



The City of Liberty Hill

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CITY COUNCIL REGULAR MEETING MINUTES

MONDAY – SEPTEMBER 10, 2018 – 6:30 PM

2801 Ranch Road 1869 - Liberty Hill, Texas

CALL TO ORDER

The Regular Meeting of the City Council of Liberty Hill was called to order by Mayor Rick Hall on Monday – September 10, 2018 at 6:30 PM in Council Chambers located at 2801 Ranch Road 1869 in Liberty Hill, Texas. Invocation was given by Reverend John Jernigan of the Williamson County Cowboy Church, followed by reciting the Pledge of Allegiance and Texas Pledge. **Council Members Present:** Mayor Rick Hall; Mayor Pro Tem Liz Rundzieher; Liz Branigan; Wendell McLeod; Troy Whitehead and Ron Rhea. **Staff & Guests Present:** Dottie Palumbo; Julia Houston; Taylor Raymond; Aaron Laughlin; Greg Boatright; Michel Sorrell; Sally McFeron; Chief Maverick Campbell, Nancy Sawyer and Barbara Zwernemann.

PUBLIC COMMENTS

Liberty Hill City Council accepts public comments regarding the Agenda of regular Council meetings. Individuals wishing to speak may sign in by completing a Public Comment Form and presenting the form to the City Secretary prior to the start of the meeting (prior to Call to Order). Each citizen will be allowed a maximum of three (3) minutes. Collective public comment period will last no longer than a total of fifteen (15) minutes.

- Mark Spinner who resides at 211 Fallwell Street addressed Council in protest of one-way streets and made comments about Staff. He stated the following: (1) he spoke to Council several years ago to say his neighborhood did not need any more developments; (2) he is opposed to one-way streets; (3) his neighborhood is “falling apart”; (4) he takes issue with “shady deals” past or present related to City Staff and (5) he might move like many of his neighbors.

DEPARTMENTAL REPORTS TO CITY COUNCIL

Public Works

Wayne Bonnet – Director of Public Works presented an overview from August 2018. The department is moving forward with one-way streets to include “coming soon” signage being placed downtown in the next few days. Projects include street resurfacing and re-curbings, Myrtle Street water line, replacing signs. There were a few issues with the new WWTP; the heavy rain received means the plant processed 835,000 gallons which is well within permitted flow but over usual capacity; some membranes need to be checked. The department is continuing to work with Steger & Bizzell to address any issue.

Police Department

Chief Maverick Campbell presented the August 2018 report stating there has been an uptick in traffic accidents which he attributes to school being back in session. The Department led a Traffic Initiative on Labor Day with 98 traffic stops. The Traffic Initiative will occur on a monthly basis. National Night Out is October 2nd at the Junior High. Kolaches with the Cops and Greg Boatright as Speaker will be Thursday, September 13th from 9:00 AM to 11:00 AM.

ADMINISTRATIVE REPORT

Greg Boatright – City Administrator presented an update to Council.

- San Gabriel River Parks Board meets tomorrow - September 11, 2018. This non-profit will be moving park property into a trust to secure grants. The 7-8 acres is part of a half million dollar grant which can be leveraged into several million dollars.
- Meeting with Garrett Martin of Larkspur for negotiations on patrolling Larkspur Subdivision per the Development Agreement; this will be brought back to Council to amend the budget and hire an officer to patrol.
- Development is ongoing with the finalized Butler Agreement.
- Sunset Ridge, a 640-acre development adjacent to Santa Rita South, is in negotiations with the City; the developer wants to contract with Liberty Hill for wastewater services. The City is reviewing the agreement and will be brought to Council for approval.
- Per the Larkspur developer who attended a summit last week in Austin, the Hwy 29 / Hwy 183 intersection is expected to be “ground zero” for development in the near future.
- Butler Farms agreement and all currently negotiated and future development agreements include a clause to annex the development into the City.
- In response to Council member Ron Rhea’s question, the City Administrator stated Larkspur’s agreement does not annex that development as it was executed a few years ago.

CONSENT AGENDA

Consent Agenda items enacted by one motion..

- August 27, 2018 Budget and Tax Workshop Minutes
- August 27, 2018 Regular Council Meeting Minutes
- September 4, 2018 Budget Workshop Minutes
- September 4, 2018 Special Council Meeting Minutes

RECOMMENDATION: On motion by Dr. Ron Rhea with amendment of the addition of a statement to the August 27, 2018 Regular Council Meeting Minutes, CAMPO / City of Liberty Hill agenda item and second by Troy Whitehead, Council approved the minutes of August 27, 2018 - Budget Workshop; August 27, 2018 - Regular Council; September 4, 2018 - Budget Workshop; and September 4, 2018 - Special Council Meeting. **Request to Add Statement and Amend Minutes:** During discussion of the August 27, 2018 Minutes in the Council Meeting of September 10, 2018, Dr. Ron Rhea stated during the August 27, 2018 Council meeting, several Council members were under the impression Mr. Johnson with CAMPO was only there to present; they assumed the City Secretary erroneously added an item for action without Council having the opportunity to vet the proposed CAMPO / City of Liberty Hill plan. It was discovered she had not mistakenly added the action item; Mayor Hall requested the item be added to the agenda as a motion to accept the plan. Council member Ron Rhea addressed Mayor Hall stating “give us the respect to vet these” items before adding action items to the agenda. Motion passed on vote of 5 AYES, 0 NAYS, and 0 ABSTENTIONS.

REGULAR AGENDA

Receive and Consider Action on Bids for the Purchase of the City’s General Obligation Refunding Bonds, Series 2018 and Texas Tax and Water System Surplus Revenue Certificates of Obligation, Series 2018. **RECOMMENDATION:** Dan Wegmiller – Managing Director of Specialized Public Finance Inc. explained the Standard and Poor’s bond rating is a credit readiness rating. Rating range from AAA to BBB-. The AA+ rating the City received is the next to the highest rating possible. There are no nearby comparable cities with a S&P rating that high What the S&P looks at is economy, financial performance, debt level, management and trends. He congratulated Council and the City for receiving this rating. It will allow the

City to obtain the lowest interest rates on loans. The sale of the bonds was this morning; the offering was well received in the marketplace as investors seek out city bonds with the highest S&P ratings.

Discuss and Consider Action on a proposed Ordinance Authorizing the Issuance of “City Of Liberty, Texas, General Obligation Refunding Bonds, Series 2018”; Prescribing the Terms and Features of Said Bonds; Providing for the Payment of the Bonds by the Levy of an Ad Valorem Tax upon all Taxable Property within the City; and Resolving Other Matters Incident and Related to the Issuance, Payment, Security, Sale and Delivery of Said Bonds, Including Authorizing the Preparation and Distribution of an Official Statement and Authorizing the Execution of a Paying Agent/Registrar Agreement, a Bond Purchase Agreement, and a Deposit Letter; And Providing an Effective Date. RECOMMENDATION: Julia Houston – Partner of Orick presented Ordinance 18-O-101 stating Council previously authorized the Intent to Publish Notice on the Certificates. This ordinance is for funding 2006 Bonds (Certificates of Obligation) to restructure debt. Dan Wegmiller stated this allows for flexibility, and the new rates are lower. On question from Dr. Rhea, Mr. Wegmiller stated the rates are locked in. They will not go up but the City could refinance if rates lower. On motion by Ron Rhea and second by Troy Whitehead, Council approved Ordinance 18-O-101 authorizing the issuance of City of Liberty Hill, Texas General Obligation Refunding Bonds - Series 2018; prescribing the terms and features of said bonds; providing for payment of the bonds by levy of an Ad Valorem Tax on all table property within the City including authorizing the preparation and distribution of an official statement and authorizing the execution of a paying agent / registrar agreement, bond purchase agreement and deposit letter. **Motion passed on vote of 5 AYES, 0 NAYS, and 0 ABSTENTIONS.**

Discuss and Consider Action on a proposed Ordinance Authorizing the Issuance of “City of Liberty Hill, Texas Tax and Water System Surplus Revenue Certificates of Obligation, Series 2018”; Prescribing the terms and Features of Said Certificates; Providing for the Payment of the Certificates by the Levy of an Ad Valorem Tax upon all Taxable Property within the City and by a Lien on and Pledge of the Surplus Net Revenues of the City’s Water System; and Resolving Other Matters Incident and Related to the Issuance, Payment, Security, Sale and Delivery of Said Certificates, Including Authorizing the Preparation And Distribution of an Official Statement and Authorizing the Execution of a Paying Agent/Registrar Agreement and a Bond Purchase Agreement; and Providing an Effective Date. RECOMMENDATION: On motion by Ron Rhea and second by Troy Whitehead, Council approved Ordinance #18-O-101 authorizing issuance of “City of Liberty Hill, Texas Tax and Water System Surplus Revenue Certificates of Obligation - Series 2018”; prescribing the terms and Features of Said Certificates; Providing for the Payment of the Certificates by the Levy of an Ad Valorem Tax upon all Taxable Property within the City and a Lien on and Pledge of the Surplus Net Revenues of the City’s Water System. **Motion passed on vote of 5 AYES, 0 NAYS, and 0 ABSTENTIONS.**

Discuss and Consider a Resolution approving the Liberty Hill Economic Development Corporation, Liberty Hill, Texas, for Fiscal Year 2018 - 2019; funding Liberty Hill Economic Development Corporation; authorizing; expenditures; providing for findings of fact; enactment; filing of budget; repealer; severability; effective date; and proper notice and meeting. RECOMMENDATION: Michel Sorrell stated EDC reduced their capital expenses by \$100,000. Ron Rhea had questions for Lance Dean – EDC Director about the budget. Dr. Rhea asked if EDC had already spent \$186,000. Lance Dean stated they had no but that their budget workshop, the Board felt it wise to be more fiscally responsible but with \$125,000 still to be spent for Capital Improvement Projects.

- Comprehensive Plan was lowered from \$50,000 to \$25,000
- Drainage Improvements lowered from \$50,000 to \$0
- Transportation and Parking lowered from \$50,000 to \$25,000
- CIP Incentives still at \$50,000

- Downtown Façade Incentives at \$25,000

Greg Boatright – City Administrator cited concerns that the City is about to spend around \$325,000 on downtown parking. He stated his hope is that if the City comes to EDC with a request for financial backing, EDC would assist. He also stated there is not enough staff time this year for the Comprehensive Plan so that will not be accomplished in this Budget Cycle; the City Administrator would \$50,000 for Downtown Parking. Ron Rhea – Council member asked if the \$100,000 held back from this budget is allocated. Lance Dean stated it is not. Ron Rhea restated asking if these funds were set aside for a purchase and Lance Dean replied the same. Dr. Rhea stated Council does not want EDC to come back saying they will use \$100,000 to purchase Foundation Park. Greg Boatright asked if the fund balance was around \$550,000. Ms. Sorrell stated that it is due to salary increases, it is beginning to eat into fund balance. The City will need to use some fund balance to match the gap for CIP. On motion by Liz Rundzieher and second by Troy Whitehead, Council approved the Liberty Hill Economic Development Corporation Budget for Fiscal Year 2018 – 2019. **Motion passed on vote of 5 AYES, 0 NAYS, and 0 ABSTENTIONS.**

Discuss and Consider an Ordinance of the City Council of the City of Liberty Hill, making appropriations for the support of City services for the Fiscal Year Beginning October 1, 2018 and ending September 30, 2019 appropriating money to a sinking fund to pay principal and interest on the City's indebtedness; and enacting the Municipal Budget for Fiscal Year 2018 - 2019; providing for findings of fact; enactment; filing of budget; repealer; severability; effective date; and proper notice and meeting. RECOMMENDATION: Michel Sorrell – Finance Director reminded Council of the four budget workshops with several iterations based on Council's direction. The feedback received was to move forward with the Baseline Budget with no new personnel, excepting a utility clerk, and with a tax rate set at \$0.50. This would be fiscally responsible and help maintain the bond rating. Liz Rundzieher – Council member stated that Council had previously approved a Code Enforcement Officer. Ms. Sorrell stated the baseline budget includes no new personnel; no new related vehicles; no new related equipment. Council could authorize a budget amendment at such time they feel necessary during the upcoming fiscal year. Mayor Hall stated Ron Rhea had made the motion previously to approve a Code Enforcement Officer. Ms. Sorrell stated a budget amendment could be authorized and that the Code Enforcement Officer cost would be allocated among four funds. Ron Rhea stated Council should move forward with the baseline budget to maintain the AA+ bond rating which he would like to protect. Wendell McLeod – Council member abstained from voting as he has a Conflict of Interest (his wife is a City employee). Troy Whitehead moved to approve Ordinance #18-O-99 to set and approve the Municipal Budget for the 2018 – 2019 Fiscal Year. Ron Rhea seconded the motion. Mayor Hall called for a roll call vote. Barbara Zwernemann – City Secretary called roll as shown below. **Motion passed on vote of 4 AYES, 0 NAYS, and 1 ABSTENTIONS.**

- Ron Rhea – FOR
- Liz Branigan - FOR
- Troy Whitehead - FOR
- Liz Rundzieher - FOR
- Wendell McLeod - ABSTAIN

Discuss and Consider a Resolution of the City Council of the City of Liberty Hill ratifying the Municipal Budget for Fiscal Year 2018 - 2019; funding municipal purposes; authorizing expenditures; providing for findings of fact; enactment; filing of budget; repealer; severability; effective date; and proper notice and meeting. RECOMMENDATION: Michel Sorrell – Finance Director stated this Resolution ratifies the decision to pass the budget on a tax rate of \$0.50. Mayor Hall asked Council to discuss and consider approval of Resolution #18-R-98. He stated this vote is in addition to and separate from the vote to adopt the budget. This vote is to ratify that the property tax increases the tax revenue to support the budget for this fiscal year. Troy Whitehead moved to approve Resolution #18-R-98 of the City of Liberty Hill, Texas

ratifying the Municipal Budget for Fiscal Year 2018 – 2019 which raises more revenue from property taxes than in the previous year. Ron Rhea seconded the motion. Mayor Hall called for a roll call vote. Barbara Zwernemann – City Secretary called roll as follows. **Motion passed on vote of 4 AYES, 0 NAYS, and 1 ABSTENTIONS.**

- Ron Rhea – FOR
- Liz Branigan - FOR
- Troy Whitehead - FOR
- Liz Rundzieher - FOR
- Wendell McLeod - ABSTAIN

Discuss and Consider an Ordinance adopting an Ad Valorem Tax Rate of \$0.500 for the City of Liberty Hill, Texas; levying Ad Valorem Taxes for use and support of the Municipal Government for the City of Liberty Hill, Texas, as may be necessary to promote the general health, safety and welfare for the 2018 – 2019 Fiscal Year; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall be delinquent if not paid. RECOMMENDATION: Michel Sorrell presented to Council stating this Ordinance accepts the tax rate at \$0.50: (1) \$0.322635 cents per each one hundred dollars (\$100) property valuation for the purposes of maintenance and operations; and (2) \$0.177365 cents per each one hundred dollars (\$100) property valuation for the purposes of debt service payment. The additional tax on a \$100,000 home is \$116.16. Wendell McLeod asked if the \$0.50 tax rate is the rollback rate. Michel Sorrell stated the rollback rate Council approved was \$0.54896 rate. Greg Boatright – City Administrator stated the proposed tax rate of \$0.500, is the same rate as the past 2 years. Dottie Palumbo – City Attorney explained State legislature mandates the City states the cost this way because home values are rising. Mayor Hall stated this vote is in addition to and separate from the vote to adopt the budget. This vote is to ratify that the property tax increases the tax revenue to support the budget for this fiscal year through Ordinance #18-O-100. Troy Whitehead moved the property tax rate be increased by the adoption of a tax rate of \$0.50 cents per One Hundred Dollars (\$100.00) of assessed valuation, which is effectively an 11.66% increase in the tax rate. Liz Branigan seconded the motion. Mayor Hall called for a roll call vote. Barbara Zwernemann – City Secretary called roll. **Motion passed on vote of 4 AYES, 1 NAYS, and 0 ABSTENTIONS.**

- Wendell McLeod – AGAINST
- Liz Rundzieher - FOR
- Troy Whitehead - FOR
- Ron Rhea – FOR
- Liz Branigan – FOR

Discuss and Consider Action on creation of Tax Increment Reinvestment Zone Number 3 for area commonly known as Butler Farms and direct staff to draft Preliminary Project and Finance Plan and take other required actions. RECOMMENDATION: Dottie Palumbo – City Attorney stated that as Greg Boatright – City Administrator explained, the Butler Farms annexation has been approved. The Butler Farms TIRZ needs to be created to direct staff to start the Preliminary Project and Finance Plan. On motion by Ron Rhea and second by Troy Whitehead, Council approved the creation of Tax Increment Reinvestment Zone Number 3 for Butler Farms directing staff to draft a Preliminary Project and Finance Plan and take other required actions. **Motion passed on vote of 5 AYES, 0 NAYS, and 0 ABSTENTIONS.**

Discuss and Consider Action related to the award of the Re-Use Water Facility Construction Contract. RECOMMENDATION: Greg Boatright – City Administrator introduced Aaron Laughlin – Steger & Bizzell. stated this project allows the City to reuse the water; not send all of it down to the river. The City will sell re-use water to Larkspur and allow construction contractors to fill water tanks at a cost. The contract

includes all necessary equipment. There were seven bids from ranging from \$636,000 to \$921,000. The low bid is Austin Engineering at \$636,334.50. The water will be held in a ground storage tank to be constructed. When the tank is full, the water will be diverted. Larkspur has a meter connected to the plant site at the entrance to the neighborhood. On motion by Liz Rundzieher and second by Ron Rhea, Council awarded the Re-Use Water Facility Construction Contract to Austin Engineering in the amount of \$636,334.50. Motion passed on vote of 5 AYES, 0 NAYS, and 0 ABSTENTIONS.

Discuss and Consider contacting Capital Metro regarding improvements recently made to the railroad crossing on Loop 332; requesting Capital Metro to redo the asphalt at the edge of the railing adjacent and parallel to the railroad. RECOMMENDATION: Wendell McLeod – Council member stated the crossing is extremely rough and needs to be smoothed out. Greg Boatright – City Administrator stated Cap Metro has been contacted and the City is waiting for a response. CapMetro has been asked to send a contractor to smooth out the asphalt. Mr. McLeod stated this satisfies his request and no motion is required.

CONVENE - EXECUTIVE SESSION

The City Council of Liberty Hill will convene to Executive Session for Consultation with Legal Counsel pursuant to Texas Government Code as follows: Code §551.071 – Consultation with Legal Counsel and Code §551.074 – Personnel Matters. Council will entertain discussion and receive legal advice related to the matter referenced below. No action will be taken in Executive Session.

- a) Deliberate and Discuss annual performance evaluation to include Salary Review per the City of Liberty Hill 2017 Salary Study conducted by Ray & Associates, Inc. and review / renewal of 3-Year Contract for the City Administrator. Code §551.074 – Personnel Matters

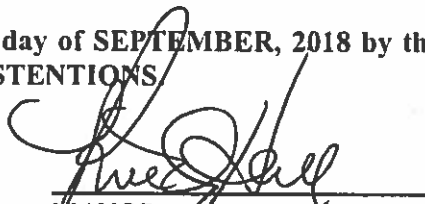
RECONVENE - REGULAR SESSION

Deliberate and Discuss annual performance evaluation to include Salary Review per the City of Liberty Hill 2017 Salary Study conducted by Ray & Associates, Inc. and review / renewal of 3-Year Contract for the City Administrator. Code §551.074 – Personnel Matters RECOMMENDATION: Mayor stated no action was taken at this time.

ADJOURNMENT

On motion by Liz Rundzieher and second by Ron Rhea, the meeting was adjourned at 8:06 PM. Motion passed on vote of 5 AYES; 0 NAYS; and 0 ABSTENTIONS.

PASSED & APPROVED on the 24th day of SEPTEMBER, 2018 by the City Council of Liberty Hill on vote of 5 AYES; 0 NAYS; 0 ABSTENTIONS


MAYOR


CITY SECRETARY