

Willis, Texas
February 20, 2018
5:30 p.m.

The City Council of the City of Willis, Texas convened in regular session at the city hall on the date and time aforesaid, with the following members present:

Leonard Reed, Mayor
Tamara Young-Hector, Mayor Pro-Tem
Barney Stone, Council Member
Thomas Belinoski, Council Member
Thomas Luster, Council Member
Bill Van Alstyne, Council Member
Hector Forestier, City Manager
Larry Foerster, City Attorney
Marissa Quintanilla, City Secretary
Fernando Garcia, Director of Community Development
Pat Riley, Director of Public Works
James Nowak, Police Chief
Rick Valdez, Director of Finance

And the following members absent: none, constituting a quorum at which time the following business was transacted to wit:

1. Call to order the regular meeting.

The Mayor called the meeting to order at 5:30 p.m.

2. Roll Call, Pledge of Allegiance, and Invocation

I Pledge Allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all. Honor the Texas Flag. I pledge allegiance to thee Texas; one state under God, one and indivisible.

Mayor called roll.

Pledges were recited.

Larry Foerster said the invocation.

3. PUBLIC HEARING

- a. Hear comments on the Willis Reinvestment Zone No. One's First amended project plan and Reinvestment Zone Financing Plan.

Larry Foerster stated that the Texas Tax Code allows cities to create Tax Increment Reinvestment Zones. Mr. Foerster stated that it was a development tool that cities can use to encourage new development in cities primarily in areas that are under development and city council wants to incentivize developers to come in and spend their money to build infrastructure. Mr. Foerster stated that once the TIRZ Zone is created any one owning property there and begins to develop it can by entering into an agreement with the city and the TIRZ Board can be reimbursed by the city from a tax investment fund that is created under the ordinance by law and that fund is generated by the difference in the property value and what it might go up to because of developer has enhanced the value of the property. Mr. Foerster stated that the property tax stays the same for the city but any increase will be put into a reinvestment fund which can be by contract reimbursed to the developer for incentive. Mr. Foerster stated that part of the TIRZ that was created in 2010 included the incremental increase in property values but also a 25% sales tax of whatever was collected from the future retail development. Mr. Foerster stated that the purpose of the ordinance that will be considered will clarify and modify the ordinances that were

passed in 2010. Mr. Foerster stated that the two changes we will be making is removing the 25% sales tax revenue from the zone, and to further clarify we are also modifying the financial plan that was implemented at the time that provided for an increase of property values going into the fund, specifically we are removing any payment we would be making under contract to the Sam Houston Town Center.

Mayor asked for any public comments. None were received. Mayor closed the public hearing at 5:39 p.m.

4. CITIZENS INQUIRY

None

5. CONSENT AGENDA

- a. Consider the minutes of the previous meeting: January 16, 2018
- b. Approval of accounts payable.
- c. Approval of financial statements and tax collection report.
- d. Approval of the 2017 Traffic Stop Data, Use of Force Data, and Police Pursuit Reports.
- e. Approval of intent to use Federal Forfeited Funds.

Mayor asked Chief Nowak to give a summary on item 4d – approval of the 2017 Traffic Stop Data, Use of Force Data, and Police Pursuit Reports. Chief Nowak briefly goes over the report for council.

Mayor asked for any questions or comments on the consent agenda. None were received. Mayor and council approved items 4a – 4e by unanimous consent.

6. ORDINANCE

First Reading

- a. An ordinance requiring an Economic and Utility Feasibility Study for new developments in the City and an Escrow Agreement to reimburse the City for its expenses related to new developments.

Larry Foerster stated that cities like Willis, from time to time are being approached by developers to provide services to the developers properties. Mr. Foerster stated that there is expense in that. Many cities feel it should be the developer's responsibility to pay what the feasibility study fees would be, rather than the city. Mr. Foerster stated that the first ordinance would provide for economic utility feasibility study on a property over 5 acres that is being developed in the city. Mr. Foerster stated the ordinance also provides for an escrow agreement where the developer puts money into an account to pay for things like engineering cost, legal fees, consultation fees and administrative expenses. Mayor asked if this was only for new developments within the city. Mr. Foerster stated that any development outside of the city that wanted to petition under a development agreement to be annexed into the city. Mayor asked for questions. None were received. The Mayor read the caption.

- b. An ordinance adding Chapter 58, entitled "Water and Sewer Main Extensions" to Title V, Public Works of the City of Willis Code of Ordinances.

Larry Foerster stated that this would add a new chapter to the code of ordinances entitled Water and Sewer Main Extensions. Mr. Foerster stated that under this ordinance the city establishes a program by which as developers extend water and sewer to serve their property, and if other customers tie in to the service they would be reimbursement for the pro rata portion of the service provided by the new customer. Mayor asked for questions. None were received. Mayor read the caption.

Second Reading

- a. An ordinance approving the Willis Reinvestment Zone No. One's First Amended Project Plan and Reinvestment Zone Financing Plan.

Mr. Forestier they have had a meeting with the TIRZ Board and recommend approval of both ordinances. Mayor read the following caption “AN ORDINANCE AMENDING ORDINANCE 12-0417, APPROVING THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER ONE, CITY OF WILLIS, TEXAS, AUTHORIZING THE CITY SECRETARY TO DISTRIBUTE SUCH PLANS; CONTAINING VARIOUS PROVISIONS RELATED TO THE SUBJECT; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING A SAVINGS CLAUSE; PROVIDING A TEXAS OPEN MEETINGS ACTS CLAUSE; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.” Mayor asked for questions. None were received. Motion was made by Tamara Young-Hector to approve an ordinance approving the Willis Reinvestment Zone No. One’s First Amended Project Plan and Reinvestment Zone Financing Plan. Thomas Belinoski seconded the motion. Motion passed unanimously.

- b. An ordinance to amend City Ordinance No. 10-1221, by excluding sales tax collected in Willis Reinvestment Zone No. One and also property tax payments made under an Economic Developing Agreement for the Sam Houston Town Center from the City of Willis’ contributions made to the Reinvestment Zone No. One’s Tax Increment Fund.

Mayor read the following caption “AN ORDINANCE AMENDING CITY OF WILLIS ORDINANCE NO. 10-1221, DATED DECEMBER 21, 2010, BY RETROACTIVELY EXCLUDING SALES TAX COLLECTED IN THE REINVESTMENT ZONE NO. ONE FROM THE CITY’S CONTRIBUTIONS TO THE TAX INCREMENT FUND AND CREDITING ALL PAYMENTS TO THE DEVELOPER OF THE SAM HOUSTON TOWN CENTER TOWARD THE CITY’S CONTRIBUTIONS TO THE TAX INCREMENT FUND OF THE REINVESTMENT ZONE NO. ONE FOR TAX INCREMENT FINANCING PURPOSES; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING THE AMENDMENTS TO BE RETROACTIVE TO THE EFFECTIVE DATE OF THE ORDINANCE ON DECEMBER 21, 2010.” Motion was made by Thomas Belinoski to approve an ordinance to amend City Ordinance No. 10-1221, by excluding sales tax collected in Willis Reinvestment Zone No. One and also property tax payments made under an Economic Developing Agreement for the Sam Houston Town Center from the City of Willis’ contributions made to the Reinvestment Zone No. One’s Tax Increment Fund. Tamara Young-Hector seconded the motion. Motion passed unanimously.

7. NEW BUSINESS

- a. Consider approval of the audit for year ending September 30, 2017.
Mike Brooks, BrooksWatson, CPA reviewed the 09/30/17 audit. BrooksWatson issued a clean and unmodified statement. Mr. Brooks reviewed the fund balance and overall statement of the balances and the revenues and expenses indicated a positive ending balance. Mayor called for any questions. None were received. Motion was made by Tamara Young-Hector to approve the audit for year ending September 30, 2017. Bill Van Alstyne seconded the motion. Motion passed unanimously.
- b. Consider appointment to the TIRZ Board.
Mr. Forestier stated that there is a vacancy on the TIRZ Board and Jason Oliphant was recommend. Mr. Forestier stated Mr. Oliphant was interested in serving on the board. Motion was made by Thomas Luster to appoint Jason Oliphant to the TIRZ Board. Barney Stone seconded the motion. Motion passed unanimously.
- c. Consider a variance request for an alcoholic establishment within 300 feet from a public park at 113 North Danville.

Mr. Forestier stated that a request for a variance was made by the prospective buyers of 113 North Danville. Fernando Garcia stated that the City ordinance did not allow for the sale of alcoholic beverages within 300 feet of any church, public school, public hospital or city-designated park. Mr. Garcia stated the area is limited on parking, this could potentially cause the blocking of the alley way, as well as customer parking in nearby business parking areas. Jeremy Owen and Jeff Colwell, the prospective buyers of 113 North Danville stated that they knew that parking could potentially be an issue but are thinking they could talk to business owners in the area about that. They stated that they are looking into making it a craft brew pub. Mayor asked for questions. None were received. Mayor stated that it was a unique opportunity for something new and different. Motion was made by Tamara Young-Hector to approve a variance request for an alcoholic establishment within 300 feet from a public park at 113 North Danville. Thomas Belinoski seconded the motion. Tamara Young-Hector, Thomas Belinoski, and Barney Stone voted for the motion. Thomas Luster and Bill Van Alstyne voted against the motion. Motion carries.

- d. Consider allowing the Police Department to purchase a new Tahoe.

Mr. Forestier stated that about 3 weeks ago there was an accident on FM 1097 West, and the vehicle was totaled. Mr. Forestier stated that the Chief is asking to use the money from the totaled vehicle and unpaid salaries due to vacancies to purchase a new vehicle. Motion was made by Thomas Belinoski to approve the purchase of a new Tahoe. Thomas Luster seconded the motion. Motion passed unanimously.

- e. Consider approval of an Interlocal Agreement with the Willis Economic Development Corporation and the Willis Community Development Corporation for water and sewer line infrastructure.

Mr. Forestier stated that there is not enough funds to cover the first phase of the water and sewer line going north. Mr. Forestier stated the agreement is to have developers contribute towards the completion of the water and sewer line. Larry Foerster stated that under the interlocal agreement both the EDC and the CDC would be contributing \$250,000 as a partial payment and would also be entitled to pro rata charges reimbursement if anyone ties in. Mr. Forestier stated that this has not been brought up to the EDC or the CDC, but will be discussed in their upcoming meeting. Motion was made by Thomas Belinoski to approve an Interlocal Agreement with the Willis Economic Development Corporation and the Willis Community Development Corporation for water and sewer line infrastructure. Barney Stone seconded the motion. Motion passed unanimously.

- f. Consider approval of a resolution authorizing signatories for contractual document for requesting funds pertaining to the Texas Community Development Block Grant.

Mr. Forestier stated that city was recently awarded a grant to make some water improvements, and the resolution authorized signatories. Motion was made by Thomas Belinoski to approve a resolution authorizing signatories for contractual document for requesting funds pertaining to the Texas Community Development Block Grant. Thomas Luster seconded the motion. Motion passed unanimously.

- g. Consider a request from Entergy to connect to water line to serve their plant.

The Mayor turns the meeting over to Mayor Pro-Tem and recuses himself.

Pat Riley introduced Norman Grunde, Project Manager for Entergy. Mr. Riley stated that Entergy has approached the city to ask if it would be possible for them to tap onto the City of Willis water line down Longstreet to supply the power plant with water for only their offices. Mr. Luster asked how far we go down Longstreet now. Mr. Riley stated we stop at Love's. Mr. Riley stated if council approve the request. Entergy can do a feasibility study. Mayor Pro-Tem asked for questions. None were received. Motion was made by Thomas Belinoski to approve a

request from Entergy to connect to water line to serve their plant and proceed with a feasibility study. Thomas Luster seconded the motion. Motion passed unanimously.

8. REPORTS

Input from Council related to issues for possible inclusion on future agendas; related to issues such as (but not limited to) municipal projects, personnel, public property, development, and other city/public business.

a. City Engineer's Report

1. Update on the Waste Water Treatment Plant expansion.

Derek Wind gave the council an update on the Waste Water Treatment Plant. Mr. Wind stated that they had been looking at different options of where the improvement would go and have decided on putting them towards the creek. Mr. Wind stated that they are making progress on the design plan.

2. Update on the water/sewer line work north on Highway 75.

Mr. Wind stated the survey is completed and have started design on the improvements.

3. Update on the cooling towers.

Mr. Wind stated the cooling towers project was complete back in October last year. Mr. Wind stated that we still had issues with the panel, because they were damaged on delivery. Mr. Wind stated the contractors have extended the warranty to 6 years and are replacing one of the cabinets on the panels. Once completed there will be one final inspection.

b. City Manager's report

1. Trash Off April 7, 2018

Mr. Forestier stated the trash off would be April 7, 2018.

2. Façade Program

Mr. Forestier stated that there was a summary of the façade program in council's packets.

9. EXECUTIVE SESSION

a. Convene into closed Executive Session under Section 551.087 of the Texas Open Meetings Act to consider a presentation on economic development by developer CC Willis, LP.

Mayor and Council convened in closed executive session at 6:47 p.m.

b. Reconvene into open session and take action, if necessary, on matter of economic development by CC Willis, LP which were considered in closed Executive Session.

Mayor and Council reconvened in open session at 7:44 p.m. Mayor called for any action. Motion was made by Tamara Young-Hector not to authorize city staff to finalize details of the development agreement and not to serve the residents of Chamber Creek inside water and sewer rates. Thomas Luster seconded the motion. Tamara Young-Hector and Thomas Luster voted for the motion. Thomas Belinoski, Bill Van Alstyne, and Barney Stone voted against the motion. Motion fails. Mayor called for another motion. Motion was made by Barney Stone to take no action on authorizing city staff to finalize details of a development agreement and serve residents of Chamber Creek inside water and sewer rates. Bill Van Alstyne seconded the motion. Barney Stone, Thomas Belinoski, and Bill Van Alstyne voted for the motion. Tamara Young-Hector and Thomas Luster voted against the motion. Motion carries.

10. ADJOURN

Motion was made by Tamara Young-Hector to adjourn. Thomas Belinoski seconded the motion. Motion passed unanimously. The meeting adjourned at 7:47 p.m.

Leonard Reed, Mayor

Marissa Quintanilla, City Secretary