

Willis, Texas
April 16, 2019
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
Barney Stone- Mayor Pro-Tem
Tamara Young-Hector, Council Member
Thomas Luster, Council Member
Thomas Belinoski, Council Member
Teresa Herod, Council Member
Hector Forestier, City Manager
Larry Foerster, City Attorney
Marissa Quintanilla, City Secretary

Notice is hereby given that a regular meeting of the governing body of the above name City will be held on the 16th of April, 2019 at 5:30 p.m. in the City Hall at 200 N. Bell Street, Willis, Texas at which time the following subjects will be discussed, to-wit:

1. Call to order the regular meeting.
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. Public hearing on a variance request for reduced lot sizes and re-plat for lots 8 and 9, Block 3 of the Johnson Addition, of the F. K. Henderson Survey.
Mayor opened the public hearing on a variance request for reduced lot sizes and re-plat for lots 8 and 9, block 3 of the Johnson Addition of the F. K. Henderson Survey. Mr. Forestier stated that the property address was 310 First Street, and the variance request was for lot sizes reduced by just few feet. Mayor asked for comments or questions from the public. None were received.
Mayor closed the public hearing at 5:45 p.m.
4. CITIZENS INQUIRY
No citizens inquiry.
5. CONSENT AGENDA
 - a. Consider the minutes of the previous meeting: March 25, 2019
 - b. Approval of accounts payable
 - c. Approval of financial statements and tax collection reports
 - d. Approval of the Willis Police Department Policy 8.1 – Unusual Occurrences and Special Events.

Mayor asked for any questions or comments on the consent agenda or if any item needed to be considered separately. No questions or comes were received. Mayor and council approved the consent agenda by unanimous consent.

6. NEW BUSINESS

- a. Consider approval of the audit for year ending September 30, 2018.
- b. Consider approval of a proclamation proclaiming April as Fair Housing Month.
Mr. Forestier stated that this proclamation was required for the CDBG Grant 2019-2020. Motion was made by Tom Luster to approve a proclamation proclaiming April as Fair Housing Month. Barney Stone seconded the motion. Motion passed unanimously.
- c. Consider approval of a variance request for reduced lot sizes for 310 First Street, Block 3, lots 8 and 9 of the Johnson Addition.
Mayor stated this was item was related to the public hearing. Mayor asked for any questions or comments. None were received. Motion was made by Tamara Young-Hector to approve a variance request for reduced lot sizes for 310 First Street, Block 3, lots 8 and 9 of the Johnson Addition. Tom Luster seconded the motion. Motion passed unanimously.
- d. Consider approval of a re-plat for 310 First Street, Block 3, lots 8 and 9 of the Johnson Addition.
Mr. Forestier stated this was for the re-plat. Motion was made by Thomas Belinoski to approve a re-plat for 310 First Street, Block 3, lots 8 and 9 of the Johnson Addition. Tamara Young-Hector seconded the motion. Mayor asked for questions or any discussion. None was received. Motion passed unanimously.
- e. Consider setting a joint public hearing with the Willis Planning and Zoning Commission for May 21, 2019 at 5:30 p.m. to hear public comments concerning the proposed reclassification of the property located at 201 East Powell from General Industrial District to General Commercial District.
Mr. Forestier stated that we would have to have a special meeting on the 14 of May, to canvass the votes of the election and suggested moving the public hearing to this date as well. Mayor asked for comments or questions about moving the regular meeting in May to the 14. Motion was made by Thomas Belinoski to set a joint public hearing with the Willis Planning and Zoning Commission for May 14, 2019 at 5:30 p.m. to hear public comments concerning the proposed reclassification of the property located at 201 East Powell from General Industrial District to General Commercial District. Tamara Young-Hector seconded the motion. Motion passed unanimously.
- f. Consider setting a joint public hearing with the Willis Planning and Zoning Commission for May 21, 2019 at 5:30 p.m. to hear public comments concerning the proposed reclassification of the property located at 310 East Powell from Single Family Residential to General Commercial District.
Motion was made by Thomas Belinoski to set a joint public hearing with the Willis Planning and Zoning Commission for May 14, 2019 at 5:30 p.m. to hear public comments concerning the proposed reclassification of the property located at 310 East Powell from Single Family residential to General Commercial District. Tamar Young-Hector seconded the motion. Motion passed unanimously.
- g. Consider setting a public hearing for May 21, 2019 to hear public comments on a re-plat for Rogers Road Estates Section 6 Lot 2, Block 1.
Mr. Forestier stated that this property is outside the city limits, but is in the City's ETJ; therefore, the re-plat would need approval from Council. Motion was made by Tamara Young-Hector to set a public hearing for May 14, 2019 at 5:30 p.m. to hear public comments on a re-plat for Rogers

Road Estates Section 6 Lot 2, Block 1. Tom Luster seconded the motion. Motion passed unanimously.

- h. Consider approval of Change Order No. 1 for the Waste Water Treatment Plant Expansion and Rehabilitation.

Derek Wind stated that the project is underway, and they started breaking ground today. Mr. Wind stated that as part of the process they have been going over submittals, and items that materials can be changed, to save money. Mr. Wind stated that this change order was a deduct in the amount of \$5,225.00. Motion was made by Tamara Young-Hector to approve Deduct Change Order No. 1 for the Waste Water Treatment Plant expansion and rehabilitation in the amount of \$5,225.00. Tom Luster seconded the motion. Mayor called for questions. None were received. Motion passed unanimously.

- i. Consider approval of a revised Interlocal Agreement with Montgomery County for fire inspections, and plan review services provided by the Montgomery County Fire Marshal's Office.

Mr. Forestier stated that the Interlocal Agreement with Montgomery County Fire Marshal was approved at a past meeting, but that the County wanted to change the wording to include that all persons seeking a fire inspection permit would have to go to County Permit Office. Mayor asked if County had assured the City that, they would have personnel available to do inspections. Mr. Forestier stated they had. Motion was made by Thomas Belinoski to approve the revised Interlocal Agreement with Montgomery County for fire inspections, and plan review services provided by the Montgomery County Fire Marshal's Office. Barney Stone seconded the motion. Mayor called for questions. None were received. Motion passed unanimously.

- j. Consider approval of a Development Agreement with CC FM 1488, L.P., for water and sewer utilities on North Highway 75.

Larry Foerster stated that this was one of two development agreements in council's packet. Mr. Foerster stated that at the meeting February, Council had approved a development agreement with CC FM 1488, which is a subsidiary of Caldwell Company. Mr. Foerster stated that Caldwell acquired a piece a property of about 31 acres located on the north side of Calvary Road between I-45 and Highway 75. Mr. Foerster stated that in a previous meeting, the Council approved a development agreement by which the City would receive a lift station site 75'X75' that is critical for the City's future development of a sewer line that will service properties along North Highway 75, the cost was \$22,525. Mr. Foerster stated that under that agreement the way the City would pay for it was by an incremental increase in property value, as the property value increases annually, the City would pay the incremental difference. Mr. Foerster stated that the City would maintain what the property value is, but any incremental increases that rises would be paid back to CC FM 1488, L.P. Mr. Foerster stated that staff has been negotiating with them along with Kana Holdings, LLC, for their participation in the financing of the City's water and sewer line on North Highway 75. Mr. Foerster stated that this development agreement in addition to the lift station purchase price, they would be contributing \$125,000 towards the utility extension on North Highway 75 for a total of \$147,000 and the way they would be paid back would be with the incremental increase on their property over the course of up to 30 years. Mr. Foerster stated that they are also donating at no cost to the City, a water and sewer easement that will run across and along North Highway 75 along their eastern property line. In addition, because of the topography, the sewer line will actually turn up Weir Creek and go to the West side of the property and then up to and serving Majestic RV Park. Mayor asked if we acquired all the easements needed to have the water and sewer line installed on North Highway 75. Mr. Foerster stated that staff is still communicating with Denmax property and Valero property. Mr. Foerster stated that staff had expected to hear back from Valero weeks ago, but have not heard anything from yet. Mr. Foerster stated that staff is prepared to install the lines in the state right-

of-way, and Jennifer Steen is working on getting the permissions from the state. Mayor stated that he did not want to have the lines installed in the state right-of-way, if the state planned on widening 75, than the City would have to move the lines at the City's expense. Mr. Foerster stated that if we cannot acquire the easement from Denmax then we would not be able to run sewer up on their right-of-way on their property. Jennifer Steen stated that for the force main and the water we will not have an option, if we do not get the easement from the Denmax property, because it is all the way on the south side of the project we have to go past their property. Ms. Steen stated that they have planned to do is to keep the force main on the left side of Highway 75 and 2 feet off the right-of-way so it's as close to the right-of-way as possible. Then have the water line jog over to the east side of 75 6 feet off the right-of way because of gas and overhead line. This way they are off the road as far as possible, if TxDOT does decide to widen, we are hoping that the City would not have to move the lines. Thomas Belinoski asked what the issue with Denmax was. Mr. Forestier stated that they have been very difficult to work with them and are still trying to reach an agreement. Jennifer Steen stated that on the only easement the City has purchased is the one with the development agreement is for the lift station, all of the other property owners along 75 have donated an easement, and others the City has agreed to give them one residential connection, and Denmax is actually requesting that the City pays for the easement and not donate it. Mayor stated that he appreciates the work that has been done, and would appreciate it if the City and Denmax could come to an agreement, because if the stated decides to widen 75, the cost to relocate the utilities lines will probably cost twice as much as what we would be paying for the easement. Mr. Foerster asked if anyone had questions about the CC FM 1488 development agreement. Mayor asked if within 30 years regardless of what happens the City will have to pay them back. Mr. Foerster stated that over a 30-year increment each year, whatever the incremental increase in the value of taxes that the City receives would be paid back to them. Mr. Foerster stated that if it takes years for them to develop the property it will be longer to pay back, but if they are not paid back in 30 years, that would be it. Mayor stated if for instance, we are at 29 years and 11 months, and the taxes have not paid them back what would happen on the twelfth month, all of the unpaid balance would be due. Mr. Foerster stated that if they are not paid by 30 years whatever the balance owed if any would not be due. Mr. Foerster stated that it is a 30-year obligation, but in no event shall the reimbursement extend beyond the 30 years. Mayor stated that the way he interprets the contract if he was the developer, it would mean that at the 30-year mark he would be paid the full amount, or any amount still owed to him. Mayor asked if the developer understood the language. Mr. Foerster stated that they did. Motion was made by Thomas Belinoski to approve a development agreement with CC FM 1488, L.P., for water and sewer utilities on North Highway 75. Barney Stone seconded the motion. Mayor asked for any discussion. Mayor stated that for the record that he is not comfortable with the language on the contract, because if he were the developer that would mean that in the 29th year the City would pay back the money before the 30th year of the contract. Mayor asked for any further discussion. Tamara Young-Hector asked if the language could be changed. Mayor stated that he was not comfortable with the way it was written, because it could be interpreted to say that at 30 years any amount due would be paid back at that time. Thomas Belinoski, Barney Stone, Tom Luster, and Teresa Herod voted for the motion. Tamara Young-Hector voted against the motion. Motion carries.

- k. Consider approval of a Development Agreement with Kana Holdings, LLC, for water and sewer utilities on North Highway 75.

Mr. Foerster stated that this was a similar agreement as the previous one. Mr. Foerster stated this was for a contribution from Kroey Freels of \$125,000. The agreement has the same language as the previous agreement, and includes the pro-rata share reimbursement. Mayor called for questions. None were received. Motion was made by Thomas Belinoski to approve a development agreement with Kana Holdings, LLC, for water and sewer utilities on North Highway 75. Barney Stone seconded the motion. Thomas Belinoski, Barney Stone, Tom Luster,

and Teresa Herod voted for the motion. Tamara Young-Hector voted against the motion. Motion carries.

- l. Consider approval of a letter of commitment for Water and Wastewater for the Moran Ranch property.

Mr. Forestier stated that the Moran Ranch was for sell and it looks like the sale will go through. Mr. Forestier stated that the buyers were requesting a letter stating that the City has the capacity to service the acreage that is in the City Limits. Motion was made by Thomas Belinoski to approve a letter of commitment for water and wastewater for the Moran Ranch property. Tom Luster seconded the motion. Mayor called for questions. None were received. Motion passed unanimously.

- m. Budget Workshop with Council regarding form for decision packages.

Rick Valdez present council with the form to use for decision packages and asked that if the council was considering any items or projects to please use the template, and staff would discuss at the May 14, 2019 meeting.

7. 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.

Thomas Belinoski reminded everyone to make sure and vote on May 4, 2019.

- a. Engineer's report

1. Update on CDBG 2017-2018 Project – Ground Storage Tank

Mr. Wind stated tank has been delivered and installed, and finalizing piping.

Jennifer Steen updated Council on the water line up to Entergy. Ms. Steen stated that the project was completed in January 31, 2019. The water was usable. The 12" inch line goes all the way to the ETJ, and the 4" line goes all the way to the Entergy site

- b. City Manager's report and updates

1. National Day of Prayer May 2, 2019

Mr. Forestier reminded Council about National Day of Prayer, City Hall would be closed on Friday the 19 for Good Friday, and early voting days and time.

8. ADJOURN

Motion was made by Tamara Young-Hector to adjourn. Thomas Belinoski seconded the motion. Motion passed unanimously. The meeting adjourned at 6:32 p.m.

Leonard Reed, Mayor

Marissa Quintanilla, City Secretary