

MINUTES OF REGULAR CITY COUNCIL MEETING

Call To Order

The City Council of the City of Katy, Texas, convened in regular session Monday, August 23, 2010, at 6:30 p.m., at Katy Municipal Complex, 910 Avenue C, Katy, Texas. The following City Officials were present:

Don Elder Jr., Mayor
 Hank Schmidt, Mayor Pro Tem
 Kenneth Berger, Councilmember
 Larry Gore, Councilmember
 Fabol R. Hughes, Councilmember
 Art Pertile, City Attorney
 Missy Bunch, City Secretary
 Johnny Nelson, City Administrator
 David Leyendecker, City Engineer

The following City Officials were absent:

Carol Adams, Councilmember

Comments from the Audience

All were given an opportunity to be heard and there were no comments from the audience.

Bank Statement and Check Register for 07-31-2010 (information items only)

There were questions or discussion on the Bank Statement and Check Register for 07-31-2010.

Consent Agenda (*denotes consent item)

Motion was made by Councilmember Hughes, seconded by Councilmember Schmidt, approving the Consent Agenda as presented:

- 6) Approve Minutes
 - A) 07-12-2010 Regular Meeting
 - B) 07-26-2010 Regular Meeting
 - C) 08-09-2010 Regular Meeting
- 7) Consider Interlocal Agreement with Fort Bend County for Fire/EMS Mutual Aid for 10-01-2010 through 09-30-2012

All voted aye, and the motion carried.

Consider Parking Restrictions on Eleventh Street - Katyland Community Improvement Association, Inc., Michael Creed, President

Michael Creed, President, Katyland Community Improvement Association, Inc., spoke on behalf of residents in the Katyland Subdivision that are concerned with parking on Eleventh Street. He believes the daytime parking issues are a result from students attending the Katy Independent School District facilities directly across Katyland drive on its east side. He believes these students for some reason; whether the student has no parking permit, whether the student is not allowed to drive to school or some other reason; why they have the necessity to park on Eleventh Street. He considers this street to be a one-way street during the time the cars are parked along the street. He expressed concern for the larger vehicles, such as buses, emergency equipment and traffic concerns for turning onto Eleventh Street from Katyland

Consider Parking Restrictions on Eleventh Street - Katyland Community Improvement Association, Inc., Michael Creed, President (cont'd)

Drive. Creed spoke of concerns with vehicles being backed up on Katyland Drive attempting to turn onto Eleventh Street. He spoke of the safety issue with school children coming from in between cars to get on the school bus. He concluded with asking City Council to consider their request for the placement of "No Parking" signs on Eleventh Street between the hours of 9:00 a.m. and 4:00 p.m. Linda Nichols, 5306 Eleventh Street, spoke on behalf of a group of Katyland residents that were against the placement of "No Parking" signs between the hours of 9:00 a.m. and 4:00 p.m. and believes these signs would not solve the problem. Nichols believes individuals should be allowed to park when and where they want to. She believes it is better for these children to park on the streets and be in school, rather than out running around. She understands the Opportunity Awareness Center students are not allowed to drive to school. She had spoken with the resident that had given permission to students to park in front of their house. Nichols does not want any of her visitors or any handyman to be towed. She does not believe the placement of "No Parking" signs during the hours of 9:00 a.m. and 4:00 p.m. are not going to work and she is against it one hundred percent. Councilmember Berger asked about the legality of any procedure to correct the situation. City Attorney Pertile explained there are issues when allowing parking for the benefits of a few on a public street. He commented the taxpayers pay for the streets and the right to park on the street; unless the street is deemed as a hazard, at which time the hazard determines it is always a hazard not just during the hours of 9:00 a.m. to 4:00 p.m. Councilmember Gore asked about Avenue D currently is a "No Parking" between the hours of 9:00 a.m. and 6:00 p.m. and commented there are a number of streets in the middle of downtown Houston that are similar. City Attorney Pertile was uncertain if a hazard had been determined on Avenue D to cause the "No Parking" signs. Councilmember Gore asked if the Police and Fire Departments had been asked about there being any safety issues. City Attorney Pertile replied yes, and there was no issue with either. He spoke of vehicles parking there at night on a regular basis and commented on the homes in the area having visitors and their need for parking at various times. Pertile expressed he had driven through the area on weekends and there were several cars parked on the street; however, if City Council determines there is a hazard, they can create a "No Parking" zone. Councilmember Gore understood there could be a large nuisance of parking on the street, which would not necessarily make it a blanket hazard for twenty-four hours a day, seven days a week. City Attorney Pertile reminded Councilmember with the referenced streets being public streets and having curbs, the original intention was probably to allow parking on the streets. Councilmember Gore thanked the City Attorney for his legal advice. Councilmember Hughes believed that if a determination is made there must be 100% participation, unison among all property owners in the area. Mayor Elder asked Administrative Fire/EMS Director Marc Jordan if there were any problems with fire trucks or ambulances maneuvering on Eleventh Street. Jordan commented on numerous streets being a nuisance to navigate on a daily basis. The Mayor Asked Police Chief Bill Hastings if Police vehicles were having any difficulty maneuvering on Eleventh Street. Hastings replied it can be a nuisance; however police vehicles are narrower than fire apparatus, they are having no problems. Councilmember Berger agreed with Councilmember Gore that there are effects of nuisance with parking on the streets; however, he was concerned with penalizing the citizens that live on the street with the placement of a "No Parking" zone at all times. Mayor Elder spoke of the new full time K.I.S.D. officer to be located at their facilities at Katyland Drive and Eleventh Street; he anticipates the Katy Police Department can work with this officer to correct any problems that arise as a result of the students. Chief Hastings explained he had dealt with this situation this

Consider Parking Restrictions on Eleventh Street - Katyland Community Improvement Association, Inc., Michael Creed, President (cont'd)

past spring and had made a very concentrated effort to enforce the laws. He believed the vehicles are students from Katy I.S.D. Cosmetology, Law Enforcement and Culinary Arts. He explained the students' schedules do vary, but the Police can only enforce the laws if they are parked illegally. Hastings spoke of there being adequate parking on the School District's property; however, he understood if a student is tardy three times, they lose parking privileges. He believes this is possibly part of the issue. Hastings understands there are plans during the upcoming school year for the placement of a full time K.I.S.D. Police Officer to be monitoring this specific campus and believes this will help. Mayor Elder suggested contacting the homeowner at the residence where most of the cars are being parked in front of and try to establish an alternate solution to the problem. He is not in favor of penalizing the residents of the subdivision by placing "No Parking" signs in the area. Creed understood the students' parking on Eleventh Street in front of one specific house was because of the students being friends of the resident's children. Mayor Elder asked for a motion, there were none.

Award Bid for Janitorial Services, Maintenance of Houston, Inc., Houston, Texas, in the Amount of \$71,868.00 Annually, Contract Dates 10-01-2010 thru 09-30-2011 (bids received 07-29-2010)

Motion was made by Councilmember Schmidt, seconded by Councilmember Berger, awarding the bid for Janitorial Services to Maintenance of Houston, Inc., Houston, Texas, in the Amount of \$71,868.00 Annually, Contract Dates 10-01-2010 thru 09-30-2011. Councilmember Gore asked if this was the current janitorial company. City Administrator Nelson replied no, it is a different company. All voted aye, and the motion carried.

Award Bid for Digester Solids Removal Service - Terra Renewal, Houston, Texas, in the Amount of \$98,750.00 Annually, Plus Additional Fuel Surcharge - One Percent Increase in Per Gallon Price for Every Nickel Increase in Fuel Price, Base Fuel Price of \$2.85 Per Gallon (Amount Requested for Approval is \$120,000.00), Contract Dates 10-01-2010 to 09-30-2011 (bids received 07-29-2010)

Motion was made by Councilmember Schmidt, seconded by Councilmember Hughes, awarding the bid for Digester Solids Removal Service to Terra Renewal, Houston, Texas, in the Amount of \$98,750.00 Annually, Plus an Additional Fuel Surcharge of One Percent Increase in the Per Gallon Price for Every Nickel Increase in Fuel Price, Base Fuel Price of \$2.85 Per Gallon (Amount Requested for Approval is \$120,000.00), Contract Dates 10-01-2010 to 09-30-2011. All voted aye, and the motion carried.

Consider Request from Rotary Club of Katy for 18th Annual Katy Triathlon (portion of route located inside city limits only), Start/Finish at Firethorne, October 24, 2010

Motion was made by Councilmember Berger, seconded by Councilmember Gore, approving the request from Rotary club of Katy for the 18th Annual Katy Triathlon (portion of route located inside city limits only), Start/Finish at Firethorne, Sunday, October 24, 2010. All voted aye, and the motion carried.

Convention and Tourism Bureau Application for Rotary Club of Katy - 18th Annual Katy Triathlon at Firethorne, October 24, 2010, Tourism-Related Advertising and Promotion, Amount Requested \$21,273.00 (approved by Convention and Tourism Bureau 08-17-2010)

Motion was made Councilmember Gore, seconded by Councilmember Berger, approving the Application for Rotary Club of Katy - 18th Annual Katy Triathlon at Firethorne, October 24,

Convention and Tourism Bureau Application for Rotary Club of Katy – 18th Annual Katy Triathlon at Firethorne, October 24, 2010, Tourism-Related Advertising and Promotion, Amount Requested \$21,273.00 (approved by Convention and Tourism Bureau 08-17-2010) (cont'd)

2010, Tourism-Related Advertising and Promotion, Amount Requested \$21,273.00 (approved by Convention and Tourism Bureau 08-17-2010). Councilmember Schmidt asked about the requested funds being used to advertise outside the city limits. City Treasurer Hebert believed there was a stipulation with motion from the Convention and Tourism Bureau for this. He understood there was advertising online outside the Houston metropolitan area and that is why the City Attorney had recommended the proposal move forward. City Attorney Pertile explained the approved advertising expenses must go outside the city limits of Katy and show proof back to city for such. All voted Aye, and the motion carried.

Convention and Tourism Bureau Application for City of Katy – Depot Visitor Information Center Renovation, Texas Accessibility Standards Inspection (2 of 2), (Maintenance and Operations of Visitor Information Center) Amount Requested \$350.00 (approved by Convention and Tourism Bureau 08-17-2010)

Motion was made by Councilmember Schmidt, seconded by Councilmember Berger, approving the Convention and Tourism Bureau Application for City of Katy – Depot Visitor Information Center Renovation, Texas Accessibility Standards Inspection (2 of 2), (Maintenance and Operations of Visitor Information Center) Amount Requested \$350.00 (approved by Convention and Tourism Bureau 08-17-2010). All voted Aye, and the motion carried.

Convention and Tourism Bureau Application for Katy Area Chamber of Commerce – 2010 Rice Harvest Festival, October 9-10, Amount Requested \$43,892.00 (Entertainment and Infrastructure - \$28,595.00; Tourism-Related Advertising and Promotion \$15,297.00) (approved by Convention and Tourism Bureau 08-17-2010)

Motion was made by Councilmember Hughes, seconded by Councilmember Gore, approving the Convention and Tourism Bureau Application for Katy Area Chamber of Commerce – 2010 Rice Harvest Festival, October 9-10, Amount Requested \$43,892.00 (Entertainment and Infrastructure - \$28,595.00; Tourism-Related Advertising and Promotion \$15,297.00) (approved by Convention and Tourism Bureau 08-17-2010). All voted Aye, and the motion carried.

Resolution No. 434 Authorizing a One (1) Year Extension of an Agreement with Colorado County Oil Company for Delivery of Gasoline and Diesel Fuel

Motion was made by Councilmember Schmidt, seconded by Councilmember Berger, approving a Resolution (No. 434) authorizing a one (1) year extension of an Agreement with Colorado County Oil Company for delivery of gasoline and diesel fuel. All voted Aye, and the motion carried.

Resolution No. 435 Authorizing a One (1) Year Extension of an Agreement with Junction Landscape for Grounds Maintenance and Mowing of City Property for the Amount of Sixty Thousand One Hundred Fifty Dollars (\$60,150.00)

Motion was made by Councilmember Berger, seconded by Councilmember Hughes, approving a Resolution (No. 435) authorizing a one (1) year extension of an Agreement with Junction Landscape for Grounds Maintenance and Mowing of City property in the amount of sixty thousand one hundred fifty dollars (\$60,150.00). All voted Aye, and the motion carried.

Resolution No. 436 Authorizing a One (1) Year Extension of an Agreement with Sweeping Services of Texas, Operating L.P. d/b/a Mr. Dirt of Texas, for Mechanical Street Sweeping Services for the Amount of Forty Thousand Two Hundred Sixteen Dollars and 08/100 (\$40,216.08)

Motion was made by Councilmember Gore, seconded by Councilmember Hughes, approving a Resolution (No. 436) authorizing a one (1) year extension of an Agreement with Sweeping Services of Texas, Operating L.P. d/b/a/ Mr. Dirt of Texas, for mechanical street sweeping services in the amount of forth thousand two hundred sixteen dollars and eight cents (\$40,216.08). Councilmember Berger suggested consideration should be given in the future for extra sweeping during the fall months of October, November and December, since this is when there are larger amounts of leaves falling. All voted Aye, and the motion carried.

Resolution No. 437 Approving Issuance of Bonds by Harris-Fort Bend Counties Municipal Utility District No. 4 and Containing Other Provisions Relating to the Foregoing Subject

City Financial Advisor, Eugene B. Shepherd, RBC Capital Markets, Houston, Texas, was available to answer any questions. Motion was made by Councilmember Berger, seconded by Councilmember Schmidt, approving a Resolution (No. 437) approving the Issuance of Bonds by Harris-Fort Bend Counties Municipal Utility District No. 4 and containing other Provisions relating to the Foregoing Subject. Councilmember Gore asked if the City of Katy appointed the Katy Development Board and if the members have to be citizens. It was explained the Board is appointed by the City of Katy; however, not all Board Members are Katy residents. Councilmember Gore understood the Municipal Utility District was associated with Katy Mills Mall and we are going to do refunding bonds and right now how much do we owe on the current bonds. Shepherd explained the original issue was a little over 24 million, serving only the Mall, current portion is a little over 18 million that are outstanding and the bonds were issued in 2001 and are callable in December of this year. These bonds were issued at a time when interest rates were higher and we can issue refunding bonds today to pay off those original bonds and save a considerable amount of money, which will ultimately lower the tax rate and make the mall a little more competitive. Shepherds explained the outstanding bonds, are not rated and not insured as the high quality rated bonds as the City of Katy's bonds are, because they are speculative bonds to a degree because it is retail and have one taxpayer, because they are in the retail business in the mall, so they are not easy to sell. He explained they would like to refund the entire portion, either at one time or in installments. Shepherd is asking the City to approve up to the outstanding amount, 18 million. The rate would he had calculated is based on recent market conditions, because of the constantly changing interest rate. Shepherd explained Katy Development Board had approved refunding the bonds at a rate of about 4.5 as compared to 6.25 on the outstanding bonds and that would result in an estimated amount of \$719,000.00 reduction in the District's debt service payments, after all costs. Shepherd reported he had a full set of numbers approved by the District Board, if Council wanted to look at them, including all calculations. Councilmember Gore understood that after the cost of spending the money, refunding and lowering the interest rate there would be a savings of nearly $\frac{3}{4}$ of a million dollars. Shepherd noted it would be about two cents on the District's tax rate. Councilmember Berger understood there would be no obligation to the City. Shepherd explained there is no effect to the City of Katy. Councilmember Gore understood this only affected the property inside Katy Mills Mall. City Attorney Pertile explained when the bonds are issued that on the face of the bond there will be wording that the bonds are not a debt for the City of Katy. All voted Aye, and the motion carried.

Ordinance No. 2479 Appointing Members of the City of Katy Design Build Selection Committee to Evaluate Statements and Qualifications and Select a Design Build Firm to Design and Construct a Social Service Building and Appointing City Engineer to Review and Insure Compliance by the Design Build Firm Selected and Act as the City of Katy's Representative to Review the Construction through Completion

Motion was made by Councilmember Berger, seconded by Councilmember Gore, approving as printed and read (*caption*) an Ordinance (No. 2479) Appointing Members of the City of Katy Design Build Selection Committee to evaluation Statements and Qualifications and select a Design Build Firm to design and construct a Social Service Building and Appointing City Engineer to review and insure compliance by the Design Build Firm selected and act as the City of Katy's Representative to review the construction through completion. All voted Aye, and the motion carried.

Ordinance No. 2480 Amending Katy Code of Ordinances, Chapter 10, by Adding to the Traffic Control Device Inventory the Traffic Control Signals at the Intersection of Katy Mills Boulevard and Market Place Drive, and at the Intersection of Pin Oak Road and Kingsland Boulevard

Motion was made by Councilmember Schmidt, seconded by Councilmember Hughes, approving as printed and read (*caption*) an Ordinance (No. 2480) Amending Katy Code of Ordinances, Chapter 10, by Adding to the Traffic Control Device Inventory the Traffic Control Signals at the Intersection of Katy Mills Boulevard and Market Place Drive, and at the Intersection of Pin Oak Road and Kingsland Boulevard. All voted aye and the motion carried.

Announce Proposed 2010-2011 Budget was Filed on 08-16-2010 (for the record, the proposed 2010-2011 Budget was based on a proposed \$0.59372 Tax Rate)

The Mayor announced the Proposed 2010-2011 Budget was filed on 08-16-2010 and was based on a proposed \$0.59372 Tax Rate.

Councilmembers' Reports

Councilmember Schmidt thanked Financial Advisor Gene Shepherd for his presentation.

Mayor's Reports

The Mayor had nothing to report.

Adjourn

Motion was made by Councilmember Gore, seconded by Councilmember Berger to adjourn the meeting. All voted Aye, and the motion carried. The meeting adjourned at 7:15 p.m.



Mayor

ATTEST:



City Secretary