MINUTES OF THE SPECIAL MEETING
OF THE CITY COUNCIL
OF THE CITY OF BUNKER HILL VILLAGE, TEXAS
August 13, 2019 at 11:30 a.m.

I. CALL TO ORDER

Mayor Lord called the meeting to order at 11:32 a.m. in the Council Chambers of City Hall, 11977 Memorial Drive, Houston, Texas.

Those Present:
Mayor Robert Lord
Councilmember Eric Thode- *left at 1:30 pm*
Councilmember Susan Schwartz
Councilmember Jay Smyre
Councilmember Keith Brown
Councilmember Laurie Rosenbaum

Also in Attendance:
Karen Glynn, City Administrator
Britique Williams, City Secretary/Dir of Finance
Steve Smith, Dir of Public Works/Bldg Official
Loren Smith, City Attorney

II. EXECUTIVE SESSION:

The City Council will convene into closed executive session pursuant to Section 551.071 of the Texas Government Code to deliberate with the attorney for the City on a matter in which the duty of the attorney requires to be discussed in closed session.

Mayor Lord convened into closed executive session at 11:33 a.m.

Mayor Lord reconvened the meeting at 12:01 p.m.

III. CONSIDERATION AND POSSIBLE ACTION REGARDING:

a. Interlocal Agreement for Fire Protection and Emergency Services Between the City of Bunker Hill Village, Texas and the Village Fire Department;
b. Mutual Release Agreement between the City of Bunker Hill Village, Texas and the Village Fire Department, the City of Hunters Creek Village, Texas, the City of Piney Point Village, Texas, the City of Hedwig Village, Texas, the City of Spring Valley Village, Texas, and the City of Hilshire Village, Texas; and
c. Amendment #5 to the 1978 Interlocal Agreement creating the Village Fire Department.

Mayor Lord reported that the City has received the agreements from the Village Fire Commission and they have been distributed to the Council and to the Subcommittee of the Public Safety Committee. He received comments from the City Council and the Subcommittee and will be working with the Village Mayors to better understand certain parts of the agreements. He will be working to ensure clarity and a better understanding of the details over the next week and will report at the August 20, 2019 Council Meeting.

No action was taken on items a, b, or c.

IV. DISCUSSION AND DIRECTION ON THE CITY'S PROPOSED FY 2020 BUDGET

Karen Glynn, City Administrator, presented a PowerPoint presentation on the 2020 Proposed Budget and the updated 10 Year Financial and Infrastructure Management Model.

Assumptions included:

General Fund/Debt Service Fund

A flat tax rate of $ 0.277 was presented with a cap on maintenance and operation expenses of 4%. A 3.99% increase in property value was used based on the preliminary tax roll report from Harris County.

The 2020 Budget for revenues and updated 10 year model included the 3.99 % increase for the 2019 tax year. (The model had included a 5.5% increase in 2020 on property tax revenues and a 4.0 % increase in the out years anticipating possible legislative mandates during the 2019 Legislative Session.) In addition, the Debt Service Fund presented included an increase in the drawdown of the Debt Service Fund Balance. The fund balance draw down was increased to $124,000 since the fund ended higher than expected in 2018.

The General Fund included increases as proposed by the Memorial Villages Police Department and Village Fire Department. The Police "Other Fund" was used to balance the budget to the 4 % overall M&O cap. The increase to MVPD for in car and body cameras was included in the M&O and offset by revenue from the 2018 MVPD savings.

A merit pool for City Employees is recommended at 4%. There were other limited adjustments proposed including decreases to health insurance and TMRS.

Utility Fund

The Budget included a 7% proposed increase for Utility Rates at all levels. The City's base rate has reached the 33% overall to help stabilize the fund. The M&O cap overall was 4% including a 5% merit increase. The increase is in accordance with the model projections to fund needed well repairs and utility lines. There were other limited adjustments proposed including decreases to health insurance and TMRS.

Capital Projects

Ms. Glynn then discussed the details on the capital projects proposed for 2019 and projected through 2030. This included plans for drilling a new well to replace well #2 which is currently out of service. Discussion also included a ten-year plan to replace or rehab two additional wells. The Council agreed that the best approach for funding the water well #2 project would be revenue bonds. This would allow the City to continue with rehabilitation of water and wastewater lines.

Mayor Lord also recommended adding a new project in the General Fund to partner with the City of Piney Point. In discussion with Piney Point's Mayor Mark Kobelan, Piney Point would move up their landscaping project on Memorial/Briar Forest if Bunker Hill would partner on the cost of installation. Piney Point will handle all maintenance. It was the Council consensus to fund $60,000 for this project. Ms. Glynn indicated this could be achieved by balancing the fund

allocated for Drainage since the City will be focusing on local projects versus the larger, regional projects over the next few years.

The Mayor and Council provided the following direction regarding the 2020 Budget:

- Maintain the current tax rate of $0.277/100 valuation
- Proceed with the 7% increase in utility rates
- Fund the joint project with the City of Piney Point

Ms. Glynn concluded that staff would finalize the budget based on this direction and the final tax roll received by Harris County. Staff plans to file the budget at the August 20, 2019 City Council Meeting.

Karen Glynn noted that the following actions are recommended following the budget discussion and the revised numbers provided by the Police Department:

V. FIRE COMMISSION

A. Consideration and Possible Action Regarding the Proposed 2020 Village Fire Department Budget in the amount of $6,525,470.00 with Bunker Hill Village's Annual Assessment being $1,239,839.30 (19%)

A motion was made by Councilmember Brown and seconded by Councilmember Smyre to approve the proposed 2020 Village Fire Department Budget.

The motion carried 4 - 0.

VI. POLICE COMMISSION

A. Receipt of Check from the Memorial Villages Police Department for Surplus Reimbursement for Fiscal Years 2018 in the amount of $ 102,688.00

Karen Glynn noted that a check was received and was placed in the reserve for the Police Department. Some of this funding will be used to offset the in-car video and body cams as discussed during the budget workshop. No action is needed on this item.

B. Rescind Action on the Request from the Police Commission to Utilize $245,387.00 ($81,796.00 per City) in surplus from the Audited Fiscal Year 2018 Budget to be Placed in the Special Asset Capital Fund for the 2019 Budget to be Restricted to the Payment of the Costs, Over a Five Year Period, for Modernization and Standardization of In-Car Video Systems and Body-Worn Camera Systems for all Personnel

C. Re-Consideration and Possible Action Regarding Proposed 2020 Memorial Villages Police Department Budget in the amount of $5,849,962.00 with Bunker Hill Village's 2020 Assessment being $1,949,987.00.

A motion was made by Councilmember Brown and seconded by Councilmember Schwartz to rescind action previously made for utilizing 2018 savings and replace the budget with the revised 2020 Memorial Villages Police Department Budget in the amount of $5,849,962.00 with Bunker Hill Village's 2020 Assessment being $1,949,987.00.

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The motion carried 4 - 0.

VII. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A RESOLUTION OF THE CITY OF BUNKER HILL VILLAGE, TEXAS FINDING THAT CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S REQUESTED INCREASE TO ITS ELECTRIC TRANSMISSION AND DISTRIBUTION RATES AND CHARGES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL- *Karen Glynn, City Administrator*

Karen Glynn shared that this action is recommended by the Coalition in regards to a proposed increase in costs for utilities.

A motion was made by Councilmember Schwartz and seconded by Councilmember Brown to approve the proposed Resolution.

The motion carried 4 - 0.

VIII. CONSIDERATION AND POSSIBLE ACTION TO DELETE JAY WILLIAMS AND JAY JANECEK AND ADD KEITH BROWN AND ERIC THODE AS AN AUTHORIZED SIGNER ON THE CITY'S BANK ACCOUNTS AT ALLEGIANCE BANK - *Karen Glynn, City Administrator*

Karen Glynn shared that this action is needed as a result of the election. This is the City's alternate bank.

A motion was made by Councilmember Rosenbaum and seconded by Councilmember Schwartz to approve the proposed signers for Allegiance Bank.

The motion carried 4 - 0.

IX. UPDATE ON ACTIVITIES

Ms. Glynn shared her appreciation with the Mayor and Council for their time at the workshop and reminded them of the meeting next Tuesday, August 20, 2019.

She also recognized the staff for their work during her time off.

X. ADJOURN

A motion was made by Councilmember Rosenbaum and seconded by Councilmember Smyre to adjourn the meeting at 2:05 p.m.

The motion carried 4 - 0.

Approved and accepted on September 17, 2019.

Robert P. Lord, Mayor

ATTEST:

Britique Williams, City Secretary/Dir. of Finance