

MINUTES OF REGULAR CITY COUNCIL MEETING

Call To Order

The City Council of the City of Katy, Texas, convened in regular session Monday, January 24, 2011, 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
 Carol Adams, Councilmember
 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

Keep Katy Beautiful Board – Katy Proud Business Award – HEB #615 at Katy Main Street, 25675 Nelson Way

Jacalyn Warner, Keep Katy Beautiful Board Member, presented the Katy Proud Business Award to H-E-B #615 at Katy Main Street, 25675 Nelson Way, in recognition of the first class shopping center. She spoke of their numerous recycling programs and assisting the Board in Keeping Katy Green. She congratulated H-E-B for receiving the first award of 2011.

Comments from the Audience

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

FY 2010-2011 First Quarter Operating Statement and First Quarter Investment Report; Bank Statement and Check Register (information items only)

City Treasurer Byron Hebert announced these reports are a part of the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. Councilmember Gore understood the Reserve Fund balance is \$13 million. Hebert explained there are approximately \$15 million in reserve funds. Councilmember Gore asked about the \$13 million. Hebert explained a portion of the reserve funds are not interest bearing accounts.

Consider Approval of 2011 Annual Membership Dues for Katy Business Association in the Amount of \$125.00

Motion was made by Councilmember Adams, seconded by Councilmember Schmidt, approving the 2011 Annual Membership Dues for Katy Business Association (KBA) in the amount of \$125.00. Councilmember Gore asked if there was a KBA representative present to comment on the benefits to the City for the membership. He commented he had attended a meeting and believes the members are all from local in city limits businesses. Councilmember Adams explained anyone can join KBA, even those outside the city limits. All voted Aye, and the motion carried.

Presentation by Katy Area Chamber of Commerce for 2010 Katy Rice Harvest Festival Gate Proceeds to the City of Katy Fireworks Funds in the Amount of \$18,479.00 - Ann Hodge, President/CEO (removed from 12-13-2010 Agenda)

Motion was made by Councilmember Adams, seconded by Councilmember Berger, to accept the Katy Area Chamber of Commerce for 2010 Katy Rice Harvest Festival Gate Proceeds to the City of Katy Fireworks Funds in the Amount of \$18,479.00 - Ann Hodge, President/CEO (removed from 12-13-2010 Agenda). All voted Aye, and the motion carried. Hodge commented she had a press release prepared for the newspapers. In presenting the check to the City, Hodge asked all Chamber Members who were in attendance and had assisted with the Rice Harvest Festival to come forward for the check presentation.

Consider Approval of 2011 Annual Membership Dues for Katy Area Chamber of Commerce in the Amount of \$3,850.00 (removed from 12-13-2010 Agenda)

Motion was made by Councilmember Adams, seconded by Councilmember Hughes, approving the 2011 Annual Membership Dues for the Katy Area Chamber of Commerce in the amount of \$3,850.00 (removed from 12-13-2010 Agenda). Councilmember Gore expressed concern about spending the proposed funds for the dues, since the City was unable to increase the over 65 tax exemption and unable to give city employees a raise this budget year. He believes the Chamber is a wonderful organization and they are a benefit to families relocating to the Katy; conduct several excellent events and various other promotional activities. Councilmember Gore thanked the Chamber for the proceeds to be used in the annual fireworks display. All voted Aye, and the motion carried.

Consider Approval of Katy Area Chamber of Commerce Request for 31st Annual Rice Harvest Festival, October 8th and 9th, 2011, - Includes Blocking Downtown Streets; "No Parking Zone"; Use of Social Services Parking Lot and Parcel of Land West for Carnival/Fun Zone; Downtown Parade on Saturday, October 1st; and, \$7.00 Admission (Note: Parade Route will be Presented for Approval at a Later Date)

Motion was made by Councilmember Berger, seconded by Councilmember Adams, approving the Katy Area Chamber of Commerce request for the 31st Annual Rice Harvest Festival to be held on October 8th and 9th, 2011, including the blocking of downtown streets; "No Parking Zone"; Use of Social Services parking lot and the parcel of land west for carnival/fun zone; the downtown parade to be held on Saturday, October 1st; and, \$7.00 admission (Note: Parade Route will be Presented for Approval at a Later Date). All voted Aye, and the motion carried.

Consider bidding the Riceland Terrace Drainage Project as one Job. (request received from Councilmembers Hughes and Gore)

Councilmember Hughes explained he and Councilmember Gore asked for consideration of bidding the Riceland Terrace Drainage project as one job instead of two. Councilmember Schmidt asked if the project was to move forward how the combined project would be funded. He would rather see the additional funds come from the drainage bond monies, rather than reserve funds. The Mayor commented \$130,000.00 had been allocated in the current budget. Councilmember Schmidt asked the City Attorney about consideration of a motion. City Attorney Art Pertile explained the motion could include combining the project into one and how to fund the project. Motion was made by Councilmember Schmidt, seconded by Councilmember Adams, approving the bidding of the Riceland Terrace drainage project as one job to be paid for with the originally budgeted \$130,000.00 funds and the remaining with drainage bonds monies. City Engineer David Leyendecker believes the project being bid as

Consider bidding the Riceland Terrace Drainage Project as one Job. (request received from Councilmembers Hughes and Gore) (cont'd)

one bid would an estimated total cost of \$240,000.00. Councilmember Berger asked why not pay for all out of drainage bonds. City Treasurer Byron Hebert explained it is unknown if an unexpected project would arise those funds could be utilized. The City Attorney explained a budget amendment would be approved later in the year. All voted Aye, and the motion carried.

Resolution No. 446 Authorizing a Study for Proposed Street Lights on Birch Street between Carnation and Dogwood Streets. (Cullen Dauchy, Dennis Gann and Angela Zimmerman)

Motion was made by Councilmember Schmidt, seconded by Councilmember Gore, approving as printed a Resolution (No. 446) authorizing a study for proposed street lights on Birch Street between Carnation and Dogwood Streets. All voted Aye, and the motion carried

Consider a Resolution Authorizing the Mayor to enter into a Design Build Contract with Bass Construction Company for the Construction of the new Senior Center Building in an Amount up to \$1,000,000.00

Councilmember Schmidt he did not have any objection to moving forward with the Design Build Contract for the construction of the new Senior Center Building; however, he believes the project should be put to the voters in May for consideration of the project to be funded with bond monies instead of reserve funds. It was explained that depending on the wording on the proposed ballot, if the election did not pass the project would no move forward. Councilmember Schmidt believes no action be taken and consideration be taken at the next regular meeting. Councilmember Gore understood Schmidt's concerns, but commented in order to sell the bonds and have an election it would cost additional monies. Councilmember Schmidt believes the City should be cautious with use of Reserve Funds because of the current recession and believes the recovery is coming, but City Council should still be cautious. The Mayor commented it is unknown what the next year could offer as far as finances for the City. Councilmember Gore questioned the possibility of a Bond Election. Councilmember Schmidt believes a Bond Election would give all the citizens an opportunity to give their opinion. Councilmember Adams understands it gives the citizens a choice; whereas City Council voting to authorizing the signing of the contract does not give the citizens a choice. Councilmember Gore expressed concern, since the project had been for the past year that City Council should stand up and make a statement. He believes the City's Financial Advisor Gene Shepherd could give some advice on the proposals. He believes it could cost more to do all the paperwork for a Bond Election. Councilmember Hughes stated the land was purchased for this specific project and believes the project should move forward and be funded with Reserves monies. He was not in favor of placing on the May ballot. Councilmember Schmidt explained he understood what was being said; however, he believes it is more responsible to maintain Reserve Funds at a higher level and pay for the proposed building over the life of the project. City Attorney Art Pertile spoke of the various options for ballot wording for the proposed Bond Election. Councilmember Adams commented the proposed building is not a community center. The Mayor suggested consideration of the agenda item be tabled, the City Attorney prepare possible ballot wording to better define the possible paths that could be taken. Motion was made by Councilmember Adams, seconded by Councilmember Schmidt, to table consideration of a Resolution authorizing the Mayor to enter into a Design Build Contract with Bass Construction Company for the construction of the new Senior Center Building in an amount up to \$1,000,000.00. Votes were cast as follows: Ayes – Adams, Berger, Gore, Schmidt; Noes – Hughes. The motion to table carried.

Resolution No. 447 Accepting \$7,154.73 as Payment of an \$11,467.88 Delinquent Tax Claim as a result of Circuit City's Bankruptcy

Motion was made by Councilmember Hughes, seconded by Councilmember Berger, approving as printed a Resolution (No. 447) accepting \$7,154.73 as payment of an \$11,467.88 delinquent tax claim as a result of Circuit City's bankruptcy. All voted Aye, and the motion carried.

Resolution No. 448 Approving the Use of Metro Funds for Lilac Street Extension Project, Estimated Cost \$320,000.00

Motion was made by Councilmember Schmidt, seconded by Councilmember Hughes, approving as printed a Resolution (No. 448) approving the use of Metro Funds for the Lilac Street extension project with an estimated cost of \$320,000.00. Councilmember Gore asked when the project was anticipated to begin. City Engineer David Leyendecker believes the project will begin with six weeks to two months after approval. City Attorney Art Pertile explained the recommendation for use of Metro Funds came from the Katy Development Authority (KDA was formed as a part of Katy Mills). It was explained all KDA Board Members are City of Katy citizens. Pertile explained KDA acts as an agent of City Council, they can go out for bids; however, the authority for the project is received from City Council. All voted Aye, and the motion carried.

Ordinance No. 2491 Increasing Ground Water Reduction User Fees Charged Each Single Family Residential, Multi-Family Residential and Commercial Structure and Unit, Payable to the West Harris County Regional Water Authority and Bluebonnet Groundwater Conservation District, to \$0.84 per One Thousand Gallons of Water used for the West Harris County Regional Water Authority and to \$0.025 per One Thousand Gallons of Water used for the Bluebonnet Groundwater Conservation District Beginning with the January 2011 Water Bill

Motion was made by Councilmember Schmidt, seconded by Councilmember Berger, approving as printed and read (*caption*) an Ordinance (No. 2491) Increasing Ground Water Reduction User Fees Charged Each Single Family Residential, Multi-Family Residential and Commercial Structure and Unit, Payable to the West Harris County Regional Water Authority and Bluebonnet Groundwater Conservation District, to \$0.84 per One Thousand Gallons of Water used for the West Harris County Regional Water Authority and to \$0.025 per One Thousand Gallons of Water used for the Bluebonnet Groundwater Conservation District Beginning with the January 2011 Water Bill. It was explained City Administrator Johnny Nelson was on the West Harris County Regional Water Authority Board. All voted Aye, and the motion carried

Consider An Ordinance No. 2492 Calling an Election for the 14th day of May, 2011, for the Purpose of Electing a Mayor, One Councilmember from Ward A and One Councilmember from Ward B and other Matters Relating to Said Election

(Ordenanza Para Convocar Una Elección En La Ciudad De Katy, Texas, Para El Día 14 De Mayo De 2011, Con El Propósito De Elegir A Un Alcalde, A Un Concejal Del Distrito A Y A Un Concejal Del Distrito B; Y Otros Asuntos Relacionados Con Dichas Elecciones)

(MỘT SẮC LỆNH YÊU CẦU TỔ CHỨC MỘT CUỘC BẦU CỬ TẠI THÀNH PHỐ Katy, Texas, Vào Ngày 14 Tháng Năm, 2011, ĐỂ BẦU CHỌN THỊ TRƯỞNG, MỘT ỦY VIÊN HỘI ĐỒNG ĐÀI DIỄN CHO KHU PHỐ A, VÀ MỘT ỦY VIÊN HỘI ĐỒNG ĐÀI DIỄN CHO KHU PHỐ B; VÀ CÁC VẤN ĐỀ KHÁC LIÊN QUAN TỚI CUỘC BẦU CỬ NÓI TRÊN)

Motion was made by Councilmember Schmidt, seconded by Councilmember Berger, approving as printed and read (*caption*) an Ordinance (No. 2492) Calling an Election for the 14th day of May, 2011, for the Purpose of Electing a Mayor, One Councilmember from Ward A and One Councilmember from Ward B and other Matters Relating to Said Election. All voted Aye, and the motion carried.

Consider an Ordinance Directing the Placement of Signs Designating Four Traffic Lanes on Avenue D from Tenth Street North to its Intersection with Katy Hockley Road; Thence North along Katy Hockley Road to its Intersection with Morton Road; Designating Right Turn Lanes on the South Bound Lanes at the Intersection with Tenth Street and the North Bound Lanes at the Intersection with Morton Road; Prohibiting Parking; Providing for Severability; and Providing a Penalty in an Amount Not Less than \$5 and Not to Exceed \$200 for Violation of any Provision Hereof

Motion was made by Councilmember Berger, seconded by Councilmember Schmidt, approving as printed and read (*caption*) an Ordinance directing the placement of signs designating four traffic lanes on Avenue D from Tenth Street north to its intersection with Katy Hockley Road; thence north along Katy Hockley Road to its intersection with Morton Road; designating right turn lanes on the south bound lanes at the intersection with Tenth Street and the north bound lanes at the intersection with Morton Road; prohibiting parking; providing for severability; and providing a penalty in an amount not less than \$5 and not to exceed \$200 for violation of any provision hereof. Councilmember Hughes asked if a traffic study had been done. Police Chief Bill Hastings attempted explaining the various right turn lanes. Councilmember Adams understood the proposed ordinance was referring to southbound at Avenue D and Tenth Street. City Attorney Art Pertile explained the proposed ordinance is the same as previously approved; with changes to parking. Councilmember Hughes suggested deleting the wording for the turn lanes. Councilmember Gore questioned the right turn lane at Katy-Hockley and Morton Roads. Councilmember Adams asked why the change was being requested. The City Attorney explained the proposed ordinance could be amended. Councilmember Adams asked what the intent of the ordinance was. It was explained the purpose of the proposed ordinance was to create "No Parking" on Avenue D. Councilmember Gore asked about the Traffic Code and how this would relate to the "No Parking" request on Eleventh Street. City Attorney Pertile explained Eleventh Street is a narrower residential street and Avenue D is a major thoroughfare. It was determined there was a great deal of confusion on the right turn lanes. City Attorney Pertile was asked to clarify the proposed ordinance and bring back to City Council. Councilmembers Berger and Schmidt withdrew their motion to approve.

Councilmembers' Reports

Councilmember Gore thanked the Chamber for their check, which helps fund the City's annual fireworks display. He congratulated H-E-B for receiving the Katy Proud Business Award.

Mayor's Reports

The Mayor thanked all in attendance for coming to the meeting.

Adjourn

Motion was made by Councilmember Schmidt, seconded by Councilmember Hughes, to adjourn the meeting. All voted Aye, and the motion carried. The meeting adjourned at 7:23 p.m.



 Mayor

ATTEST:



 City Secretary