

**CITY OF VIDOR  
VIDOR CITY COUNCIL  
REGULAR MEETING  
AUGUST 8, 2019**

**MEMBERS PRESENT:**

Mayor Kimberly Stiebig  
Councilmember Bob Turner  
Councilmember Misty Songe  
Councilmember Keith Buesing  
Councilmember Gary Herrera  
Councilmember Jane Hill

**MEMBERS ABSENT:**

Councilmember Angela Jordan

**Administrative Personnel:** Mike Kunst, City Manager; Vicki Watson, City Secretary; Chris Leavins, City Attorney; Cheryl Ray, Supervisor of Finance & Accounting; and Rod Carroll, Chief of Police

**A. OPENING, PRESENTATIONS, AND CITIZENS COMMENTS**

**A -1. Call to order and the establishment of a Quorum**

A quorum was present, and the Regular Meeting of the Vidor City Council began at 7:00 p.m., Mayor Stiebig presiding.

**A -2. Invocation and Pledge to the United States Flag and the State of Texas Flag**

Rod Carroll, Chief of Police, gave the Invocation and led the Pledge to the United States Flag and the State of Texas Flag.

**A -3. Citizen Comments**

Paul Biehle, 45 Heritage Drive, stated he is still here about the roads in Heritage Park and will continue to come. Mr. Biehle stated the Drainage District has agreed to help with the outfall ditches, but the roads are the primary concern at this time. Mr. Biehle stated the feeling in the neighborhood is that they come to Council and get their three-minute sound byte and are then forgotten and pushed back. Mr. Biehle stated he does not know if that is the case, but that is the perception, and he will continue to come until there are no options available.

Deborah Bednar, Keep Orange County Beautiful, thanked the Mayor, the City Manager, and the Council members who participated in the scrap metal and tire event held on July 27, 2019. Ms. Bednar stated the event was a huge success and explained there were over 1,000 tires removed and 9,800 pounds of scrap metal collected, which is the highest single collection day D&D Scrap Metal has ever had to date.

**B. COUNCIL CONSENT AGENDA**

**B -1. Approval of Accounts Paid and/or Accounts Payable:**

**Paid Invoices:**

**General Fund – \$129,142.02**  
**Sanitation Fund – \$11,361.79**  
**Child Safety – \$2,651.48**  
**Juvenile Case Management – \$64.77**  
**Municipal Court Building Security Fund – \$1,358.35**

Emergency Management – \$2,524.73  
LEOSE – \$308.28  
Hotel Occupancy – \$2,020.00  
Disaster Fund – \$3,306.55  
TDA2 Grant 7217480 – \$3,033.90

**B -2. Approval of Minutes: Regular Meeting – July 25, 2019**

**B -3. Ratification of the transfer of funds from Interest & Sinking 2013 General Obligation Refunding Bonds-Capital One Bank account to Interest & Sinking 2008/2016 General Obligation Refunding Bonds-TexPool account in the following amounts:**

July 29, 2019:	\$2,096.12
Aug. 5, 2019:	\$ 771.38
Aug. 5, 2019:	\$1,084.33

**B -4. Ratification of the payment of the quarterly State Criminal Costs and Fees in the amount of \$41,255.76 out of General Account/Pooled Cash**

A motion was made by Councilmember Hill, seconded by Councilmember Songe, to **APPROVE THE CONSENT AGENDA AS PRESENTED**. The Council voted five (5) for and none (0) opposed. The motion carried.

#### **C. COUNCIL REGULAR AGENDA**

**C -1. Consideration and possible approval of the permit for a new pipeline filed and requested by FHR Crocket Acquisition Company, LLC for a new pipeline to be installed and maintained in the City of Vidor, Texas, such pipeline beginning in Port Arthur, Texas and ending in Longview, Texas (*The public hearing regarding this application was held on July 25, 2019.*)**

Jasper Martin, Project Manager, and Clair Jackson, Flint Hills Public Information Officer, introduced themselves to Council. Mr. Martin explained the pipeline will be carrying a propylene product and answered questions from Council. Mike Kunst, City Manager, stated there was initially an insurance question and concern, and Chris Leavings, City Attorney, explained the certificate was amended since the last meeting and now complies with the Ordinance and includes the required 15-day notice and the City as an additional named insured.

Mr. Martin stated the project will go out for bids in September and will receive 4-5 bids. Mr. Martin explained they cannot hire a contractor unless they have a great safety record. Mr. Martin stated the pipeline is regulated under the Department of Transportation (DOT) and must meet their strict maintenance and safety requirements. Discussion ensued.

Councilmember Turner moved to **approve the permit for the new pipeline as presented**. Councilmember Songe seconded. The Council voted five (5) for and none (0) opposed. The motion carried.

**C -2. Consideration and possible approval of AN ORDINANCE OF THE CITY OF VIDOR, TEXAS AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 54 – SOLID WASTE, ARTICLE II – RATES AND CHARGES, REGARDING RATES AND CHARGES FOR SOLID WASTE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES;**

**PROVIDING FOR SEVERABILITY; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE *(First discussed during the meeting of July 25, 2019.)***

Mike Kunst, City Manager, stated this was talked about at the last meeting and has been publicized on the website and published in the paper of record. Mr. Kunst explained this is the actual amendment and will go into effect October 1, 2019. Chris Leavins, City Attorney, stated this covers residential, commercial, and tax exempt. Mr. Leavins stated that in reviewing this, it was discovered tax exempt units outside of the city limits were missing.

A motion was made by Councilmember Songe, seconded by Councilmember Hill, **to amend the Vidor Code of Ordinances, Chapter 54 – Solid waste, Article II – Rates and Changes as presented and advertised with the rate changes to take effect October 1, 2019.** ROLL CALL VOTE: Councilmember Turner, aye; Councilmember Songe, aye; Councilmember Hill, aye; Councilmember Herrera, nay; and Councilmember Buesing, aye. The Council voted four (4) for and one (1) opposed. The motion carried.

Mr. Leavins explained since the vote was not unanimous, it will have to come back for a second reading.

**C -3. Consideration and possible approval of a Resolution authorizing the submittal of a DR-4332 Community Development Block Grant- Disaster Recovery housing application to the General Land Office and authorizing the Mayor to act as the City's authorized representative in all matters pertaining to the application and the subsequent award**

Councilmember Songe moved **to approve the Resolution approving the submittal of the DR-4332 CDBG-DR housing application.** Councilmember Turner seconded. The Council voted four (4) for and one (1) opposed. *(Councilmember Herrera was the nay vote.)* The motion carried.

**C -4. Certification of the 2019 Property Values as presented by Orange County Tax Assessor-Collector**

Mayor Stiebig stated, "The Certification of the 2019 Property Value as presented by Orange Appraisal District states the following: 'I, Scott W. Overton, Chief Appraiser for Orange County, solemnly swear that I have made or caused to be made a diligent inquiry to ascertain all property in the District subject to appraisal by me and that I have included in this summary the market and taxable values of all property that I am aware of, at an appraisal value determined, as required by law.' The City of Vidor's Total Taxable Value is \$410,171,887 and the Freeze Adjusted Taxable (Net Taxable minus Freeze Taxable minus Transfer Adjustment) is \$362,521,204."

A motion was made by Councilmember Songe, seconded by Councilmember Hill, **to accept the Certification of the 2019 Anticipated Collection Rate and 2018 Excess Debt Collection as presented by the Orange County Tax Assessor-Collector.** The Council voted five (5) for and none (0) opposed. The motion carried.

**C -5. Consideration and possible action on establishing a proposed Maintenance and Operation tax rate and an Interest and Sinking tax rate and giving notice of public hearings, if necessary**

Cheryl Ray, Supervisor of Finance & Accounting, stated, "The Certified Taxable Value is lower than Preliminary Values by \$8,911,818 as presented in the first draft of the budget. The City's current tax rate is .72400 which was used in the first draft of the budget. Staff is proposing that Council pass the rollback tax rate of .70371 to raise more revenue from taxes than we did last year. We feel this should be discussed in light of lower appraised values due to Hurricane Harvey in the previous year and the cap the State legislature put on the property tax revenue that a City can raise in the future."

Mayor Stiebig stated, "Council needs to discuss and approve a maximum tax rate today, but that is not necessarily the tax rate that will be adopted by Council."

Mike Kunst, City Manager, stated the rollback tax rate is the number we can go up to before having to go to an election. Ms. Ray explained if the rollback rate is used, we will collect \$2,191,849 in tax revenue which is down \$122,205 from what is in the preliminary budget. Ms. Ray stated beginning next year, Legislature is limiting us to 3.5% per year, which will be tough. Mr. Kunst clarified the actual tax rate will be set toward the end of September. Discussion ensued.

Councilmember Songe moved **to set the maximum tax rate at .70371**. Councilmember Hill seconded. ROLL CALL VOTE: Councilmember Songe, aye; Councilmember Hill, aye; Councilmember Herrera, nay; Councilmember Buesing, aye; and Councilmember Turner, aye. The Council voted four (4) for and one (1) opposed. The motion carried.

#### **C -6. Discussion of the tax rate for Fiscal Year 2019- 2020**

Mike Kunst, City Manager, explained some of this is just discussion and the next couple of agenda items may blend together. *(Councilmember Buesing left the Council Chamber at 7:28 p.m.)*

Mr. Kunst stated the tax rate .724 was used in the preliminary budget presented to Council. Mr. Kunst stated the budget required an allocation from the reserve fund to do everything in that budget and staff came up with a number for that allocation. Mr. Kunst explained with that number going down, the allocation from the reserve fund will increase if we do nothing.

#### **C -7. Consideration and possible action regarding increasing the allocation from the fund balance for Fiscal Year 2019-2020 *(We currently have more than the legally required fund balance. We could increase the allocation and still have the required six months of funds.)***

*(Councilmember Buesing returned at 7:29 p.m.)* Mayor Stiebig directed Council to a handout in their packets. Cheryl Ray, Supervisor of Finance & Accounting, stated our fund balance policy says that we are supposed to keep in reserve 6 months of fund balance. Ms. Ray explained at this point, due to conservative spending and holding back last year because we did not know what we would have to match, it now appears we will get everything matched. Ms. Ray stated we now 8.64 months in fund balance *(one month is equal to approximately \$572,000)*. Ms. Ray stated our current overage, or negative, in the new budget is \$387,375. Ms. Ray stated this will not even spend down one month of that fund balance.

Ms. Ray asked how Council felt about spending some of that down to purchase things that we need. Ms. Ray stated one of those things could be doing some work on Heritage and explained CDBG-DR funds will pay for paving only a portion of the road. Ms. Ray stated we also need a new Grade-all (\$362,500) and explained our current one is 18 years old. Other possible suggestions presented by Ms. Ray included more economic progress money, upgrading the walkway at Joe Hopkins Park to composite material instead of treated lumber *(\$16,000)*, and a generator for the Police Department *(\$50,000)*.

Councilmember Herrera expressed concerns with spending the reserve funds down, but Ms. Ray explained those are taxpayer dollars just sitting in an account. Ms. Ray stated if Council wants to leave the fund balance in there, we will leave it in there, but if Council thinks it would be beneficial to spend it somewhere, then Council needs to tell us where to spend it. Discussion ensued.

A motion was made by Councilmember Songe to increase the allocation from the fund balance for fiscal year 2019-2020 to \$387,375. Ms. Ray stated that is what is in the budget now if Council does not want to increase it. Ms. Songe withdrew her motion.

Councilmember Hill asked Chief Carroll to prioritize the four things on the list for the Police Department. Chief Carroll prioritized as follows: 1) the generator; 2) the video interview room which will be required by the State effective October 1<sup>st</sup>; 3) tasers to replace outdated ones; and 4) radar units (*hand-held and mounted*).

Mike Kunst, City Manager, pointed out that all of the things mentioned are worthy items and as Cheryl pointed out earlier, it is Council's comfort level. Discussion ensued regarding Heritage Drive. Councilmember Buesing pointed out that without taking care of the drainage issues in Heritage, it doesn't make sense to repair the street.

Mr. Kunst advised against spending one-time money on recurring costs, such as personnel, and recommended spending it on one-time projects, such as capital outlay. Discussion ensued regarding putting money in street repair and drainage and possibly hiring a sub-contractor to clean out ditches.

Councilmember Songe moved **to increase the allocation from the fund balance for fiscal year 2019-2020 to \$1,451,000**. Councilmember Buesing seconded. ROLL CALL VOTE: Councilmember Hill, aye; Councilmember Herrera, aye; Councilmember Buesing, aye; Councilmember Turner, aye; and Councilmember Songe, aye. The Council voted five (5) for and none (0) opposed.

#### **C -8. Consideration and possible action regarding selection of one-time expenditures or projects in order to spend down the fund balance**

Mike Kunst, City Manager, asked Council to let staff know specifically if there is something they want in the budget. Councilmember Buesing recommended \$500,000 for drainage. Discussion ensued. Mr. Kunst explained even if we were spending \$10,000,000 in the next year, we are still restricted by the capacity to get the work done. Mr. Kunst discussed the challenge of contracting the work out and not getting a lot of bids.

A motion was made by Councilmember Songe **to include the list as presented (*Grade-all- \$362,500; upgrade Joe Hopkins Park walkway to composite material- \$16,500; generator for PD- \$50,000; tasers for PD- \$9,500; radar units for PD- \$6,500; and video interview room- \$6,000*) and \$500,000 into streets and \$500,000 into drainage to be added into the 2019-2020 budget**. Councilmember Turner seconded the motion. Councilmember Buesing asked if the money was being allocated to ditches and Chris Leavins, City Attorney, advised that was not included in the motion on the floor. ROLL CALL VOTE: Councilmember Hill, aye; Councilmember Buesing, nay; Councilmember Herrera, aye; Councilmember Turner, aye; and Councilmember Songe, aye. The Council voted four (4) for and one (1) opposed. The motion carried.

#### **C -9. Consideration and possible approval of repairs/maintenance to Vidor City Hall**

Mayor Stiebig referred Council to a letter from Marsh Waterproofing. Cheryl Ray, Supervisor of Finance & Accounting explained when we changed pest control companies, the new pest control guy noticed the seal on the bottom of the building is not good and needs to be resealed. Ms. Ray stated Marsh Waterproofing came out and agreed but also found water intruding into the stucco which is what causes the orange lines down the sides of the building. Ms. Ray stated Marsh advised the stucco will start to fall away within 2 years.

Ms. Ray stated HB Neild is supposed to come give a bid tomorrow, but they were supposed to come Monday and again today and have not shown up. Ms. Ray stated another company came today and said it was too big of a job and they would not be able to do it. Ms. Ray discussed Marsh's bid (\$50,000) and explained we will probably need to pull it out of contingency, which we have not used this year. Ms. Ray stated she will go

with the lowest bid out of the ones who are big enough to complete the job. After a brief discussion, it was determined that no action would be taken at this time.

#### **C-10. Report and discussion regarding the 2018 Racial Profile Report**

Rod Carroll, Chief of Police, explained this report is required by the State of Texas annually. Chief Carroll stated the majority are white ethnicity and he does not see anything on the report that will draw attention.

A motion was made by Councilmember Turner, seconded by Councilmember Songe, **to accept the 2018 Racial Profile Report as presented.** The Council voted five (5) for and none (0) opposed. The motion carried.

#### **C-11. Consideration and possible action to rescind Resolution 559 which authorizes the waiver of certain building and inspection fees associated with completed and approved new residential construction as an economic development tool under the Texas Constitution *(If approved, this would come back to the City Council as another resolution overturning Resolution 559.)***

Mike Kunst, City Manager, explained every two years, we have to renew our reinvestment zones and under our Pride & Progress program, we have been waiving building permit/inspection fees for four years now. Mr. Kunst stated with the State capping property tax revenue, it is something for Council to consider. Discussion ensued.

Councilmember Songe made a motion to continue waiving the building and inspection fees. Chris Leavins, City Attorney, explained no action is needed if Council wishes to continue waiving the fees, and Ms. Songe withdrew her motion. No action was taken.

#### **C-12. EXECUTIVE SESSION pursuant to Texas Government Code, Section 551.071 – Consultation with Attorney, regarding legal process and considerations involved in the potential demolition of certain structures within the City**

Mayor Stiebig recessed the Regular Meeting of the Vidor City Council at 8:05 p.m. to meet in **EXECUTIVE SESSION pursuant to Texas Government Code, Section 551.071 – Consultation with Attorney, regarding legal process and considerations involved in the potential demolition of certain structures within the City.** Mayor Stiebig reconvened the Regular Meeting of the Vidor City Council at 8:16 p.m.

#### **C-13. Consideration and possible action regarding EXECUTIVE SESSION pursuant to Texas Government Code, Section 551.071 – Consultation with Attorney, regarding legal process and considerations involved in the potential demolition of certain structures within the City**

No action was taken.

#### **C-14. Consideration of Adjournment**

A motion was made by Councilmember Songe, seconded by Councilmember Turner, for **Consideration of Adjournment.** The Council voted five (5) for and none (0) opposed. The motion carried, and the Regular Meeting of the Vidor City Council adjourned at 8:16 p.m.

***These minutes approved August 22, 2019.***

  
Kimberly Stiebig, Mayor

ATTEST:

  
Vicki Watson, City Secretary