

CITY OF HEDWIG VILLAGE, TEXAS PUBLIC HEARING SPECIAL CITY COUNCIL MEETING THURSDAY, SEPTEMBER 28, 2017 6:30 P.M. - 955 PINEY POINT ROAD

Councilmember Barry Putterman

Councilmember Bob Wiener

MINUTES

1. CALL TO ORDER

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

Present: Mayor Brian Muecke

Councilmember Carrol McGinnis Councilmember Shirley Rouse

Councilmember Matt Woodruff

Kelly Johnson, City Admin./Secr.-Treasurer

Absent: Lane Standley, Building Official

David Gott, Police Chief Alan Petrov, City Attorney

Lisa Modisette, Assistant City Secretary

2. PUBLIC HEARING

The Public Hearing was called to order at 6:31 p.m.

A. The purpose of the public hearing is to receive and consider public input and comments regarding the adoption of the proposed 2018 Budget for the Fiscal Year beginning January 1, 2018, ending December 31, 2018.

Russ Hankins, 806 Saybrook, stated he is against the tax rate increase. During Hurricane Harvey, no house in Hedwig Village flooded. The current drainage system worked. The proposed drainage improvement plan and the proposed increase in taxes are not timely.

Lynn Hall, 826 Heather Court, has been a resident of Hedwig Village since 1965. She asked council to improve the communication to the residents. She asked that the city's newsletter be sent out quarterly. She was shocked to hear about a 30% increase to the taxes. In the past the residents were informed of any improvement plan and the knowledge that long-term debt would be used to pay for the drainage project. She stated a 30% tax increase would be a burden at this time. The city should be conservative and not collect funds without necessary approvals from various entities to move forward on improvement plans. She asked council to reconsider the tax increase.

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Frank Hinnant, 11402 Holidan Way, stated his family has been residents since 1961. He stated he is against the tax increase. He stated he is a member of the Drainage Committee and that the committee has not reviewed any drainage plan. He stated he is unaware of any approval from Harris County Flood Control District for the city to move forward on the proposed Drainage Improvement Project. The city should receive approval prior to collecting funds for the project. He requested better communication to the residents on a more regular basis.

Bill Johnson, 6 Hunter Branch, stated the city has plans totaling about \$8.2 million and the Drainage Committee has not reviewed any plans. He stated the personnel pay raises are too high.

Bert Mellinger, 726 Frandora, stated he is opposed to any tax increase. Neighboring cities are not increasing their budget, businesses are tightening up expenses, and inflation is negligible. He stated the Bureau of Labor Statistics stated the average increase for salary increases is 2.6% for both public and private employees. He stated he is against funding unspecified and unapproved drainage projects.

John Niemann, 6 Robinwood Lane, has been a resident for 14 years. He stated he is against the tax increase. He stated the tax increase last year was to pay for the drainage study. His understanding of this year's tax increase would be to generate funds to pay for the drainage plans and the necessary permits. He stated the funds generated from the tax increase last year and the funds generated from increase property values this year should be close to the funds needed to pay for these expenses. He suggested capping the tax rate at the rollback rate. The city should create the drainage plans and then explain to the residents the need for bonds to pay for the work. The residents, at that time, will either agree or not.

Bryan Dutt stated there was no communication to the residents concerning the tax rate increase. He stated the city did not have any flooding during Hurricane Harvey and cannot understand why the city proposes spending funds on a drainage study. He stated the tax increase would be difficult for the elderly residents and those residents on fixed incomes. He is against any tax rate increase.

Sue Speck, 11751 Cawdor Way, stated she served as mayor for 15 years and served with most of the current councilmembers. She is opposed to the latest tax proposal based on a drainage concept. She stated council may be taking advantage, due to Hurricane Harvey, of the fear of flooding. She stated she was instrumental in the installation of the major drainage system and the major road projects the city currently has. She stated the city, in the past, had plans for the work before receiving approval from Harris Council entities and the city paid for the work with long-term debt with approval from the residents. The city's Hunters Branch Drainage Project is the backbone of Hedwig Village's drainage system. Hunters Branch drainage has always had capacity and adding more water to that system will create issues. She stated the city does not have a drainage plan but an ever-

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changing idea or concept to raise taxes. She asked council to seriously consider the negative consequences to the rest of the city that could occur before thinking about adding more water to the Hunters Branch drainage system. She urged council to get a true cost for the proposed drainage project and determine if the drainage plan is feasible. She stated the city should get a firm commitment from Harris County Flood Control. She encouraged better communication between the city and the residents. She stated council has a responsibility to spend tax dollars on necessary expenses. She stated previous budgets were discussed by council line item by line item and each item had the necessary backup. She encouraged council to review the budget with the intent to reduce the tax rate. She stated residents are unaware of the public hearing dates due to lack of communication. She reminded council that the city has \$900,000 in METRO funds can be used for roads and the associated drainage.

Tom Speck, 11751 Cawdor Way, stated that in the two public hearings held about thirteen people have spoken with a majority of speakers being against the tax rate increase and only one speaking in favor of the increase. He previously had asked the city to send out a postcard, to send out an email, and to improve the information on the website concerning the tax rate increase. He stated the budget information on the website is not easily assessable and it is hard to understand. He is against the tax rate increase but is in favor of better communication with the residents. Most residents are unaware of the proposed tax rate increase. He stated the city needs to send out detailed information in regards to the tax rate increase so the residents can make an informed decision.

Brian Hoogendam, 807 Lochtyne Way, started his comments with a positive message and commended the garbage service the city has. He stated that during Hurricane Harvey his street flooded but drained really well. He commends the work previously done to allow his street to drain during street flooding. He asked what the outcome would be for spending eight million dollars on drainage. The residents might approve such a drainage plan if they knew what the outcome would be. He requests that the city be transparent and make the information about the plan understandable to the residents.

Anne Retzler, 913 Madgelene Drive, stated there is enough money in the METRO Fund to pay for drainage without raising taxes. She reminded council that most speakers were against, and only one person is in favor of, the tax increase; therefore, there should not be a tax increase.

John Niemann stated that if council approves a tax increase higher than the rollback rate, the residents can submit a petition signed by 10% of the registered voters to require a special election. If a majority of the voters who voted on Election Day vote against the tax increase, the tax rate goes to the rollback rate. He stated he has a petition ready to submit should council vote in favor of the tax increase.

Mike Shebay, 11703 Woodsage, stated the tax increase was very high and there should be a way to avoid it.

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Phil Taggart, 834 Heather Court, reminded council that they have a fiduciary responsibility to the residents of Hedwig Village.

The Public Hearing was closed at 7:21 p.m.

B. The purpose of the public hearing is to receive and consider public input and comments regarding the tax rate of \$0.279721/\$100 valuation that has been proposed.

The Public Hearing was called to order at 7:21 p.m.

See comments under Agenda item 2A.

The Public Hearing was closed at 7:22 p.m.

3. DISCUSSION REGARDING THE PROPOSED FY 2018 BUDGET

Mayor Muecke asked all residents to attend the Drainage Open House on October 10, 2017 from 5:00 p.m. to 7:30 p.m. The city engineers will be there to discuss and answer questions concerning the current proposed drainage study. The city engineers will have visual representations to aid in the explanation of street and drainage replacements.

Mayor Muecke stated several homes in Hedwig Village flooded in May 2015 and again in April 2016. He stated the city did not flood during Hurricane Harvey due to less rain falling in the city per hour than during the two previous rain events. The city's drainage system performed as expected during Hurricane Harvey but failed during the two rain events in 2015 and 2016.

Mayor Muecke stated the cost to create the engineered plans will be approximately \$989,000. The design will encompass 11 streets and the associated drainage. The outcome will be improved drainage over a larger portion of the city. The city will provide Harris County Flood Control District a set of plans for their review and possible approval. The bid process will begin when the city has the completed drainage plans. The city will have a better understanding of the total cost of the project after the bid process is complete. The residents will have a chance to vote on a bond issuance at that time. The possible bond may include the funds needed for the fire department reconstruction.

Jeff Cannon, LJA Engineering, Inc., presented an update on the ongoing drainage study at the council meeting on August 10, 2017. He discussed four options during his presentation but only one option was viable.

Mayor Muecke stated that council set a not to exceed tax rate of approximately \$0.2797 and the current tax rate is \$0.2225. He stated the increase is less than the "six or seven cents" certain audience members had stated. He clarified that the total property taxes paid by Hedwig Village residents will not increase by 30%.

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Mayor Muecke stated that last year the city moved \$296,000 out of the Debt Service Fund into another fund to pay for some of the expenses of the drainage construction. The city did not start this budget year with that amount on the balance sheet.

Mayor Muecke stated the city will have a large expense in the 2018 Budget for the Village Fire Department (VFD) renovation. The amount to be budgeted for the VFD will be \$254,000. During Hurricane Harvey, the fire station roof leaked and the sleeping areas were not big enough to house all the personnel at the station during an emergency. The VFD will need approximately \$2.7 million to renovate the building and bring it up to current standards. The VFD is using available funds to get plans drawn and to get a quote from contractors. The VFD proposed construction will start in 2019. Hedwig Village's portion of the total cost to renovate is approximately \$500,000. The VFD is not a taxing jurisdiction and cannot raise the funds to fund this project. It relies on the six villages for funding.

The mayor and councilmember discussed the proposed drainage work, the necessary steps and approvals to move forward on the proposed project, and the funds needed to pay for the work.

Councilmember Woodruff encouraged the mayor to communicate with the residents in a timelier manner.

4. ADJOURN

Councilmember McGinnis moved, Councilmember Putterman seconded, to adjourn the meeting at 8:11 p.m.

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

MOTION CARRIED UNANIMOUSLY

Approved and accepted on February 8, 2018.

Brian T. Muecke, Mayor

ATTEST:

Lisa Modisette, Asst. City Secretary