

**Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
July 19, 2018 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:31 p.m. by Mayor Skip Blancett.

Mayor Blancett gave the Invocation and the Board of Aldermen led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Fred Brown, Aldermen Andy Jackson, Michael Coggin, Frank Coachman, and Michael McDougal.

Staff Present: Village Administrator Don Ferguson and City Secretary Cara McPartland

Citizens Communications

Pete Stebbins of 1206 Ambrose Drive expressed concerns regarding a house at 2919 Chisholm Trail that was flooded in 2010 and has remained in disrepair or under construction since then. He stated he cares deeply about Salado's ambiance and felt that allowing this situation to continue sends a negative message about who we are as a community. He said that after eight years, the construction should be completed or bulldozed. He distributed photos of the subject property to the Board of Aldermen.

Larry Nathanson of 3901 Chisholm Trail spoke of the upcoming Patriot Day celebration to be held on September 11, 2018 in honor of our first responders. He noted that invitations have been sent out to many elected officials and concluded his remarks by passing out invitations to all Board members.

John Cole of 1420 Old Mill Road, present on behalf of the Mill Creek Community Association, spoke on his organization's growing membership, association-sponsored events, and deed restriction enforcement issues. He noted the Board's previous discussion and action on yard/driveway parking, specifically of boats, travel trailers, and campers, and advised of difficulties encountered by the Association when attempting to enforce its deed restrictions. He said there are alternatives available, such as local storage facilities, and asked for the Board's help in regulating parking of these types of vehicles on residential properties in Mill Creek. Mr. Cole provided a copy of current deed restrictions to the Board.

1. Consent Agenda

- A. Approval of minutes of the Special Board of Aldermen meeting of July 12, 2018.
- B. Approval of minutes of the Regular Board of Aldermen meeting of July 5, 2018.
- C. Approval of minutes of the Special Board of Aldermen meeting of July 5, 2018.
- D. Approval of minutes of the Special Board of Aldermen meeting of June 28, 2018.

E. Approval of the June 2018 Financial Statements for the Village of Salado.

Alderman Coachman moved to approve the Consent Agenda, as presented. Alderman McDougal seconded. Motion carried on a vote of 5-0.

2. Village Administrator's Report

- Status Report on the Salado Wastewater Project

Village Administrator Ferguson reported collection system crews are expected to move trenching equipment onto West Village Road in the next 7-10 days. He anticipated Main Street construction to be completed in the next 30 days. He noted temporary cold mix patching work has been done on Church and Royal Streets and installation of a guard rail on Royal Street. He spoke of progress at the treatment plant site and equipment delivery. He advised that the Village has paid almost \$1,300,000 for the collection system and almost \$1,100,000 for the treatment plant construction to date. He displayed photos showing the progression of work at the treatment plant site.

- Status Report on Salado Gateway Sign Project

Village Administrator Ferguson reported the Village has made its financial contribution to the project and anticipated that the glass sculpture will be completed within the next few weeks. He spoke of power supply alternatives for the sign and landscaping maintenance and irrigation at both the north- and southbound I-35 sign locations.

- Status Report on sales tax collections for the Village of Salado

Village Administrator Ferguson reported that the Village's June check, representing May collections, totaled almost \$35,000, up 22 percent from the same period last year. He noted this is the largest June check in the Village's history, with fiscal year-to-date collections running well ahead of budget.

In addition, Village Administrator Ferguson reported on recent meetings with the owner of the Chisholm Trail property previously referenced by Pete Stebbins (see Citizens Communications) attempting to expeditiously resolve the unfinished and unpermitted construction at that site.

He also spoke on the condition of Royal Street, which was identified as being in dire need of rebuilding before the commencement of wastewater construction. He spoke of alternatives to complete reconstruction, including a possible 2-inch overlay and chip sealing. He recommended a more affordable two-course surface treatment approach at a cost of \$45,000-50,000, with the intent of seeding a fund for such repairs while wastewater construction is still ongoing. He said cost estimates are being finalized for Church Street, which has been in bad condition for a long time. Additionally, it was noted that the Board will have an item on its August 2nd agenda to consider placing a lien on the Holiday Inn Express for non-payment of Hotel Occupancy Tax.

3. Presentation

Presentation from the Pace Park Advisory Board regarding a proposed Pace Park Improvement Plan. (*Pace Park Advisory Board*)

Village Administrator Ferguson advised that the Pace Park Advisory Board has requested continuance of this item until the Board's August 2nd meeting.

4. Public Hearing and Possible Action

Hold a public hearing and consider approval of a request for a variance from Section 5.3C1B of the Village of Salado Zoning Ordinance, which prohibits fences in the front yard of any single family residential lot, to allow for construction of a front yard fence on property located at 620 De Grummond Way in Salado, Bell County, Texas. (*Village Administrator*)

Village Administrator Ferguson reviewed the variance request from applicant Bobbie Carroll, who is seeking the variance to install a front yard fence to enhance security and keep deer off her property. He said 13 notices were sent to property owners within 200 feet of the subject property and 7 responses were received, all in support of the variance request. He noted there are some pre-existing front yard fences in the neighborhood.

Applicant Bobbie Carroll of 620 De Grummond Way read a letter that expressed concerns for the security, safety, and health of her family members and pet dog. She described the design and features of the fence that would be ornamental wrought iron in the front (with a 30-foot setback) and wooden on the sides. She said the fence would be attractive in appearance and have a matching driveway gate with automatic opener.

Discussion between Alderman McDougal and the applicant established that the reason for the variance is primarily for security for her family and protection from deer, including deer-borne ticks and fleas.

Mayor Blancett opened the public hearing and announced the first call for speakers at 7:05 p.m.

John Cole of 1420 Old Mill Road understood problems with deer, but feared if the rules are bent for this applicant, it would "open the flood gates" for all in Salado who have the similar problems.

Linda Reynolds of 507 Santa Rosa spoke of her mother's residence in Mill Creek, which she said is very wooded, shady, and infested with deer. She said after reading the Village's Zoning ordinance, she discovered there is already a provision that does not allow heavy equipment, and the Village could be charging a fine of up to \$2,000. She felt that the Village is small enough that individual issues involving safety, health, and the welfare of the family are important for us to consider, even though "we may not want them in other places." Given the nature of the subject property's area, Ms. Reynolds said she supports the applicant's variance request.

Ted Herman of 123 Bluebonnet Way spoke of receiving a 200-foot notification letter regarding the variance request and of his personal conversation with the Carrolls. Based on this conversation, he detailed reasons for the serious need for enhanced security and safety measures at the Carroll residence.

Mayor Blancett announced the second and third calls for public speakers at 7:10 p.m.

Hearing no responses, Mayor Blancett closed the public hearing.

Mayor Pro-tem Brown moved to approve the variance request, as presented. Alderman Coggin seconded.

Discussion among Board members addressed the issue of variances as weakening ordinances; possible need to re-visit ordinance to remove prohibition of front yard fences; deer problems common to the entire Village of Salado; 30-foot setback/ornamental wrought iron design for proposed front yard fence; the applicant's specific security/safety concerns ; and comparison of subject property's proposed fence with an existing fence across the street.

Motion to approve the variance, as presented, carried on a vote of 3-2, with Aldermen McDougal and Coachman voting against.

Village Administrator Ferguson recommended revisiting the Village's Zoning Ordinance to review the issue of front yard fences at the Board's August 2, 2018 meeting.

5. Ordinances

- A. Consider approval of the second and final reading of an ordinance of the Village of Salado, Texas, repealing Ordinance No. 2013-05 and replacing it with Ordinance No. 2018-10 regulating signs; providing for the following: findings of fact, severability, penalties, repealer, an effective date, and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the proposed ordinance to update the Village's existing sign ordinance and remove conflicting language.

Discussion addressed event signage; clarified the definition of "event" signs as primarily relating to events such as garage sales, open houses, wedding receptions, and birthday parties; pre-existing, non-conforming ("grandfathered") status of existing signage; circumstances that might revoke grandfathered status; and the consideration of future sign variances by the Village's Board of Adjustment to be comprised of volunteer citizens, rather than Board of Aldermen members.

Alderman Coachman moved to approve the second and final reading of Ordinance 2018-10, as presented. Alderman Jackson seconded. Motion carried on a vote of 5-0.

- B. Consider approval of the first reading of an ordinance of the Village of Salado, Texas, authorizing the creation of land use assumptions, capital improvements plan, and certain other requirements for the adoption of impact fees for the wastewater utility. (*Village Administrator*)

Village Administrator Ferguson reviewed prior impact fee discussions/public hearing procedures and highlighted the purpose and calculation of impact fees as statutorily limited use funds. He

spoke on the system's total funding in the context of balancing three revenue sources – taxes, impact fees, and rates. He stressed that any impact fee exemptions (such as for non-profit organizations) considered by the Board must be applied uniformly and be time-specific. He provided multiple scenarios for impact fee adoption, including consideration of adopting an impact fee for existing customers versus only for new development, impact fee payout options, and impact of future growth on funding. Other options were discussed to help minimize the costs of connections such as the opportunity to pay impact fees over four years at no interest and possible unit bid pricing for decommissioning of existing septic. Discussion continued regarding the Village's options to work with customers who cannot pay the impact fee, the number of LUEs anticipated for specific businesses, decommissioning costs, length of payout period for payment of impact fees, taxpayers' expectations of reduced rates as businesses connect to system, tax revenue needed to pay debt service, and benefits of a wastewater system to the local economy. Village Administrator Ferguson recommended the Board use a phased approach on actions to adopt an impact fee through a series of motions.

Alderman McDougal moved to charge an impact fee to existing customers. Alderman Coachman seconded. Motion carried on a vote of 4-1, with Mayor Pro-tem Brown voting against.

Mayor Pro-tem Brown moved to charge an impact fee to new growth (new customers) in Salado. Alderman Jackson seconded. Motion carried on a vote of 5-0.

Mayor Pro-tem Brown moved to charge an impact fee of \$1,875 to existing customers, payable over a two-year period, interest-free. Discussion included projected number of total LUEs and possible future connections. Motion died for lack of a second.

Alderman Coachman moved to accept the Wastewater Impact Fee Advisory Committee's recommended impact fee of \$3,750, payable over a four-year period, interest-free. Alderman McDougal seconded. Motion carried on a vote of 4-1, with Mayor Pro-tem Brown voting against.

Mayor Pro-tem Brown moved to charge an impact fee of \$3,750 for new customers, with no payout period. Alderman McDougal seconded. Motion carried on a vote of 5-0.

Village Administrator Ferguson advised that the Board needs to consider the length of time customers have to connect in order to take advantage of the interest-free payout option, once the wastewater service becomes available to them and they are required to connect. He said customers would be required to provide proof their systems have been properly decommissioned as part of the connection process. The pros and cons of various timeframes (30-, 60-, 90-, 180-days) to connect were discussed, including a possible request to Bell County to consider allowing a longer period (10-12 months) to decommission existing septic or use of a check valve that would allow existing customers to switch over to their old septic as a back-up in the event of a wastewater system failure. As another means of offsetting costs to customers, there was discussion of a possible rebate program for those connected customers who provide proof of decommissioning, if there are available project contingency funds.

Alderman Coachman moved that existing customers must connect to the wastewater system within 90 days, in order to retain their eligibility as existing customers. Alderman Jackson seconded. Motion carried on a vote of 5-0.

Alderman Jackson moved to approve first reading of the ordinance to establish an impact fee, as presented, including the various adjustments made tonight by prior motions. Alderman Coachman seconded. Motion carried on a vote of 5-0.

Village Administrator Ferguson explained a possible proposal for undeveloped properties to receive a credit on their impact fee for any reservation fee paid ahead of connection to the system.

6. Discuss and Possible Action

Discuss and consider possible action regarding the proposed Fiscal Year 2019 Goals and Priorities for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson requested that this item be continued until the Board's August 2, 2018 meeting.

7. Workshop

- A. Discuss and consider issues relating to a proposed ordinance requiring a conditional use permit to park a recreational vehicle or travel trailer in the driveway of a single-family residential property within the corporate limits of Salado. (*Village Administrator*)

Village Administrator Ferguson explained the Planning and Zoning Commission's recommendation to require a conditional use permit (CUP) to park a recreational vehicle (RV) or travel trailer in the driveway of a single family residential property. He noted the public hearing/notification process required for CUP applications that engages neighbors and allows for public input. He reminded that CUPs are zoning actions that remain with the property, regardless of changes in ownership, but can be revoked for non-compliance with CUP conditions or at the request of the property owner. He advised the proposed ordinance gives the Board flexibility in placing CUP conditions that address neighbors' concerns. Discussion included complaint-driven CUP enforcement, CUP application procedures, public notification/zoning notice publication, and public hearings required before the Planning and Zoning Commission and the Board of Aldermen. Village Administrator Ferguson said applicants are encouraged to communicate with neighbors prior to applying for a CUP, as the application fee is not refundable in the proposed ordinance, should the CUP be withdrawn or denied. It was noted that the first reading of the ordinance is scheduled for the Board's meeting on August 2, 2018.

- B. Discuss and consider issues relating to the Village of Salado Wastewater System including, but not limited to, proposed ordinances regarding mandatory connection and pre-treatment, customer connection procedures, treatment plant operations and system expansion. (*Village Administrator*)

Village Administrator Ferguson requested Board direction on issuance of a Request for Proposals (RFP) for contract operation of the wastewater treatment plant, as opposed to creating a Village department to operate the plant. He also asked for input on possible creation of a customer care program for existing customers, if there are available unused contingency funds. This program would help to offset costs and might include items such as a rebate program (if contingency funds are available) and discounted contractor rates (for existing septic decommissioning).

- C. Discuss and consider issues relating to the development of the Fiscal Year 2019 Operating Budget for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson presented a breakdown of General Fund expenditures and Fund Balance allocations. He explained the use of a “Needs” Budget for long-term planning, which is intended to be a realistic view of true real needs, as identified and justified by department heads. He stressed that the Board is not being asked to approve this year’s “Needs” Budget, as funds are not available, but asked that Board members start thinking about identified needs now, for budget discussions in future years. The following “Needs” Budget items were presented:

- Two additional police officers
- Police records clerk/court clerk (part-time shared position)
- Receptionist/Accounts Payable Clerk
- Market adjustment for officer pay to help lessen turnover and remain competitive in recruiting new officers
- Police step-pay program; competitive certification pay
- Pay adjustment for all non-police personnel (except for Village Administrator)
- One new computer for Police Department; one new computer for Municipal Building staff
- New mobile data terminals (laptops) for Police Department
- Gateway security system with license plate recognition software
- Large format copier for oversized documents such as plats
- PA system improvements in Board chambers
- Traffic counters with better traffic monitoring capabilities
- Development of a two-trolley program, including two part-time employees (paid from General Fund), to allow for continuous trolley use Fridays-Sundays
- New lawn mower
- Trail system in Pace Park
- Downtown public restroom
- Two warning sirens in the event of floods or natural disasters (or for match funding, if grants are available)
- Four low water crossing gates
- New air conditioning system for Police Department
- Start seed fund for police patrol vehicle replacement
- Codification of Village ordinances
- Street condition assessment and associated capital improvements package
- Wayfinding signage
- Gateway signage island maintenance
- Park maintenance

- Drainage culvert maintenance

Village Administrator Ferguson noted that the Board will be asked to act on certain budget items at its next meeting on August 2, 2018.

Adjournment

Mayor Blancett called the meeting adjourned at 9:07 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 2nd of August, 2018.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

