



# October 14, 2017 Town Hall Meeting

**VOTER CONFIRMATION OR REJECTION  
OF CITY'S AUTHORIZATION TO ISSUE  
BONDS APPROVED IN NOVEMBER 2016**

# First, A Little Housekeeping

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## RESOLUTION NO. 523- A RESOLUTION ADOPTING RULES OF PROCEDURE, CONDUCT AND DECORUM FOR THE CITY COUNCIL OF THE CITY OF GRANITE SHOALS, TEXAS AND EXTENDING SUCH RULES TO THE CITY'S BOARDS AND COMMISSIONS

Decorum. No person shall engage in any of the following in the meeting room during a City Council meeting:

- Shouting, unruly behavior, distracting side conversations, or speaking out when another person is talking.
- Defamation, intimidation, personal affronts, impugning the motives of any person, profanity, or threats of violence.
- Audible use of phones, pagers, radios, computers or other electronic equipment.
- Any other disruptive behavior that impedes or disrupts the orderly conduct of the meeting.

# Introductions

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- Eric Tanner, Chair (512-755-2321, [etannertx@gmail.com](mailto:etannertx@gmail.com))
- Tena Collier
- Bobbi Deberard
- Cory Hanneman
- Dennis Maier

# Today's Meeting Objectives

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By state law, this committee can educate regarding issues before the public, but neither the committee members nor the City staff in attendance today can advocate either for or against these issues.

With that done these are the primary objectives for today's meeting:

1. First, to thank you for coming today,
2. Provide you with information you can use to inform your vote in the upcoming election in November, and
3. Attempt to answer any questions you may have.

# Background

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- In **2016**, the City was informed by a representative of the United States Department of Agriculture (USDA) that grant funds for projects such as the City was proposing were available from that agency on a 55/45 basis, which meant that if the City put up 45% of the total funding as a match, the USDA would provide 55%.
- With this information, coupled with numerous citizen complaints about the streets for years, City staff over a 12 month period developed a detailed plan to reconstruct the entire lengths of the three primary arterial streets in the city:
  - **Phillips Ranch Road**
  - **Prairie Creek Road**
  - **Valley View Lane**

## Background, cont.

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- The plan was provided to a local engineering firm to obtain an estimate of the costs of the plan. That estimate came back at just over \$7 million.
- Using the USDA formula, the City understood that it would have to provide a \$3.1 million match in order to obtain \$3.9 million from the USDA.
- In order to obtain the matching funds, the City Council passed an ordinance calling for a bond election in November 2016, in the amount of \$3 million.
- The election was held, and the bonds approved by the voters by a margin of 65% to 35%.

# Background, cont.

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- Subsequently, the City Manager and Council began collecting and preparing the documentation necessary to apply for the USDA grant.
- During the application process, and after considerable information had been submitted to the agency, another representative from the USDA stated that the 55/45 match applied ONLY to water projects, and that the maximum amount available for road projects was \$50,000.
- At that point a decision was made not to pursue the smaller grant amount, and after extensive discussion the City Council, in light of the change in circumstances, voted to seek confirmation from the voters before issuing the bonds approved last November.

Which brings us to today.

# What the City *IS* seeking

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- Since circumstances changed regarding the availability of USDA grant funds *after* last year's election, the Council decided that it would be desirable to seek voter reconfirmation before issuing the bonds that were approved last November.
- Therefore, in August the Council approved an ordinance putting reconfirmation before the voters next month.



## What the City *IS NOT* seeking in the upcoming election

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- **NO additional funds are being sought for this project.**  
The upcoming election is simply to obtain voter reconfirmation to issue the bonds approved in November 2016.
- **NOT seeking to eliminate any of the streets from the project approved last November.**
- **NOT seeking to add any other streets to the project.**
- **NOT seeking to divert the bond monies for any other purpose.**

By both ordinance and the ballot language approved by the voters last November, the bond funds **must** be expended to improve all three of the arterial streets and **only** those three arterial streets.

# Ballot Language

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This is what you will see on the ballot next month:

YES [  ] Shall the City remain authorized to issue the \$3,000,000 of tax bonds previously approved by the voters of the City on November 8, 2016, for improvements to Phillips Ranch Road, Prairie Creek Road and Valley View Lane?

NO [  ]

What are the differences between the \$7 million 2015 project and the revised \$3 million 2017 project?

# 2015 Project Scope

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## For Phillips Ranch Road:

- Reconstruction of the entire length of Phillips Ranch by removing the entire existing road surface and underlying base and re-using the materials as part of a new sub-base;
- Straighten the “S” curve between RM 1431 and Newcastle Drive;
- Lay and compact 9” of new road base,
- Overlay the new base with up to 2” of asphalt paving
- Install ribbon curbs the entire length of both sides of Phillips Ranch.

# Revised 2017 Project Scope

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- **Phillips Ranch Road**

- Reconstruction of the approximately 0.92 miles of Phillips Ranch Road from RM 1431 to Newcastle Drive (*near the Black Pearl*).
- Repaving the remaining 1.46 miles of Phillips Ranch Road from Newcastle Drive to Live Oak Drive. This includes removal and replacement of a *select number* of areas with failing pavement (*as was recently completed on RM 1431*), followed by laying up to 2 inches of structural hot asphalt mix.
- Straighten the “S” curve between RM 1431 and Newcastle Drive;

Reconstruction means removing the existing road surface and underlying base, creating a new sub-base, and laying 9 inches of new flex base, followed by paving with up to 2 inches of structural hot asphalt mix.

Repaving means paving over the existing road surface and/or repaired road base with up to 2 inches of structural hot asphalt mix.

# 2015 Project Scope

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## For Prairie Creek Road:

- Reconstruction of the entire length of Prairie Creek by removing the entire existing road surface and underlying base and re-using the materials as part of a new sub-base;
- Re-grading and raising the road bed as necessary to resolve drainage issues;
- Lay new lines for current water and future wastewater systems;
- Lay and compact 9” of new road base, and
- Overlay the new base with up to 2” of asphalt paving
- Install curbs and gutters to collect rainwater and discharge it into the lake via piping under the airport.

# Revised 2017 Project Scope

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- **Prairie Creek Road**

Repaving all 1.3 miles of Prairie Creek Rd from RM 1431 to Sherwood Forest Dr., including removal and replacement of a *select number* of areas with failing pavement, followed by laying up to 2 inches of structural hot asphalt mix over the entire distance.

# 2015 Project Scope

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## For Valley View Lane:

- Reconstruction of the entire length of Valley View by removing the entire existing road surface and underlying base and re-using the materials as part of a new sub-base;
- Re-grading and resolve drainage issues;
- Where necessary, lay new lines across the road for water and future wastewater systems;
- Lay and compact 9" of new road base, and
- Overlay the new base with up to 2" of asphalt paving
- Install ribbon curbs the entire length on both sides of Valley View.



# Revised 2017 Project Scope

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- **Valley View Lane**

Repaving all 1.53 miles of Valley View Lane from RM 1431 to Lee Way, including removal and replacement of a *select number* of areas with failing pavement, followed by laying up to 2 inches of structural hot asphalt mix over the entire length.

# Summary of Differences between the 2015 and 2017 Projects

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The issue has been raised if we can get all the paving done for \$3 million, why did we need \$7 million?

There are significant differences in scope between the two projects:

## **2015 proposed:**

- Total reconstruction of the full lengths of all three streets;
- Full length ribbon curbs on Phillips Ranch and Valley View, and curbs with gutters on Prairie Creek;
- New water and wastewater (for future use) lines to be laid under the new streets;
- On Prairie Creek, extensive storm water collection and discharge into the lake.

# Differences between the 2015 and 2017 Projects, cont.

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## **2017 proposed:**

- Limited reconstruction of portions of all three streets; repaving over the existing surface for the remainder
- No Intersection changes on RM 1431;
- Straightening of the “S” curve on Phillips Ranch Road;
- No ribbon curbs on Phillips Ranch and Valley View, and No curbs and gutters on Prairie Creek;
- Limited new water and wastewater (for future use) lines to be laid.
- No storm water capture and discharge via the airport, and no other drainage improvements.
- Original project had a proposed lifespan of 20 years; revised project has proposed lifespan of 10-15 years.

# Financial Impact on Residents if Bonds are Sold

## 10 and 15 Year Repayment Schedules:

<b>\$3,000,000 - 2018 Bonds Delivered 2/1/2018 - 4.000% <sup>(3)</sup></b>		
Principal	Interest	Total
\$ -	\$ -	\$ -
230,000	180,000	410,000
300,000	110,800	410,800
315,000	98,800	413,800
325,000	86,200	411,200
340,000	73,200	413,200
350,000	59,800	409,600
365,000	45,800	410,600
380,000	31,000	411,000
395,000	15,800	410,800
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<b>\$ 3,000,000</b>	<b>\$ 701,000</b>	<b>\$ 3,701,000</b>

<b>\$3,000,000 - 2018 Bonds Delivered 2/1/2018 - 4.000% <sup>(3)</sup></b>		
Principal	Interest	Total
\$ -	\$ -	\$ -
110,000	180,000	290,000
175,000	115,600	290,600
180,000	108,600	288,600
190,000	101,400	291,400
195,000	93,800	288,800
205,000	86,000	291,000
210,000	77,800	287,800
220,000	69,400	289,400
230,000	60,600	290,600
240,000	51,400	291,400
245,000	41,800	286,800
255,000	32,000	287,000
265,000	21,800	286,800
280,000	11,200	291,200
-	-	-
-	-	-
<b>\$ 3,000,000</b>	<b>\$ 1,051,400</b>	<b>\$ 4,051,400</b>

# 10 and 15 Year Impact on Tax Rates

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- Annual Impact of 10 Year bonds on \$100,000 Valuation Property = \$44.30
- Annual Impact of 15 Year bonds on \$100,000 Valuation Property = \$17.70
- Calculation includes property values of Beaver and Web Isles as of Fiscal Year 2018-2019

# Distribution of Property Values

## Breakdown of Property Value as of July 2016

<u>Home Value Range</u>	<u>Total Appraised Value</u>	<u>Number of Property Owners</u>	<u>% of Ownership</u>	
Over 65 or Disable Exemptions	\$ 95,694,914	453	18%	No Tax impact
Under \$25,000	\$ 5,575,785	519	21%	
\$25,000 TO \$100,000	\$ 40,455,959	684	28%	
\$100,001 TO \$300,000	\$ 68,060,163	425	17%	
\$300,001 to \$500,000	\$ 79,743,691	196	8%	
Over \$500,001	\$ 139,554,937	208	8%	
	\$ 428,995,449	2,485	100%	

Note: The above numbers do not include Beaver or Web Isle

# Summation

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- The City **IS NOT** seeking additional funding from its taxpayers in the election next month; it is seeking voter reaffirmation to issue the bonds already approved.
- If the bonds are sold the City **WILL** improve all three of our primary arterial streets with the funds available.
- These improvements will be significantly better and more durable than the grade and chip seal method that Granite Shoals typically utilizes, with a projected life span of 10-15 years before requiring re-surfacing.
- Whether or not the bonds are not sold the City will continue with its current street paving, maintenance and repair program for the other streets in the City.

Questions?

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Questions?



# Meeting Closing

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- This meeting of the 2017 Road Bond Education Committee is officially closed, and
- The Committee is officially disbanded at the close of this meeting.