



STATE OF TEXAS  
COUNTY OF FORT BEND  
CITY OF RICHMOND

The City Commission for the City of Richmond, Texas met in Special Session at 600 Morton Street on August 11, 2021, at 4:30 p.m.

Mayor Becky Haas proceeded to call the meeting to order at 4:31 p.m. The meeting was broadcast via video conference call. All members of the public may participate in the meeting and via video conference call.

A quorum was present, with the following members in attendance:

Becky Haas, Mayor  
Terry Gaul, Commissioner P1  
Barry Beard, Commissioner P2  
Carl Drozd, Commissioner P3  
Alex BeMent, Commissioner P4  
Terri Vela, City Manager  
Howard Christian, Assistant City Manager "ACM"  
Gary Smith, City Attorney  
Laura Scarlato, City Secretary

Agenda item A2, Public Comments were opened and there were no citizens signed up to speak therefore the agenda item was closed.

Agenda item A3, Review and consider taking action on Resolution No. 365-2021, Granting Conditional Consent to create a Municipal Utility District No. 251. City Manager Terri Vela provided the background and information for the agenda item along with the Developer of Richmond Agrihood being present to provide input. Both Scott Snodgrass and Clayton Garrett were in attendance. It was stated the development is close to Hwy 90 and State Highway 99 which is not conducive to providing utilities. The 234.872 acres is partially located in the City's extraterritorial jurisdiction with potential for annexation in the future. There were questions regarding specific details of the agreement with City Manager Vela providing the response. Commissioner Terry Gaul expressed appreciation for the effort and model of cooperation of the Developer and staff to move in a direction to benefit both parties and is hopeful going forward. Commissioner Beard made the motion to approve Resolution No. 365-2021 giving conditional consent to the creation of a Municipal Utility District. Commissioner Gaul seconded the motion, and the vote was unanimous to approve.

Agenda item A4, Review and accept 2021 Certified Appraisal Roll. Finance Director Justin Alderete provided the information for the agenda item. The processed and the different values were explained and the effects the values have on the City of Richmond. The total assessed value totals \$617k with a percentage under review due to lawsuits and protests. The taxable value is \$608k for 5,203 accounts with an estimated taxable value of \$621k once the review is complete. There were questions from the Commission with responses provided by Finance Director Alderete. Commissioner Drozd made the motion to accept the 2021 Certified Appraisal Roll with Commissioner Beard seconding the motion. The vote was unanimous to approve.

Agenda A5. Review and discuss FY 2021-22 Annual Budget Workshop to discuss Tax Rate and Additional Budget Discussions. Finance Director Alderete clarified where the City is, currently in the budget process. In the past few weeks, the General Fund and Debt Service Fund were reviewed with the Commission. This Workshop is to review the Property Taxes and determine the Tax Rate that will support the budget. Staff suggested publishing the maximum rate with the ability to lower it if needed. The property tax key terms, no-new-revenue tax rate, voter approval tax rate and the de minimis tax rate were provided and explanations provided. The net taxable properties total 60% with 40% of the properties being exempt. Residential and Commercial are almost equal with 51% and 49% respectively. The average home price has risen significantly since 2015 topping out at \$140,321 in 2021. Commissioner Gaul suggested lowering to a round number and inquired the impact. Commissioner Drozd cautioned lowering the tax rate with the many unknowns the City is facing. Following a question-and-answer period, with the Mayor making note, her priority would be the tax exemptions. Commissioner BeMent made the following motion: I move that the maximum tax rate published be set at \$0.6825 and the Public Hearing on the Tax rate be set for September 20, 2021, at 4:30 p.m. at 600 Morton Street. Commissioner Beard seconding the motion. The vote was recorded as follows:

Commissioner Gaul	Favor
Commissioner Beard	Favor
Commissioner Drozd	Favor
Commissioner BeMent	Favor
Mayor Rebecca Haas	Favor

The discussion continued with regards to the utility rates that have not changed since June 2019. Finance Director Alderete requested guidance from the Commission providing the proposed increases suggested by the consultant in 2019 that were not implemented. Examples of the effects of a 5% increase were provided stating there are two components to the utility rate, base rate and volumetric rate based on consumption. Finance Alderete provided comparisons with other cities as to the bill amount and also a demographic comparison. Commissioner BeMent made note of the no "boil water" notice in the City of Richmond and if that means increasing the rate to maintain the integrity of the facilities then he would be in favor. Commissioner Gaul inquired if there were any Fort Bend County cities without a Groundwater Reduction Plan (GRP) fee.

City Manager Vela stated Needville, Kendleton, Pleak and Fairchild as well as some other small cities that do not charge the fee. However, the plan is being reviewed and, in the future, could include the entire county. Commissioner Beard inquired if there was a way to track what capital improvement projects would be funded by the increase. There was no action required for this item, therefore the item was closed.

A6. Adjourn to Executive Session, as authorized by Texas Government Code, Section 551.071, Attorney Consultation and Section 551.087, Economic Development Negotiations.

Adjourned at 5:45 p.m.

Reconvened into open session at 6:55 p.m.

The Mayor called for a motion on Project Battleship.

Commissioner Drozd made the motion to approve memorandum of understanding on Project Battleship and authorize staff to renegotiate the time and distance restriction on not feasible finding. Commissioner Beard seconded the motion, and the vote was unanimous to approve.

There was no action taken on Project Slice.

With no further business to discuss, Mayor Haas declared the meeting adjourned at 6:57 p.m.

APPROVED:



Rebecca K. Haas, Mayor

Attest:

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Laura Scarlato, City Secretary