

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
CITY OF COLLEGE STATION
MARCH 8, 2011

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Nancy Berry

Council:

John Crompton
Jess Fields
Dennis Maloney
Katy-Marie Lyles
Jana McMillan
Dave Ruesink

City Staff:

David Neeley, City Manager
Kathy Merrill, Assistant City Manager
Carla Robinson, City Attorney
Sherry Mashburn, City Secretary

1. Call to Order and Announce a Quorum is Present

With a quorum present, the Special Meeting of the College Station City Council was called to order by Mayor Nancy Berry at 4:05 p.m. on Tuesday, March 8, 2011 in the College Station Utility Services Training Center, 1603 Graham Road, College Station, Texas 77842.

2. Executive Session

In accordance with the Texas Government Code §551.071-Consultation with Attorney, the College Station City Council convened into Executive Session at 4:06 p.m. on Tuesday, March 8, 2011 in order to continue discussing matters pertaining to:

A. Consultation with Attorney to seek advice regarding pending or contemplated litigation; to wit:

- City of Bryan's application with TCEQ for water & sewer permits in Westside/Highway 60 area, near Brushy Water Supply Corporation to decertify City of College Station and certify City of Bryan
- Clancey v. College Station, Glenn Brown, and Kathy Merrill

- Rachel Rahn v. Alma Martinez, The Arkitex Studio, Inc. et al, Cause No. 09-000656-CV361
- Timothy Delasandro et al v. City of College Station et al; Cause No. 11-000240-CV-272
- City of College Station, Texas, v. Virtual Equity Group, Inc, et al relating to nonpayment of hotel occupancy taxes for College Station Inn
- Weingarten Realty Investors v. College Station, Ron Silva, David Ruesink, Lynn McIlhaney, and Ben White
- Chavers et al v. Tyrone Morrow, Michael Ikner, City of Bryan, City of College Station, et al

B. Consultation with Attorney to seek legal advice; to wit:

- Legal Issues related to Wellborn Annexation
- Legal Issues regarding possible revenue sharing and legislation in bio-corridor

The Executive Session adjourned at 4:42 p.m. on Tuesday, March 8, 2011.

3. Action on Executive Session.

No action was required from Executive Session.

4. Presentation, possible action, and discussion regarding the draft annexation service plan and updated annexation fiscal impact information for the Wellborn area.

Lance Simms, Assistant Director of Planning and Development Services, provide an update on the annexation process and an analysis of the fiscal impact. The map shown depicted a proposed area of annexation reduced to 648 acres due to several non-annexation agreements. These development agreements will be acted upon concurrently with the vote on annexation. The proposed area has 82 dwelling units, with a population of just over 200. The total value of the area is \$25 million. This annexation will increase the area of College Station by approximately 2% and will increase the City's population by two-tenths of 1%.

The Service Plan, as required by state law, will provide service to the annexed area in a manner comparable to the level of service available to similar areas of the City. It does not reduce the service level within the City limits by more than a negligible amount. The service plan, upon annexation, is a contract with the residents of the annexed area. There are three components to the Service Plan: 1) immediate services; 2) additional services; and 3) capital improvement projects.

Immediate services include such things as police protection (routine patrols, traffic control, etc.); fire protection (emergency response, target hazard inspections, etc.); emergency medical service (nothing changes in this area because we are the primary provider); and solid waste collection (state law says residents may continue to use private collection agencies for two years before the City provides the service and bills the resident). The operation and maintenance of water and wastewater facilities is another service included in the plan; however we do not have to provide water because the area is already served by Wellborn Water. Wastewater is development driven, but the City will be proactive and do some work on the north west side through the CIP process.

We will take on the operation and maintenance of public roads and streets at the same level, but we don't maintain private roads. Other immediate services include the operation and maintenance of public parks and playgrounds (these will be maintained at the same level as in the City) and the operation and maintenance of other publicly-owned facilities (Wellborn residents will continue to receive power from BTU).

Additional services are above and beyond what the state requires. The Local Government Code is not explicit about additional services, but the service plans provides that the City will provide additional services such as:

- Building permits/inspections (currently there are no permits required in the county)
- Planning/development services, including the Comprehensive Plan, re-zoning, and a Chapter 2 special study
- Economic and community development(residents will be able to participate in the HOME program for repair/remodel grants for owner-occupied homes)
- Animal control
- Code enforcement
- Recycling collection above and beyond curbside collection

Capital improvements will include wastewater service. The City is obligated to provide service to a portion of the annexed area. Street/road maintenance is being proposed to upgrade dirt/gravel roads, and we will also look at the future land use plan and existing development. All other services do not require a CIP. Annexed areas will be served through existing facilities, mutual aid agreements, and franchise agreements.

Mr. Simms then presented a proposed sanitary sewer plan. Existing gravity lines are providing sewer service to areas of the proposed annexed area. Everything else is operating on private systems. Staff is proposing to put in a 12" gravity line to service the area along the east side of FM 2154, with taps and stub outs for parcels fronting that road. This line is part of the existing master plan. The Local Government Code says that CIP projects must be completed within two-and-a-half years, but can be pushed out to four-and-a-half years. They are proposing four-and-a-half years in the service plan.

The immediate fiscal impact shows conservative estimated projected annual revenues of \$113,000 for property tax and \$60,000 for sales tax. The annexed property would be added to the tax rolls in January 2012, and it would be a year before the City sees any revenue. Immediate anticipated costs are broken down as:

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| • Survey work | \$ 16,800 |
| • Seal coat for gravel roads/streets | \$102,000 (about 7,500-8,00 linear feet completed in about two-and-a-half years) |
| • Compensation for ESD | \$ 15,000 |
| • Wastewater CIP | \$3,300,000 (spread over 20 years and includes acquisition costs) |

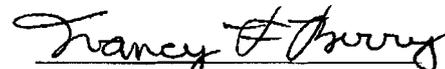
The wastewater CIP would be paid for through a rate increase of 2% (or 55 cents per month per typical single-family home) or through impact fees.

A conservative estimate of the full build out fiscal impact, with static projections (property tax and sales tax remaining the same), shows an additional \$44,000 for utility revenues. The cost to serve the area is approximately \$191,000 resulting in an annual fiscal impact of \$26,000.

The next steps in the process include a first Public Hearing on March 22, at 6:00 p.m., at the Wellborn Community Center, and a second Public Hearing on March 24, at the regular City Council meeting. Council will consider the annexation at the April 14 Council meeting. The plan will be posted on the City website, and copies will be made available for the public to view. Notices have been mailed out to affected residents, and Public Hearing notices will be published in the paper.

5. Adjournment

MOTION: There being no further business, Mayor Berry adjourned the Special Meeting of the College Station City Council at 5:55 p.m. on Tuesday, March 8, 2011. The motion carried unanimously.


Nancy Berry, Mayor

ATTEST:


Sherry Mashburn, City Secretary