

City Council met for the monthly City Council meeting and Budget Workshop No. 2 on August 21, 2018 in the Council Chambers at City Hall, 907 E. Houston, with Mayor Otis Cohn presiding.

**MEMBERS PRESENT:** Mayor Otis Cohn, Councilmember Mike Penry, Councilmember Marilyn Clay, Councilmember Fred Terrell, Councilmember Jennifer Bergman, Councilmember Danny Lee, City Manager Kelly McDonald, and City Secretary Angela Smith

**ABSENT:** City Attorney David Olson

**VISITORS PRESENT:** Rob Davis, Jim Carson, Robert Reynolds, Victoria Goode, Carolyn McWaters, Lance Blackwell, C. Comeaux, Caitlyn Stuettes, Greg Crawford, Michel Norman, Cleveland High School Students-Pavan Dalwadi, Tarik Barnes, Ashlee Eleby, Brianna Mattis, Morgan Mize, Jose Hernandez, and Jesse Witten

**EMPLOYEES:** Bobby Pennington, Mary Cohn, Sean Anderson, Jeremy Chesnutt, Darrel Broussard, Rod Hailey, Mary Ann Harrison, Frieda Joyce

Mayor Otis Cohn called the meeting to order at 6:03 pm and stated there was a quorum. Pastor Rob Davis with Cleveland Church of Christ gave the invocation and Councilmember Terrell led the pledge to the Texas flag and Councilmember Lee led the pledge to the US flag.

### **Presentations and Comments**

1. **Presentation by CHS Student Council and Sponsor (Youth Advisory Program)**

Mayor Cohn stated he was happy to see the youth participation. Councilmember Clay took up the banner along with former Councilmember McWaters and met with the high school students on what their needs were. Greg Crawford with CHS made the presentation along with each of the students. They thanked Ms. Clay for her help. Each councilmember gave their appreciation of the presentation at the end.

2. **Public Comments.**

Jim Carson gave the chamber of commerce update.

3. **Reports and comments from City Council, Mayor or City staff.**

City Manager McDonald stated that Liberty County has a 60 day burn ban in effect, Nixle has been rolled out as our new emergency alert system and Aug 23 is the Meet the Indians event at the school.

### **Consent Agenda**

4. **Consider acceptance of monthly financial report for month ending July 2018**

5. **Consider minutes from monthly City Council meeting on July 17, 2018 and Joint Public Hearing with Zoning Commission and Special Called Council Meeting on July 23, 2018**

6. **Consider ordinance denying the rate increase request of Entergy Texas Inc. filed on May 15 2018; finding that the meeting complies with the Open Meeting Act; Making Other Findings and Provisions Related to the Subject; and Declaring an Effective Date**

7. **Consider an ordinance adopting and enacting a new code for the City of Cleveland, Texas; providing for the repeal of certain ordinances not included therein; providing a penalty for**

**the violation thereof; providing for the manner of amending such code; and making other provisions related to the subject.**

8. **Consider dates for public hearing on tax rate – August 28 & September 4, 2018 and public hearing on proposed budget for FY2018-19 as September 18, 2018.\**

Mayor Cohn asked if there are any issues and Councilmember Lee stated he has a conflict with item 6 and will not be voting on it.

Councilmember Penry made a motion to approve consent agenda items 4, 5, 7 & 8 with a second from Councilmember Bergman. All members present voted "AYE". Motion carried.

Councilmember Terrell made a motion to approve consent agenda item no. 6 with a second from Councilmember Penry. Councilmembers Bergman, Terrell, Clay and Penry voted "AYE" and Councilmember Lee abstained from voting. Motion carried.

### **Discussion and Action**

9. **Consider Professional Services Agreement with HR Green for general consulting services for period of August 1, 2018 to July 31, 2019 for an amount not to exceed \$20,000**

City Manager McDonald stated that we entered into this service agreement last year and they handled over and above items such as meeting with TxDOT, reviewed Grand Oaks drawings, screw pump replacement, Harvey drainage, and staff is asking council to renew the agreement. There has been additional money added to the agreement since more development is forthcoming. The amount in the agreement is not to exceed \$20,000. The monitors of the agreement and finances are City Manager McDonald, Assistant City Manager/Finance Director Pennington and Public Works Director Hainey. Mr. Pennington commented that the TIRZ should be reimbursing the City for their part of HR Green's cost at some point.

Councilmember Clay made a motion to approve the professional service agreement with HR Green for an amount not to exceed \$20,000 for August 1 2018 to July 31 2019 with a second from Councilmember Penry. Councilmembers Bergman, Lee, Penry, and Clay voted "AYE" and Councilmember Terrell voted "NAY. Motion carried.

10. **Consider recommendation from staff to accept bid proposal from Synagro to provide additional basin cleaning services for West Wastewater Treatment Plant from recent Request for Bid process**

City Manager McDonald stated that this item has been reviewed several times as we are under notice with TCEQ and they have stated we have to clean up the basin. We sent out bids again for basin cleaning only without the restoration to see if additional bidders would submit however we still only received one bid – Synagro. There was another bidder however they submitted their bid after the closing date and it could not be accepted. Synagro's bid is for \$149,858 to complete the basin cleaning.

Councilmember Penry asked for the history of this project as not all the councilmembers were here when it started. City Manager McDonald gave the details of the prior bids and project timeline. Mr. Penry asked why the other bidders did not respond. City Manager McDonald stated that she heard from TDG and he stated he was just too covered up with work right now but to keep him in mind. Mr. Penry asked that staff contact other cities to find out what they are doing and who they use for this type of project. Public Works Director Hainey stated that new permits do not get permitting for equalization ponds any longer and that ours was built in 1988. TCEQ does not allow new equalization ponds. Mr.

Penry asked that additional research be done to find additional companies to send bids to on this topic. Mayor Cohn asked if there is time to re-bid the project and Mr. Hainey stated that TCEQ had not given him a timeframe to complete the task. Mayor Cohn stated that he agreed with Mr. Penry on the point that we should have more than one bid to review and we need to step back and review and call additional cities to try to get more than one bid.

Councilmember Penry made a motion to deny bid from Synagro for additional basin cleaning services for West Wastewater Treatment Plant with a second from Councilmember Clay. All members present voted "AYE". Motion carried.

11. **Discussion on request from Karl A Smith on abandonment and return to ownership to abutting owners right of way sections: 1) Austin Street between Old Coldsprings Road and Hwy 59 N feeder road, 2) Old Coldsprings Road between Austin & Hwy 59 Feeder**

Councilmember Bergman made a motion to table item until next meeting so requestor can attend to provide additional details with a second from Councilmember Penry. All members voted "AYE". Motion carried.

12. **Consider participating in the Downtown Revitalization grant with TDA, nominating one councilmember to be on the scoring committee and approve staff to start Request for Proposal process for administrative and engineering services, approve a Public Hearing date on Sept 4<sup>th</sup> regarding submission of application**

This is for a \$250k grant for downtown revitalization where at least 70% is used for sidewalks. There is a match of \$70k that will be needed. Councilmember Clay volunteered for scoring committee.

Councilmember Bergman made a motion to approve participating in the Downtown Revitalization grant, nominated Marilyn Clay to be on the scoring committee, approved staff to start RFP process and approved the Public Hearing date of Sept 4<sup>th</sup> with a second from Councilmember Lee. All members present voted "AYE". Motion carried.

13. **Consider resolution for nomination to the Montgomery Central Appraisal District Board of Directors for 2018/2019 Term to fill vacancy from resignation of Robert "Bob" Casey**

Councilmember Bergman made a motion to approve Alfred Anderson for the Montgomery Central Appraisal District Board of Directors with a second from Councilmember Terrell. All members present voted "AYE". Motion carried.

14. **Consider nomination for Liberty County Central Appraisal Review Board (ARB) Directors for two year term**

Councilmember Bergman made a motion to nominate Niki Coats for Liberty County Central Appraisal Review Board of Directors with a second from Councilmember Penry. All members present voted "AYE". Motion carried.

15. **Consider nomination for Liberty County Agricultural Advisory Board for two year term**

Councilmember Bergman made a motion to nominate Fred Emory for the Liberty County Agricultural Advisory Board with a second from Councilmember Clay. All members present voted "AYE". Motion carried.

**Budget Workshop**

16. **Budget Workshop No. 2 for FY 18-19**

Assistant City Manager/Finance Director Pennington reviewed the proposed budget. Councilmember Penry stated that we need to do a ½ to 1 cent reduction on taxes and we need to do a water rate review. Mr. Pennington stated that in the last workshop the water rates chart shown shows we are in the middle for our rates (about average) and that doesn't account for trash cost. The rates he used for survey are from March 2016 and so he is asking for a \$1.00 increase on sewer. He presented different options for tax rates and proposed spending. Discussion on water well, ground storage tank and basin cleaning cost occurred. On the HOT fund, Mr. Pennington stated he would get a legal opinion to see if the log cabin and Stencil repairs can be covered by HOT funds and not general funds. He reviewed last week's changes to the proposed budget. City Manager McDonald stated that at the next budget workshop he will have ran the numbers for a ½ cent and 1 cent reduction as options for council's review.

**Executive Session**

17. **Closed Executive Session under Texas Local Government Code 551.072 to deliberate the purchase, exchange, lease or value of real property**

Not needed

**Open Session**

18. **Return to open session and take action on any or all items from Executive Session, if needed.**

Not needed

**Adjourn**

Councilmember Penry made a motion to adjourn with a second from Councilmember Lee. Meeting adjourned at 8:54 pm.

**PASSED AND APPROVED** this 18<sup>st</sup> day of September 2018.

\_\_\_\_\_/signed\_\_\_\_\_  
Mayor Pro Tem Lee

**ATTEST:**

\_\_\_\_\_/signed\_\_\_\_\_  
Angela Smith, City Secretary