

**Village of Salado**  
**Salado Municipal Building**  
**301 North Stagecoach Road**  
**Salado, Texas**  
**Minutes of Regular Meeting of Board of Aldermen**  
**September 16, 2021 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Michael Coggin. *The meeting was conducted in person and using videoconferencing. Public participation was also available via videoconference.*

Alderman D. Jasen Graham gave the Invocation and the members of the Salado Arrow of the Light Den (Cub Scout Pack 1115) led Posting of the Colors and the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Michael Coggin and Aldermen Paul Cox, Jason Howard, and D. Jasen Graham attended in person. Mayor Pro-tem Rodney Bell and Alderman John Cole attended via videoconference.

Staff Present: Village Administrator Don Ferguson

## **1. Citizens Communications**

Margaret Blanton of 233 N. Main Street asked that the Board carefully consider any budget amendments before taking action. She said any available money should help those citizens and businesses impacted by expenses related to sewer connections. She spoke of the personal impact of sewer-related expenses that she felt unfairly burdened citizens and businesses that were required to connect. She questioned whether all required sewer connections have been completed. She said Pace Park is in need of maintenance and cited specific issues that should be addressed. She asked the Board to consider carefully the needs of the Village when allocating funding and questioned expenditures for additional administrative personnel and flags on street light poles.

Mayor Coggin said the proposed budget includes a paving project for the road to Pace Park and funds for the all-abilities playground. He noted recent and upcoming improvements to Pace Park, including painting of restrooms, replacement of fans, electrical upgrades, and flag/flagpole maintenance/replacement. He spoke of the tax burden on those required to connect and on other citizens who are helping to pay for wastewater service that others are receiving. He noted that diligent efforts continue toward improving financing of the wastewater system. He cited limited staff given area growth and development and invited citizens to contact him with any concerns. Village Administrator Ferguson confirmed that all required connections to the wastewater system have been completed and that the proposed budget and related information is available for viewing on the home page of the Village of Salado website.

## **2. Consent Agenda**

- A. Approval of minutes of the Regular Board of Aldermen meeting of September 2, 2021.
- B. Approval of the August 2021 Financial Statements for the Village of Salado.

- C. Approval of the FY 2021 Quarterly Investment Reports for the Village of Salado.
- D. Approval of the Comprehensive Fund Balance Policy and Fund Balance Classification for the Village of Salado.
- E. Approval of the Investment Policy for the Village of Salado.
- F. Approval of the route for the *2021 Warrior Angels in Boots 5K* on Saturday, November 13, 2021.

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

### **3. Discuss and Consider Possible Action Regarding Any Item Removed from the Consent Agenda**

No items were heard.

### **4. Ordinances**

- A. Discuss and consider approval of an ordinance of the Village of Salado, Texas, adopting the Fiscal Year 2022 Operating Budget for the Village of Salado; declaring findings of fact; providing an effective date; providing a severability clause; and providing an open meeting clause. (*Village Administrator*)

This item was heard after Agenda Item 5D.

Village Administrator Ferguson highlighted certain proposed adjustments, including those related to incorporation of new insurance premiums in the General Fund budget, with a net decrease due to one employee opt-out. He noted amendments to the wastewater system operating budget related to a decrease in electric costs and elimination of legal/engineering and sludge disposal fees, resulting in a surplus amount to be moved to Repairs, if any future repairs are needed. He advised that the amendments eliminate the General Fund subsidy of \$37,924.52 set forth in the proposed budget. Regarding the Interest Sinking Fund Budget, he recommended the option to use surplus debt service revenue to buy down the tax rate this year, rather than using the General Fund.

Mayor Coggin invited public comments. No comments were heard.

Alderman Graham moved to approve the Fiscal Year 2022 Operating Budget for the Village of Salado, as amended. Alderman Cox seconded. Mayor Coggin called for a record vote as follows: Mayor Pro-tem Bell, aye; Alderman Cox, aye; Alderman Cole, aye; Alderman Graham, aye; and Alderman Howard, aye. Motion carried on a vote of 5-0.

- B. Discuss and consider approval of an ordinance of the Village of Salado, Texas, setting a property (ad valorem) tax rate; approving the ad valorem tax rate and levy of \$0.4953 per one hundred dollars (\$100) of assessed valuation of all taxable property within the corporate limits of the Village for the 2021 Tax Year to help fund the Fiscal Year 2022 Operating Budget for the Village of Salado; providing for an exemption on residence homesteads; providing for exemptions for individuals who are disabled or 65 years of age or older; providing for penalties and interest; providing for severability; providing for

repealing conflict; providing for proper notice and meeting; providing for engrossment and enrollment; providing for notification to assessor; and providing for publication and effective date. (*Village Administrator*)

Village Administrator Ferguson reviewed the proposed maintenance and operation (M & O) tax rate and the debt service tax rate.

Alderman Cox moved to approve the ordinance of the Village of Salado, Texas, setting a property (ad valorem) tax rate; approving the ad valorem tax rate and levy of \$0.4953 per one hundred dollars (\$100) of assessed valuation of all taxable property within the corporate limits of the Village for the 2021 Tax Year to help fund the Fiscal Year 2022 Operating Budget for the Village of Salado, as presented. Alderman Graham seconded. In response to Mayor Pro-tem Bell, Village Administrator Ferguson provided a breakdown of the total ad valorem tax rate of \$0.4953, which consists of two components – a M & O tax rate of \$0.1955 and debt service rate of \$0.2998.

Mayor Coggin called for a record vote as follows: Alderman Howard, aye; Alderman Graham, aye; Alderman Cox, aye; Alderman Cole, aye; and Mayor Pro-tem Bell, aye. Motion carried on a vote of 5-0.

## 5. Discussion and Possible Action

- A. Discuss and consider possible action regarding proposed revisions to the Sanctuary Development Agreement. (*Mayor Michael Coggin and Village Administrator*)

Mayor Coggin detailed key revisions relating to expiration of rebates; maximum tax rebates/impact fees to be returned to the developer; permitting of apartments only allowed south of FM 2268, with the exception of already permitted Water's Edge Apartments; Public Improvement District (PID) provisions (if approved); wastewater impact fee waiver/tax rebate timeframes and caps; and possible Royal Street upgrades.

Discussion included most appropriate timeframe for Board action on proceeding with drafting of a revised agreement; importance of obtaining a pro forma statement to validate financial calculations and revised debt requirement for creation of a PID or issuance of debt; role of Board prior to issuance of debt, if PID is created; negotiations relating to waivers/rebates; and PID assessments based on debt issued for infrastructure improvement.

Mayor Pro-tem Bell moved to allow Mayor Coggin to continue his negotiations and consultations with legal counsel on the agreement that has been negotiated to date, to continue to gather data, and move forward with the revision process. Alderman Howard seconded. Motion carried on a vote of 5-0.

Mayor Pro-tem Bell left the meeting at this time (7:24 p.m.).

- B. Discuss and consider possible action awarding a contract for the 2021 Wastewater Extensions Project, authorizing the Village Administrator to execute the contract and authorizing the expenditure of remaining wastewater bond proceeds to fund the subject project. (*Village Administrator*)

Village Administrator Ferguson reviewed the locations of line wastewater extensions and bids received. He recommended awarding the contract to the second-lowest bidder, Roan Commercial Group of Seguin, Texas, as significant issues were discovered with the lowest bidder's contract submittal relating to form and pricing errors. He noted funding for this project will come from remaining wastewater bond proceeds. Jake Blair of KPA Engineering answered questions regarding the project's scope, timeframe, contract period, and construction details. Discussion addressed the amount of available remaining bond funds for possible future projects and specific properties being connected that have asked for wastewater service.

Alderman Cole moved to approve awarding a contract in the amount of \$402,710.00 for the 2021 Wastewater Extensions Project to Roan Commercial Group, authorizing the Village Administrator to execute the contract and authorizing the expenditure of remaining wastewater bond proceeds to fund the subject project. Alderman Graham seconded. Motion carried on a vote of 4-0.

- C. Discuss and consider action renewing the Village of Salado's insurance agreement with Texas Municipal League Health to provide employee insurance benefits. (*Village Administrator*)

Village Administrator Ferguson recommended renewal of the Village's insurance agreement with TML Health to provide medical, dental, and vision coverage for employees. He noted that coverage for employees' dependents is the responsibility of the employee.

Alderman Graham moved to approve renewal of the Village's insurance agreement with TML Health for the Plan Year 2021-2022. Alderman Cox seconded. Motion carried on a vote of 4-0.

- D. Discuss and consider possible action approving the Amended Fiscal Year 2021 Operating Budget for the Village of Salado. (*Village Administrator*)

This item was heard after Agenda Item 3.

Village Administrator Ferguson provided a brief explanation of the budget amendment process to account for anticipated differences in actual expenditures and revenues compared to budgeted expenses and revenues, and recommended approval.

Alderman Howard moved to approve the Amended Fiscal Year 2021 Operating Budget for the Village of Salado, as presented. Alderman Cox seconded. Motion carried on a vote of 5-0.

### **Adjournment**

Alderman Cox moved to adjourn. Alderman Graham seconded. Mayor Coggin called the meeting adjourned at 7:39 p.m.

Recorded by:

Don Ferguson

These minutes approved on the 7th of October, 2021.

APPROVED:



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Michael Coggins, Mayor

ATTEST:



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Cara McPartland, City Secretary

