

WOODWAY CITY COUNCIL MINUTES

June 14, 2021

The Woodway City Council met in a regular meeting in the Donald J. Baker Council Chambers at Woodway City Hall, 922 Estates Drive, Woodway, Texas, on Monday, June 14, 2021, at 5:30 p.m. The following individuals were in attendance:

Mayor:	Jane Kittner
Mayor Pro Tem:	Absent
Councilmembers:	David Mercer, David Russell, Storey Cook and Gayle Avant
Absent:	Amine Qourzal
City Manager:	Shawn Oubre
City Secretary:	Donna Barkley
City Staff:	Lenny Caballero, William Klump, Bret Crook and Larry Adams
Contract Staff:	Mike Dixon, City Attorney
Registered Guests:	Bert Hernandez, 1723 Mourning Dove Ln., Lorena, TX 76655 Janice Hernandez, 1723 Mourning Dove Ln., Lorena, TX 76655 Charlie Buenger, City Prosecutor

CALL MEETING TO ORDER

Mayor Kittner called the meeting to order at 5:31 p.m.

INVOCATION

1. INVOCATION

Councilmember Cook provided the invocation.

PRESENTATIONS AND VISITORS

2. PRESENTATION AND RECOGNITION OF RETIRING VOLUNTEER FIREFIGHTER/RESERVE OFFICER, HUMBERTO "BERT" HERNANDEZ

Chief Crook started off by recognizing probably one of our longest tenured volunteer firefighter/reserve officers we have. He came to us probably over forty (40) years ago as a volunteer fireman. In 1980, he became a volunteer and in 1985 he became a reserve police officer for us. He was presented with a shadow box which included his patches and badges through the years. Mayor Kittner also presented Bert Hernandez with an engraved clock on behalf of the City Council and Staff for his many years of dedicated and loyal service to the City. Mr. Hernandez voiced his appreciation of the staff/friends and City Council for all their support.

3. PRESENTATION ON 3-1-1 SERVICE BY DR. LENNY CABALLERO

Dr. Caballero provided information with regards to a new portal/app called 311. The City is launching this non-emergency portal that provides the Woodway citizens a way to stay up to date on severe weather events, city-wide street and sewer projects. You will need to download the Woodway 311 app to send a service request. You can

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also call the customer service line (254) 537-1441 from 8 a.m. to 5 p.m. Monday-Friday, or report an issue at 311@woodwaytexas.gov.

The plan is to launch this in July 2021. It will be promoted via newsletter, flyers, web, social media, public safety, etc.

4. HEAR VISITORS

No visitors came forward to speak at this time.

ITEMS RELATED TO PROPOSED 2021/2022 ANNUAL BUDGET AND PROPOSED 2021 AD VALOREM TAX RATE

5. INTRODUCTION OF THE PROPOSED 2021/2022 ANNUAL BUDGET

Dr. Oubre provided that the City Charter requires the City Manager present the proposed budget. You will see the first section being the General Fund Expenditures and Revenues which includes each departmental expense with their line items. The next section is the Utility Fund Expenditures and Revenues which you will hear us refer to as the Enterprise Fund. The next section is the Capital Outlay which staff is requiring and some items included that we discussed after the winter storm. The next section is the Bond/Debt Payment Schedule and the last section is the Salary Survey which we are still working on. This budget is currently balanced in the General Fund and the Enterprise Fund. It is based on the uncertified tax roll and the tax rate of .45 cents which is a little more revenue than you raised last year. You still need to plan the interest and sinking fund rate for the Family Center which we propose is going to be two to three cents on top of the maintenance and operations rate of forty-five cents. This budget also includes:

- Garbage rate increase
- Cost of living index raise for the employees of 3% which is based annually on the Bureau of Labor and Statistics
- Average grade of the 3% increase for merit pay
- 5% increase for Blue Cross Blue Shield
- A new item included since William Klump has announced his retirement. A transition to his retirement date of November 2022 to bring on his replacement 6 months prior allocating \$60,000.00 for that.

You are not tied to this in any way, this is just starting the process.

6. DISCUSSION AND CONSIDER ACTION ON SETTING THE DATE, TIME AND PLACE TO CONDUCT THE REQUIRED PUBLIC HEARING ON THE PROPOSED 2021/2022 ANNUAL BUDGET

Dr. Oubre stated that the City Secretary has provided the proposed schedule in your packet for adopting the budget and tax rate. Staff is ready to meet with you in as many workshops as you need.

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Councilmember Mercer moved to set the required public hearing on the proposed budget for August 23, 2021, at 5:30 p.m., at Woodway City Hall, 922 Estates Drive; and authorized the City Secretary to publish notice of the scheduled hearing at least fifteen days in advance of it being held. Councilmember Cook seconded, and the motion passed unanimously by the councilmembers present.

ITEMS FOR INDIVIDUAL DISCUSSION, CONSIDERATION AND/OR ACTION

7. **PRESENTATION BY CITY MANAGER AS TO ADDITIONAL FUNDING SOURCES RELATED TO THE CERTIFICATES OF OBLIGATION, SERIES 2021 (THE "CERTIFICATES") PROJECTS AND AUTHORIZE CITY MANAGER TO ALLOCATE CITY FUNDING SOURCES TO THE CERTIFICATES PROJECTS**

Dr. Oubre provided that on April of 2021, a Notice of Intention was published to issue Certificates of Obligation in the amount not to exceed \$18,600,000.00. During the course of the forty-five (45) day waiting period, Congress announced the addition of American Rescue Plan funds that will be eligible for the sewer project. Following your posted time-line that was advertised, the next steps are procedural and not taking action tonight since you want to wait until the targeted date of June 24th as the last date possible to be able to advise the Financial Advisors of the amount we will actually borrow, they will then conduct the sale on the morning of July 7th and you will meet in a special meeting on July 7th to conclude the issuance of the certificates of obligation.

In summary, you issued the Notice Not to Exceed \$18,600,000.00, less \$1,000,000.00 out of reserves to buy down the sewer project and another \$400,000.00 out of a line item for the Family Center. As of right now you are looking at an issuance of \$17,200,000.00 less anything that comes in from the American Rescue Plan.

Councilmember Cook moved to authorize the City Manager to move forward with the issuance of bonds as previously discussed and total issuance in the amount of \$17,200,000.00 minus any funds allocated from the American Rescue Plan. Councilmember Mercer seconded and the motion passed unanimously by the councilmembers present.

8. **DISCUSSION AND CONSIDER ACTION TO REVISE TIMETABLE ON AWARD OF SALE OF CERTIFICATES UNDER TERMS AND CONDITIONS APPROVED BY THE CITY**

Dr. Oubre provided this is basically stating the same thing from the previous item. Our closing date was to be tonight but since Congress passed the American Rescue Plan, we want to push it to June 24th. They will then go out for competitive bid at 10 a.m. on July 7th. A quorum of the Council will have to meet in a special meeting on July 7th to accept and take action on the Series 2021 Certificate of Obligation.

Councilmember Russell moved to approve the revised timetable deferring the Sale of Certificates to allow for funds from the American Rescue Plan to be used for Phase III of the Sewer Project. The new date is July 7, 2021. Councilmember Avant seconded and the motion passed unanimously by the councilmembers present.

9. **Discussion and consider action as to Ordinance No. 21-04, AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE "CITY OF WOODWAY, TEXAS, TAX & REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021"; SPECIFYING THE TERMS AND FEATURES OF SAID CERTIFICATES; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES OF OBLIGATION**

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BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY; AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY'S WATERWORKS AND SEWER SYSTEM; AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AUTHORIZING AN OFFICIAL STATEMENT AND DISTRIBUTION THEREOF; AND PROVIDING AN EFFECTIVE DATE

Dr. Oubre stated this is the last action to take deferring the approval of the date you will accept the sale of the bonds.

Councilmember Russell moved to defer action on Ordinance No. 21-04 until July 7, 2021. Councilmember Mercer seconded, Mayor Kittner read aloud the caption of the ordinance as required and the motion passed unanimously by the councilmembers present.

10. DISCUSSION AND CONSIDER ACTION TO SET SPECIAL MEETING TO CONSIDER AND APPROVE ORDINANCE NO. 21-04

Dr. Oubre provided that this is to call a special meeting to consider this item. Your financial Advisor, Dusty Traylor along with your bond counsel, Guy Goodson will be in attendance.

Councilmember Russell moved to schedule a Special Called Meeting on July 7, 2021, at 5:30 p.m., to consider and approve Ordinance No. 21-04. Councilmember Mercer seconded and the motion passed unanimously by the councilmembers present.

11. DISCUSSION AND CONSIDER ACTION ON THE BAYLOR UNIVERSITY SPONSORSHIP AGREEMENT THROUGH LEARFIELD IMG COLLEGE

Dr. Oubre provided because we have a hotel industry here along Highway 84, and do approximately 700 rooms with the hotels, they levy what we call a HOT tax which is a collection added to the room stay. The City gets rebated this percentage from the Comptroller's Office that allows us to help create more tourism in the community. One of the expenses that is allowed and mandated is 1/7th of the total amount collected which ends up being about \$100,000.00 total which must be used for advertising using the HOT funds. We have had a good relationship with Baylor and this is our second year in advertising. We are asking you to do a renewal for the next two years.

Councilmember Avant moved to authorize the City Manager to approve and execute the Leafield IMG College sponsorship agreement. Councilmember Cook seconded and the motion passed unanimously by the councilmembers present.

12. DISCUSSION AND CONSIDER ACTION ON BUSH DRIVE IMPROVEMENTS

Dr. Oubre provided around February of this year, Planning and Zoning approved Tex-Mix for a cement batch plant along Highway 84 with access off Bush Drive. We have some concerns that Bush Drive was never really constructed to handle the type of weight or traffic that this batch plant will have once it opens. Council directed staff to look at constructing a portion of Bush Drive. We have visited with the property owner, and have had some discussion about him partnering and paying for some of the concrete. Nothing has been agreed upon yet. The

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project looks to be about \$375,000.00 to do the section we provided for you on the map. It is timely we do it now if it is your desire prior to their opening or as soon thereafter as we can.

There was a brief discussion.

Councilmember Cook left the meeting at 6:17 p.m.

Councilmember Mercer moved to authorize the City Manager to move forward on hiring an engineer and continue negotiations with Tex-Mix to partner in paving the section of Bush Drive that is affecting the entrance of Tex-Mix Batch Plant. Councilmember Russell seconded and the motion passed unanimously by the councilmembers present.

13. DISCUSSION AND CONSIDER ACTION ON RESOLUTION R-21-11, A RESOLUTION OF CANDIDATE NOMINATION FOR THE MCLENNAN COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS FOR THE REMAINING 2020-2021 TERM

Dr. Oubre provided that Mr. Tom Pagel has resigned from the Board of Directors effective May 31, 2021. This item is to consider nominating an individual to be considered for the remaining 2020-2021 term.

Councilmember Mercer moved to not make a nomination for the McLennan County Appraisal District Board of Directors for the remaining 2020-2021 term. Councilmember Russell seconded and the motion passed unanimously by the councilmembers present.

CONSENT AGENDA

14. A. DISCUSSION AND CONSIDER ACTION ON MINUTES OF THE SPECIAL CITY COUNCIL MEETING HELD MAY 19, 2021, AT 12:00 P.M.
- B. DISCUSSION AND CONSIDER ACTION ON MINUTES OF THE REGULAR CITY COUNCIL MEETING HELD MAY 24, 2021, AT 5:30 P.M.
- C. DISCUSSION AND CONSIDER ACTION ON CONTINUING AN INTERLOCAL AGREEMENT WITH THE MIDWAY INDEPENDENT SCHOOL DISTRICT RELATED TO THE CITY PROVIDING THE DISTRICT WITH TWO OFFICERS

Dr. Oubre provided comments on items A through C. No items were removed from the Consent Agenda.

15. DISCUSSION AND CONSIDER ACTION ON CONSENT AGENDA

Councilmember Russell moved the Consent Agenda be approved as follows:

- A. Approve the minutes of the of the special City Council meeting held May 19, 2021, at 12:00 p.m.
- B. Approve the minutes of the regular City Council meeting held May 24, 2021, at 5:30 p.m.
- C. Authorize the City Manager to sign the Interlocal Agreement with the Midway Independent School District

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Councilmember Mercer seconded the motion, and the motion passed unanimously by the councilmembers present.

EXECUTIVE SESSION

16. NOTICE IS HEREBY GIVEN THAT A CLOSED MEETING WILL BE HELD PURSUANT TO *SECTION 551.072 OF THE GOVERNMENT CODE (V.C.T.A.)* TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE GOVERNMENTAL BODY IN NEGOTIATIONS WITH A THIRD PERSON
17. NOTICE IS HEREBY GIVEN THAT A CLOSED MEETING WILL BE HELD PURSUANT TO *SECTION 551.087 OF THE TEXAS GOVERNMENT CODE (V.C.T.A.)* TO DISCUSS OR DELIBERATE REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE GOVERNMENTAL BODY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE GOVERNMENTAL BODY SEEKS TO HAVE LOCATE, STAY, OR EXPAND IN OR NEAR THE TERRITORY OF THE GOVERNMENTAL BODY AND WITH WHICH THE GOVERNMENTAL BODY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS

Mayor Kittner closed the open meeting at 6:20 p.m.

Councilmember Cook returned at 7:02 p.m. and joined the Executive Session.

Mayor Kittner reconvened the open meeting at 7:07 p.m.

OPEN SESSION AND RELATED ACTION

18. DISCUSSION AND CONSIDER ACTION TO AUTHORIZE THE CITY MANAGER TO BID ON ANY TAX SALE PROPERTIES THAT ARE IN THE CITY'S INTEREST TO OWN AND EXECUTE ALL NECESSARY DOCUMENTS

Councilmember Mercer moved to authorize the City Manager to bid on any tax sale properties that are in the City's interest to own and execute all necessary documents. Councilmember Russell seconded and the motion passed unanimously by the councilmembers present.

CITY MANAGER AND CITY COUNCIL REPORTS

19. CITY MANAGER'S REPORT

Mr. Oubre provided information on the following:

- July 7th special City Council meeting at 5:30 p.m.
- July 3rd is the 4th of July parade
- Animal Shelter increase through the City of Waco - \$300 increase a month
- Experiencing trouble filling entry level jobs

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20. CITY COUNCIL REPORTS

No reports at this time.

CLOSING ITEMS

21. CONSIDER ACTION ON ADJOURNMENT

Councilmember Russell moved to adjourn the meeting. Councilmember Avant seconded the motion, and the motion passed unanimously by the councilmembers present. The meeting adjourned at 7:11 p.m.

Donna Barkley, City Secretary

Jane Kittner, Mayor