 accepting the dedication of Bridle Spur Lane as a public right of way, approving such dedication documents from the Bridle Spur residents and authorizing the Mayor to execute documentation to finalize the dedication. The vote passed unanimously. Mayor Whiting said that she can now state Hilshire Village has "no" private streets.

3.2 Mayor Pro Tem Maddock made a motion to review the Bid Tabulation for the Pine Creek and Bridle Spur Paving, Drainage & Utility Improvements Project and awarding the Construction Contract to the lowest responsible bidder, Conrad Construction Company, Ltd., for a total contract amount of \$1,357,132.50, seconded by Council Member Gunn. Efrain Him stated that he had done bid tabulation and Conrad Construction Company, Ltd., was the low bidder and all calculations had been confirmed. He has also reviewed the qualifications and checked references.

Mayor Pro Tem Maddock asked if this work would also include the two houses on Burkhart where the supply lines have not been replaced. Mayor Whiting said unfortunately the City is working on critical lines first.

Council Member Post discussed the amount of the contract that could be paid with Metro Funds. She also wanted to make sure Council understood that this contract did not come in as favorable as the City had hoped for; therefore, she did not know if the City would be able to replace Friarcreek's water line.

Efrain Him stated that it was HDR's recommendation to accept Conrad Construction's bid. **A vote was taken to approve the motion reviewing the Bid Tabulation for the Pine Creek and Bridle Spur Paving, Drainage & Utility Improvements Project and awarding the Construction Contract to the lowest responsible bidder, Conrad Construction Company, Ltd. for a total contract amount of \$1,357,132.50. The vote passed unanimously.**

Mayor Whiting said that the residents on Bridle Spur were concerned with the amount of trees that were being removed by the City to replace the utility lines and the street. She said that she would like to see Council contemplate some type of replacement plan.

The City Engineer was excused at this time

4. DISCUSSION:

4.1 General and Utility Fund Budget, Tax Rate and Capital Improvements: Mayor Whiting said the proposed tax rate for 2015 is \$0.488080/100 of evaluation. That is down from last year tax rate of \$0.533441/100. She said Council needed to go into Executive Session before voting on the Budget.

Recess the Special Council Meeting at 7:05 PM

5. CLOSED EXECUTIVE SESSION:

5.1 Council went into Executive Session to discuss City Secretary/City Administrator and City Clerk compensation/benefit packages.

Reconvene the Special Council Meeting at 7:45 PM

5.2 Mayor Whiting stated that Council has decided that City Secretary Blevins would be promoted to City Administrator/City Secretary and compensation would be as presented in the Budget effective October 1, 2015. With respect to Council's plan for a full-time City Permit Clerk, Council will continue to expand on the job description to be a full-time position sometime in the spring-time frame.

6. CITIZEN'S COMMENTS:

Robert Conklin, 14 Hilshire Grove Lane, wanted to know if the City was on cash or accrued accounting base and wanted to know if the City's year end was on the calendar year-end. Mayor Whiting said it was basically cash and the New Year would begin October 1, 2015. Mr. Conklin said he was confused as to if there was a tax increase or not.

Budget and Property Taxes: Mayor Whiting went over the Budget being presented for approval. She stated the Police expense had increased by \$8,000.00 from what had been previously presented. The cost change came about after the City of Spring Valley approved their Budget. There were no changes made to the General and Utility Budget. Mayor Whiting stated the Capital Improvement Budget scenario presented is using the bid that the City received for Pine Creek/Bridle Spur Rehabilitation. The real question is how the City wants to use its funds and if the City wants to fund the water line replacement on Friarcreek Lane. Council was presented a Capital Improvement Budget using funds from the following accounts: balance of the Capital Improvement Certificate of Obligation Fund - \$606,037, Utility Construction Fund - \$6,135, Utility Fund - \$54,000, Metro 1 Fund -\$270,001 and Metro 2 Fund - \$568,393. Also, for the Meter Vault replacement use \$46,000 from the Utility Fund. Mayor Whiting said that Metro Funds could be used for paving, drainage and the general items in the contract and the Utility Fund Account can only be used on the water and sewer.

Council Member Post said that originally, the City planned on spending \$2,000,000 in improvements. However, with the pricing the City received, the City will spend \$2,000,000, but it does not include Friarcreek. For another \$227,000 the City could do the Friarcreek Water Line. From a policy standpoint we have an opportunity now to do Friarcreek out of the Utility Funds we borrowed because we can pay for roadwork out of Metro. The City can at this time use more of Metro Funds to pay for the project. She said the City has an opportunity at this time to do Friarcreek water line replacement using the Utility Fund and General Obligation Fund. It is going to reduce the City's Metro Funds to \$320,000.00 which is the lowest it has ever been, but it will be replenished every year by \$103,000.

Metro Funds are used for ditch maintenance. In the future Metro Funds might be spent for a Wirt Road traffic light or curb cut, ditch cleaning, sign replacement and street repairs. Council Member Post said the City has an opportunity at this time to use the Metro Funds to pay for the paving portion of Bridle Spur and Pine Creek and use the Utility and the Certificate of Obligation to include Friarcreek water line replacement. If the City is not going to replace Friarcreek's water line then the City does not need to use all the Metro Funds. Council Member Post asked City Secretary Blevins to explain how the funds were budgeted. City Secretary Blevins stated that per the bid proposal the City

can use Metro Funds to pay for the General Items of \$263,800, Roadway items of \$414,037.50, Storm Drainage of \$111,450, a portion of the supplemental items of \$37,560 and half of the allowance items of \$32,250.00.

Mayor Whiting stated the question is “are we going to go ahead and take down Metro Funds so that the Utility Funds can be used to replace Friarcreek’s water lines”? Council wanted to know if it would be cheaper for the City to go out to bids for Friarcreek or do a change order to the Pine Creek Lane/Bridle Spur Rehabilitation. Council would like to see the water lines replaced on Friarcreek if possible.

7. ACTION ITEMS:

7.1 Mayor Pro Tem Maddock made a motion to approve the General Budget for the FYE 2016. In accordance with Section 102.007(c) of the Local Government Code, adoption of this year’s budget will require raising more revenue from property taxes than in the previous year; therefore, the City must, by separate vote of the City, ratify the property tax increase reflected in the budget. This budget will raise more revenue from property taxes than last year’s budget by \$56,966 which is a 6.23 percent increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$39,206.00, seconded by Council Member Post. **A vote was taken to approve the motion approving the General Budget for the FYE 2016. In accordance with Section 102.007(c) of the Local Government Code, adoption of this year’s budget will require raising more revenue from property taxes than in the previous year; therefore, the City must, by separate vote of the City, ratify the property tax increase reflected in the budget. This budget will raise more revenue from property taxes than last year’s budget by \$56,966 which is a 6.23 percent increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$39,206.00. The vote passed unanimously. Mayor Pro Tem Maddock, Council Members Gordy, Post and Gunn voted for the motion. Council Member Herron was absent.**

7.2 Mayor Pro Tem Maddock made a motion to approve a component of the tax rate in the amount of \$0.415397/100 for the purpose of funding the maintenance and operation expenditures of the City for the FYE 2016, which such tax rate will effectively be raised by 2.92% from last year’s tax rate and will raise taxes for maintenance and operations on a \$100,000 home by approximately – \$34.43, seconded by Council Member Gordy. **A vote was taken to approve the motion approving a component of the tax rate in the amount of \$0.415397/100 for the purpose of funding the maintenance and operation expenditures of the City for the FYE 2016, which such tax rate will effectively be raised by 2.92% from last year’s tax rate and will raise taxes for maintenance and operations on a \$100,000 home by approximately -\$34.43. The vote passed unanimously.**

7.3 Mayor Pro Tem Maddock made a motion to approve a component of the tax rate in the amount of \$0.072683/100 for the purpose of paying the accruing interest and to provide a sinking fund for payment of the indebtedness of the City for the next fiscal year, seconded by Council Member Post. **A vote was taken to approve the motion**

approving a component of the tax rate the in the amount of \$0.072683/100 for the purpose of paying the accruing interest and to provide a sinking fund for payment of the indebtedness of the City for the next fiscal year. The vote passed unanimously.

7.4 Council Member Gunn made a motion to approve the 2015 property tax rate to be increased by the adoption of a tax rate of \$0.488080/100, which is effectively a 2.09 percent increase in the tax, seconded by Mayor Pro Tem Maddock. A vote was taken to approve the motion approving the 2015 property tax rate to be increased by the adoption of a tax rate of \$0.488080/100, which is effectively a 2.09 percent increase in the tax. The vote passed unanimously. Mayor Pro Tem Maddock, Council Members Gordy, Post and Gunn voted for the motion. Council Member Herron was absent.

7.5 Mayor Pro Tem Maddock made a motion to approve Ordinance No. 721 providing for the levy and collection of Ad Valorem taxes of the City of Hilshire Village, Texas for the year 2015: providing for two components to the proposed tax rate, consisting of a tax rate of \$0.072683 cents on each one hundred dollars for the purpose of paying the accruing interest and to provide a sinking fund for payment of the indebtedness of the City and a tax rate of \$0.415397 cents on each one hundred dollars for the purpose of funding the maintenance and operation expenditures. This tax rate will raise more taxes for maintenance and operations than last year's tax rate, the tax rate will effectively be raised by 2.92 percent and will raise taxes for maintenance and operations on a \$100,000 home by approximately -\$34.43, which shall be approved by separate motion; providing for the date on which such taxes shall be due and payable; providing for penalty and interest on all taxes not timely paid; repealing all ordinance or parts of ordinances inconsistent or in conflict herewith and providing for severability seconded by Council Member Post. A vote was taken to approve the motion approving Ordinance No. 721 providing for the levy and collection of Ad Valorem taxes of the City of Hilshire Village, Texas for the year 2015: providing for two components to the proposed tax rate, consisting of a tax rate of \$0.072683 cents on each one hundred dollars for the purpose of paying the accruing interest and to provide a sinking fund for payment of the indebtedness of the City and a tax rate of \$0.415397 cents on each one hundred dollars for the purpose of funding the maintenance and operation expenditures. This tax rate will raise more taxes for maintenance and operations than last year's tax rate, the tax rate will effectively be raised by 2.92 percent and will raise taxes for maintenance and operations on a \$100,000 home by approximately -\$34.43, which shall be approved by separate motion; providing for the date on which such taxes shall be due and payable; providing for penalty and interest on all taxes not timely paid; repealing all ordinance or parts of ordinances inconsistent or in conflict herewith and providing for severability. The vote passed unanimously. Mayor Pro Tem Maddock, Council Members Gordy, Post and Gunn voted for the motion. Council Member Herron was absent.

6. ADDITIONAL COUNCIL COMMENTS: Mayor Whiting reported that the City had received a letter from TCEQ in regard to the yearly lab results of ten (10) homes in Hilshire Village. This year two out of the ten homes came back with lead content

exceeding the 0.015 milligrams of lead per liter of water. The homes that were tested were built prior to 1982 and contained either lead pipe or copper pipe with lead solder for connections. Mayor Whiting stated the City will be required to test twice a year next year and will include the same ten (10) plus ten additional homes. The City will also test the water at each of the source water entry points. If after the additional testing the results are higher than the allowable 0.015 mg/L then the City will implement a program to minimize lead in the drinking water which might be adding corrosion control treatment, source water treatment and if necessary replacing lead service lines. Mayor Whiting said the two homes were above the action level; however, they had very low readings and warrant only increased monitoring and testing. It is not a violation under federal or state law.

7. ANNOUNCEMENTS: National Night Out is Tuesday, October 6th and will be held on Archley Drive.

8. ADJOURNMENT: Mayor Pro Tem Maddock made a motion to adjourn, seconded by Council Member Post. The meeting was adjourned at 8:26 PM.

Shannon Whiting, Mayor

ATTEST:

Susan Blevins, City Secretary