



**CITY OF HEDWIG VILLAGE, TEXAS
REGULAR MONTHLY CITY COUNCIL MEETING
THURSDAY, FEBRUARY 8, 2018
6:30 P.M. - 955 PINEY POINT ROAD**

MINUTES

1. CALL TO ORDER

Mayor Muecke called the meeting to order at 6:30 p.m.

Present: Mayor Brian Muecke

Councilmember Carroll McGinnis	Kelly Johnson, City Admin./Secr.-Treasurer
Councilmember Barry Putterman	Lane Standley, Building Official
Councilmember Shirley Rouse	David Gott, Police Chief
Councilmember Bob Wiener	Alan Petrov, City Attorney
Councilmember Matt Woodruff	Lisa Modisette, Assistant City Secretary

Absent:

2. CITIZEN/VISITOR COMMENTS

Tom Roth, 854 Pecanwood, thanked city staff for their assistance on day of the Roll Back Election and the volunteers who served as Election clerks. He listed the individuals who volunteered:

David DeMartini, clerk	Carla Roth, clerk
Constance Gustafson, clerk	Elizabeth Cashiola, clerk
Andrea Hermann, clerk	Paul Cashiola, clerk
Gary Schenk, Alternate Election Judge	

Andrea Hermann, 930 Karos, asked for an update on the house at 11710 Denise. Alan Petrov, City Attorney, stated the owner has contacted Lane Standley, Building Official, and himself. He stated the owner has been in contact with Lane Standley, Building Official, and himself. The owner stated the gas to the house will be disconnected prior to demolition. If the house does not get demolished, a public hearing will be scheduled. The owner can be assessed the cost of demolition only if the city pays to tear the house down.

Don Mayhall, 835 Merridel, believes the city is moving in the direction in regards to expenditures. He asked the councilmembers to consider the voter's wishes in relation to the Roll Back Election.

Michael Shebay, 11703 Woodsage, believes the 2018 Budget could be severely reduced.

Elijah Craig, Boy Scout, attended the meeting to meet requirements for the Citizen in the Community Merit Badge. He is a member of Troop 13 from Second Baptist Church.

3. **CONSENT AGENDA** – All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a councilmember so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

A. Approval of Minutes

September 14, 2017 Joint Public Hearing
September 22, 2017 Budget Workshop
September 22, 2017 Special Meeting
September 28, 2017 Special Meeting
October 11, 2017 Budget Workshop
October 12, 2017 Joint Public Hearing

B. Approval of General Fund Bills

General Fund Bills - #33067 - #33114
Voided Checks – #33091

C. Approval of General Fund Bills over \$2,500

Tyler Construction - \$8,657.02	Cardinal - \$23,453.81
Trinity Paving - \$32,000.00	

D. Approval of Construction Fund Bills

0 Items - \$0.00

E. Approval of Police Seizure Bills

0 Items - \$0.00

Mayor Muecke requested removal of the minutes from the consent agenda for further review by Mayor and Councilmembers.

Councilmember Putterman moved, Councilmember Woodruff seconded, for the approval of the Consent Agenda with the removal of the minutes.

Councilmembers McGinnis, Putterman, Rouse, Wiener, and Woodruff voted “Aye”, “Noes” none.

MOTION CARRIED UNANIMOUSLY

Councilmember Rouse requested corrections to the minutes for the Budget Workshop held on October 11, 2017. The last paragraph on agenda item #2 stated she volunteered to

chair the Drainage Committee. The minutes were corrected to reflect Mayor Muecke's request and Councilmember Rouse's agreement to chair the committee.

Councilmember Rouse requested correction of the minutes for the Budget Workshop held on September 22, 2017. The last paragraph under agenda item #2 stated she questioned the City Hall lobby remodel. She stated the correction should be that she requested additional information concerning the City Hall lobby remodel.

Mayor Muecke requested the following corrections:

1. Correct the third paragraph under agenda item #3 of the Public Hearing held on September 22, 2017. The third paragraph under agenda item #3 stated "...additional funds needed to complete the study,..." should be corrected to "...additional funds needed before construction can commence,..."
2. Correct language in the minutes for the Public Hearing held on September 28, 2017. In the second paragraph, third line under agenda item #3 change the word "then" to "than". In the third paragraph, first line, change the word "drainage" to "engineered". In the fifth paragraph, third line, add the word "property" between the words "total" and "taxes". In the same paragraph, second line, correct the tax increase from "\$0.575" to "the increase is less than the "six or seven cents" certain audience members had stated". In the sixth paragraph, second line, change the word "study" to "construction".
3. Correct language in the minutes for the Budget workshop held on October 11, 2017. In the third paragraph, seventh line, change the words "drainage study" to "engineering design", in the ninth line, change "study" to "design" and change "start the" to "finish any".

Councilmember Woodruff requested corrections to the minutes of the Public Hearing held on September 22, 2017. In the fourth paragraph, last line, under agenda item #3 he requested his position on the city issuing long term debt be clarified. The minutes have been corrected to add "and, as stated in previous meetings, a vote by the residents" at the end of the paragraph.

Councilmember McGinnis moved, Councilmember Putterman seconded, for the approval of the minutes as listed in the Consent Agenda with the corrections as stated above with the removal of the minutes for the Special Meeting held on September 22, 2017.

Councilmembers McGinnis, Putterman, Rouse, Wiener, and Woodruff voted "Aye", "Noes" none.

MOTION CARRIED UNANIMOUSLY

Councilmember Woodruff moved, Councilmember Putterman seconded, to table the minutes for the Special Meeting held on September 22, 2017 until the next meeting.

Councilmembers McGinnis, Putterman, Rouse, Wiener, and Woodruff voted “Aye”, “Noes” none.

MOTION CARRIED UNANIMOUSLY

Councilmember Rouse moved, Councilmember Putterman seconded, for the approval of the minutes for the Budget Workshop held on September 22, 2017 as amended.

Councilmembers McGinnis, Putterman, Rouse, Wiener and Woodruff voted “Aye”, “Noes” none.

MOTION CARRIED UNANIMOUSLY

4. REPORTS

A. Financial Report – December 2017 (Preliminary) – Kelly Johnson, City Administrator/City Secretary-Treasurer

Kelly Johnson discussed the financial report:

- The city has \$129,859 is available funds. The restricted funds are \$2,017,079.
- The city’s auditor recommends a reserve of approximately \$1.5million.
- Sales tax has increased for February. The city has received \$219,707 for February.
- Councilmembers received a 2017 preliminary amended budget. Expenditures exceed revenues by \$210,047 for 2017.

Councilmember Rouse asked why total expenses as of December 2017 were \$5,625,744. She stated that number was approximately \$1 million more than the November 2017 YTD number, more than would be expected for a monthly budget.

Kelly Johnson explained there were quite a few payables that needed to be paid. She stated the city was still receiving 2017 invoices that will need to be paid.

B. Police Report –2017 Racial Profiling Report, 2017 Annual Report, January 2018 Crime Report & Statistics – Chief David Gott

Chief Gott discussed the police report:

- The department had 17 total crimes for January 2018, two of which were violent crimes.
- The department had 59 arrests for January 2018.
- The department has filed the annual Racial Profiling Report. Chief Gott stated the department does not have racial profiling problem.
- The department’s annual report has been completed. The report summarizes the department’s activities throughout the year.

- Chief Gott reminded the residents to notify the department if anyone tries to collect funds if the request is questionable.

Councilmember Woodruff asked Chief Gott to keep council updated if the District Attorney's Office either downgrades a drug charges or does not accept a drug charge.

C. Fire Department – Meeting – Fire Commissioner Bill Johnson

Fire Commissioner Bill Johnson discussed the following:

- The Fire Commission previously proposed to the villages to renovate and expand the footprint of the Village Fire Department (VFD) fire station at an estimated cost of \$3 million. The proposal was presented to the villages to expend the funds in 2019. The village mayors decided to split the cost with one half in their 2018 budget and the remaining one half in their 2019 budget. Four villages passed resolutions to adopt the proposed \$3 million project. City of Bunker Hill Village rejected the proposal due to their belief of slow response times to their city. Hunters Creek Village passed a resolution but limited the total expense to \$2 million. The VFD Commissioners reimagined the fire station with the same footprint within the reduced \$2 million limit. The project sub-committee will review the revised plan and get a cost estimate for the reimagined fire station. The review will be complete and the estimate should be available at the end of March. The next step will be to choose an architect for the architectural drawings. The VFD Commissioners are requesting a binding commitment from the villages to ensure funding before moving forward. Construction could possibly start at the end of 2018. Councilmember Rouse asked what Hedwig Village's percentage of the total proposed cost would be. Mr. Johnson stated Hedwig's portion would be 18.5%.
- The roof of the VFD fire station leaked terribly in multiple locations during Hurricane Harvey. The roof repair cannot wait until the renovation. VFD submitted claims to their insurance and to FEMA which have been denied. The estimated cost to replace the roof is \$300,000 - \$350,000. The condition of the underroof is unknown and may increase the cost of the replacement. Hedwig Village's portion of this expense is approximately \$55,000 - \$65,000. VFD will attempt to receive a firm bid to cover any possible damage to the underroof. Construction costs have increased after Hurricane Harvey. Mr. Johnson will submit a cost estimate to the villages for approval. Councilmember Rouse asked what the process would be to fund the roof replacement expense. Mayor Muecke stated a possible funding solution would be to increase the monthly assessment the villages pay to the VFD.

D. Drainage Committee – Update – Mayor Muecke

Mayor Muecke discussed the following:

- The city has received comments from one member of the Drainage Committee concerning the Drainage report given by Jeff Cannon at a previous meeting. Councilmembers have also submitted comments. Those comments have been given to

Jeff Cannon for integration into the Drainage Report prior to review by Harris County Flood Control District.

E. Planning & Zoning Commission – Meeting Update – Councilmember Shirley Rouse

Councilmember Rouse discussed the following:

- P&Z met on February 5.
- The P&Z tracker has been updated and given to the councilmembers.
- P&Z discussed the proposed lighting ordinance. P&Z has requested Mr. Petrov to draft the lighting ordinance and the proposed buried powerlines ordinance prior to next month's meeting.
- P&Z discussed hiring a consultant to update the city's P&Z ordinances. Several members of P&Z will meet with a consultant on February 13 at 9:00 a.m. to discuss this proposed expense. This meeting is a no obligation meeting.
- P&Z discussed business uses.
- P&Z discussed possible changes to the Planned Unit Development (PUD) enabling ordinance. They plan on continuing this discussion at their next meeting. One possible change to the ordinance would require the PUD applicant to make a presentation at a public hearing.
- Member Larry Opalka resigned from the commission effective January 2018. Any potential member must be a resident of Hedwig Village and be able to meet on the first Tuesday of every month at 6:30 p.m.

F. Mayor – Mayor's Monthly Report – Brian Muecke

Mayor Muecke discussed the following:

- Mayor Muecke and Kelly Johnson explained that the Spring Branch I.S.D. (SBISD) tax office is starting the process of refunding funds for the Roll Back Election. The city will have an additional contract with SBISD tax office limited to the refunds generated by the Roll Back Election. The SBISD tax office will send a revised bill to tax payers who have not yet paid. The first round of refunds will be mailed to the payers in two weeks. The second round of refunds will be mailed in March. The deadline for the refunds is March 29, 2018. The average refund is \$217.93. Credit card payments will be refunds by check. Residents should check their escrow account to verify the refund has been received. A letter will be sent along with the check. SBISD tax office can answer questions the residents may have concerning their refund.

G. Building Official – Monthly Report – Lane Standley

Lane Standley discussed the following:

- Permits issued are down for the month.

- Stream Realty has submitted plans for their building on the east side of the city. The plans are under review. The demolition of the existing building on the site is complete.
- Two buildings along the I-10 frontage are undergoing renovation. Completion of the renovation will be within the next eight to twelve months. The buildings will be brought up to current codes. The first floor will be retail. The second floor will be office space with storage space on the third floor. The retail parking requirements will be met.

H. City Administrator – May Election – Kelly Johnson

Kelly Johnson reported on the following:

- See agenda item #5A.

5. CONSIDERATION OF ORDINANCES / RESOLUTIONS – The City Council will discuss and consider possible action of the following:

- A. An Ordinance amending Ordinance 715 of the city of Hedwig Village, Texas; providing for the holding of a General Election to be held May 5, 2018, for the purpose of electing three (3) Council Members and providing details relating to the holding of such election.

Kelly Johnson stated the amendment covers the following:

- To add an Alternate Judge
- To add language giving the City Secretary the authority to appoint an Election Judge from the available election clerks if the appointed judge and/or the alternate judge cannot serve.
- To increase the number of election day clerks from five to seven.

Councilmember Woodruff moved, Councilmember Putterman seconded, to approve the ordinance amending Ordinance 715 with the changes as stated above.

Councilmembers McGinnis, Putterman, Rouse, Wiener, and Woodruff voted “Aye”, “Noes” none.

MOTION CARRIED UNANIMOUSLY

6. CONSIDERATION OF CONTRACTS/AGREEMENTS – The City Council will discuss and consider possible action on the following:

None

7. CONSIDERATION FOR REQUESTS FOR COUNCIL AUTHORIZATION - The City Council will discuss and consider possible action on the following:

- A. Appointment of City Administrator/City Sec.-City Treas. to complete the Police Seizure Audit for 2017.

Kelly Johnson stated the city is required to complete the Police Seizure Audit every year.

Chief Gott stated any proceeds from criminal activity can be seized with the approval of the court. The seized funds are turned over to the District Attorney's Office. The District Attorney's Office keeps 30 percent of the funds the city gets the balance. The funds are considered restricted funds and can only be spent on certain items, such as police equipment.

Councilmember Woodruff moved, Councilmember Rouse seconded, to approve the appointment of the City Administrator/City Sec.-City Treas. to complete the Police Seizure Audit for 2017.

Councilmembers McGinnis, Putterman, Rouse, Wiener, and Woodruff voted "Aye", "Noes" none.

MOTION CARRIED UNANIMOUSLY

- B. Ratifying approval of the City of Hedwig Village's share of the expenditure at the Village Fire Department for McGrath Consultants to assess response time.

Bill Johnson stated Chief Foster did an analysis of the response times to the six villages. He stated a possible solution would be to have a second location for EMS. Cost for this solution, including land and construction of the building, would be approximately \$3 million to \$3.5 million. This solution is not viable. The village mayors suggested a third party assessment and possible solution to this issue.

The VFD Commissioners retained McGrath Consulting (McGrath) to conduct an in-depth assessment of response times, transport times, and possible solutions. The cost will be \$35,000. McGrath will start the assessment next week. The VFD recommends retaining a portion of the EMS reimbursement that would normally be returned to the villages to pay for the services of McGrath. Mr. Johnson stated any non-budgeted expense must be approved by the six villages, per the interlocal agreement. He stated Hunters Creek City Council voted not to pay this expense. The remaining five villages will pay one fifth of the cost. Hedwig Village's portion will be \$8,000 without Hunters Creek's portion. Hedwig's portion with Hunters Creek would be \$6,500. Councilmember Rouse asked if McGrath will have more information available that Chief Foster did not have. Mr. Johnson stated no. McGrath will provide the VFD will a draft and final report consisting of three years of data. McGrath will use a conference room at Hedwig Village City Hall to conduct interviews with various personnel from the six villages. All villages but Hunters Creek approved the expense.

Mr. Johnson stated a second EMS station would significantly increase personnel costs and operational costs.

Hedwig Village's portion of the expenditure is \$8,067 and will be deducted from the EMS reimbursement.

Councilmember Wiener moved, Councilmember Putterman seconded, to ratify approval of the expenditure of \$8,067 for City of Hedwig Village's share of the expenditure at VFD for McGrath Consulting to assess response times.

Councilmembers McGinnis, Putterman, Rouse, Wiener, and Woodruff voted "Aye", "Noes" none.

MOTION CARRIED UNANIMOUSLY

8. DISCUSSION ITEMS/PRESENTATION OF SPECIAL REPORTS

None

9. CLOSED SESSION – The City Council will retire into Closed Session as authorized by Chapter 551, Texas Government Code, to discuss the following matters:

None

10. ACTION – CLOSED SESSION - The City Council will discuss and consider any action necessary on items discussed in Closed Session.

None

11. AGENDA REQUESTS FROM COUNCILMEMBERS – The City Council will discuss the following request from Councilmembers.

- A. Councilman McGinnis: to "discuss possible action if reducing 2018 budget expenditures to comply with the reduced revenues associated with the recently passed rollback tax rate."

Councilmember McGinnis stated that Council is having a difficult time getting a quorum for a Special Meeting to discuss the budget and reducing expenditures. Several meeting dates and times have been proposed to no avail.

Councilmember McGinnis stated the councilmembers should understand the budgeting process. He provided Councilmembers with a copy of an article's question and answer section written by the Texas Municipal League (TML) outlining various aspects of the budget process. The following are mentioned in the article:

- The mayor is considered the budget officer in Hedwig Village.
- The budget officer cannot reassign this responsibility to another individual.
- The required information that must be in the budget.

Councilmember McGinnis stated the mayor should provide the councilmembers with suggested expense reductions in budget line items. He stated he was disturbed to learn, with the budget issues the city has right now, that the city spent approximately \$100,000 to purchase four new police vehicles. He stated the city passed a budget that has a lot of sizable expenditures. He suggested imposing a resolution that limits the expenditures to under \$10,000 until the budget issues are resolved. The resolution would not affect personnel costs, such as compensation, or insurance, such as health and property, as well as other expenses such as the monthly assessment to the VFD and current ongoing contracts. Councilmember McGinnis stated he would not share his thoughts on which budget items to reduce until the mayor presented his recommendations.

Councilmember Rouse strongly encouraged city staff to provide more complete financials for 2017. She stated she has asked for financial information and a willingness from staff to reduce their budget line item. She stated she will bring ideas to the budget workshop.

Councilmember Woodruff stated the city has different revenue than when the 2018 budget was approved in August 2017.

- The 2017 balance sheet will have less money to carry over into 2018 due to expenditures exceeding revenues in 2017.
- The city will collect less in ad valorem tax revenue than anticipated for the 2018 budget due to the Roll Back Election.
- The expense of the Roll Election refunds.
- Sales tax revenue is questionable due to several retail business and restaurants leaving the city. Ad valorem tax revenue may be affected due to the demolition of buildings on property within the city.

Mayor Muecke stated he is looking into the revenue streams available to the city. There may be additional revenue the city could assess that it does not assess currently.

Councilmember Rouse stated the city should be run with more financial responsibility in 2018. She stated the large expenditures in December 2017 was not financially responsible. She asked for a detail list of the expenditures from the December 2017 Financial Report prior to the Special Meeting yet to be scheduled.

Councilmembers were unable to decide on a date and time for the Special Meeting to discuss the expenditures in the 2018 budget.

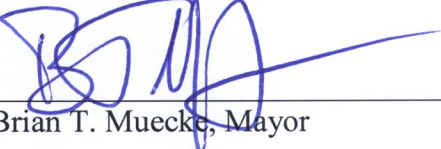
12. ADJOURN

Councilmember Woodruff moved, Councilmember Rouse seconded, to adjourn the meeting at 9:05 p.m.

Councilmembers McGinnis, Putterman, Rouse, Wiener, and Woodruff voted "Aye", "Noes" none.

MOTION CARRIED UNANIMOUSLY

Approved and accepted on June 20, 2018.



Brian T. Muecke, Mayor

ATTEST:



Lisa Modisette, Asst. City Secretary