

Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
January 6, 2022 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 available via videoconference.*

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

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

Staff Present: Village Administrator Don Ferguson, Assistant Village Administrator Stacey Ybarra, and City Secretary Cara McPartland.

1. Citizens Communications

Amber Dankert of 9652 Stinnett Mill Road expressed safety concerns relating to construction traffic coming from the south end of College Hill, particularly during Acton Academy drop-off times. She said that construction traffic should be planned during the design phase to handle vehicle capacity during and after construction, including options such as alternate routes.

Linda Reynolds of 1110 Mill Creek Drive spoke of her experience testing the speed limit sign on Salado Plaza Drive, which she said did not flash at her. She said there should be a sign on the other side of the street because the real speeders come across the one-way bridge and fly down Salado Plaza Drive. She hoped the Board would reconsider the proposed amendment to Section 9.01(d) (Roadway Improvements) of the Sanctuary development agreement relating to costs of electricity used by street lighting and felt that those costs should be the responsibility of HOAs and developers.

Pete Stebbins of 1106 Ambrose Drive expressed safety concerns regarding potholes and drainage issues on Hester Way. He spoke of his personal experience a number of years ago digging a ditch between houses that improved the drainage. He also spoke of several non-functioning street lights that are in his neighborhood, specifically those at Hester Way and Walker Circle. He said there is increased traffic from Mill Creek Meadows and offered suggestions such as traffic control/speed limit signs, speed bumps, enforcement of existing stop signs, or rerouting of traffic.

Discussion addressed plans for drainage and pothole repairs referenced by Mr. Stebbins; Blackberry Road access for Mill Creek Meadows Phase III construction; and confirmation that the speed control sign on Salado Plaza Drive does flash.

2. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of December 16, 2021.
- B. Approval of minutes of the Special Board of Aldermen meeting of September 9, 2021.
- C. Approval of the appointment of Jeff McClure to the Village of Salado Planning and Zoning Commission.

Alderman Cole requested to pull Consent Agenda Item 2C for separate consideration under Agenda Item 3. Alderman Cole moved to approve Consent Agenda Items 2A and 2B, 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

Regarding Consent Agenda Item 2C, Alderman Cole expressed concerns that Jeff McClure may have a conflict of interest issue as he was also appointed to serve on the RV ordinance task force, which is tasked with making recommendations that may include potential zoning changes affecting RVs.

Mayor Pro-tem Bell moved to approve Jeff McClure's appointment to the Planning and Zoning Commission, as presented. Alderman Cox seconded.

Discussion addressed conflict of interest issues in general; the ability of Mr. McClure to remain impartial and unbiased and/or to recuse himself from discussion, if deemed necessary; and importance of broad-based representation on boards and committees.

Motion carried on a vote of 4-1, with Alderman Cole voting against.

4. Status Reports

A. Village Administrator's Status Report

- Wastewater Bond Refunding Update

Village Administrator Ferguson reported the Refunding Ordinance has been executed and talks are underway with banks interested in the Village's bonds.

- FY2021 Audit Update

Village Administrator Ferguson reported Armstrong, Vaughan & Associates is preparing for the audit, including a site visit later this month. He anticipated presentation of the audit report to the Board of Aldermen in February 2022.

- Speed Control Signage Update

Village Administrator Ferguson reported on the speed control signage on Salado Plaza Drive that reflects the speed of vehicles and flashes when speed is excessive. He said the sign does have

some traffic data collection capabilities that help determine its effectiveness. He noted that a second sign was ordered that will float to different streets where traffic speed is an issue.

- 2021 Development Activity Update

Village Administrator Ferguson reported an overall decrease in residential and commercial construction; strong new residential construction, with 10 new homes permitted in 2021; increased energy conservation construction, such as solar panels and generators; and decreased number of commercial certificates of occupancy for 2021, with a recent uptick noted.

- RV Ordinance Task Force Update

Village Administrator Ferguson reported on the task force's membership; initial January 12th meeting at 10:00 a.m.; and task force's charge to develop a proposed ordinance regulating RV parking within the Village.

- Habitat Conservation Plan Update

Village Administrator Ferguson reported that an 11-member panel of participating entities conducted interviews of firms that responded to the Request for Proposal (RFP) for plan development. He advised the panel recommended entering into an agreement with Blanton & Associates that will be brought to Bell County Commissioners Court for approval. He noted the Village's share of the project cost is approximately \$8,000.

In addition, discussion addressed the 12-15 month timeframe for completion of the codification project, which will include a searchable digital code; periodic updating process; and legal review of criminal versus civil penalties.

B. Salado Police Chief Status Report

- Calls for Service
- License Plate Reader Program Update
- Citizens on Patrol Program

C. Salado Fire Chief Status Report

- Calls for Service

D. Tourism Director's Report

- Salado Marketing Activities
- Visitors Center Activities
- Upcoming Events

Village Administrator Ferguson advised that Agenda Items 4B, 4C, and 4D will be continued, as Police Chief Pat Boone, Fire Chief Jim Franz, and Tourism Director Andrea Howard were unable to attend tonight's meeting.

5. Ordinance

Consider approval of an ordinance of the Village of Salado, Texas, ordering a General Election on May 7, 2022, for the purpose of electing a mayor and two (2) aldermen of the Village of Salado Board of Aldermen; establishing early voting locations and polling places for the election; making other provisions for the conduct of the election; and providing for findings of fact, severability, conflicting provisions, governing law, proper notice and open meeting, and an effective date. (*Village Administrator*)

Village Administrator Ferguson reviewed key provisions of the ordinance ordering a joint election, including election day/early voting dates and times, and future consideration of a joint election agreement among the Village of Salado, Salado ISD, and the Salado Public Library District. Brief discussion addressed filing period for candidates.

Mayor Pro-tem Bell moved to approve the ordinance, as presented. Alderman Graham seconded. Motion carried on a vote of 5-0.

6. Public Hearing and Possible Action

Hold a public hearing and consider approval of amendments to the Master Development Agreement between the Village of Salado and Billie Hanks, Jr.; Hanks-Cabiness Trust; BHHC Christian Development, LLC; BHHC Christian Development I, LLC; BHHC Christian Development II, LLC; BHHC Christian Development III, LLC; Heidi Hanks Waters; Heather Hanks McGready; Old World BBD, Inc.; and Sanctuary Salado Investment II, LLC; including amendments to the Chapter 380 Economic Development Agreement with those same parties, and the Wastewater Service Agreement between the Village of Salado and Sanctuary Development Company, LLC, both incorporated in the Master Development Agreement. (*Mayor Michael Coggin*)

Village Administrator Ferguson noted the following additional amendment to the last sentence of Section 11.03 Economic Development Grants, as recommended by the Village's Attorney Cobby Caputo: "The Parties hereby agree that the ~~Tourism Marketing Agreement~~ *Chapter 380 Economic Development Agreement* may be amended or revised by the Parties in the future without need of formally amending the Master Development Agreement."

Village Administrator Ferguson presented an historical overview of the renegotiation process from hiring of outside legal counsel for a comprehensive review and resulting negotiations with the developer. He noted that the Board has discussed amendments to the agreement at more than 12 posted public meetings since January 2021, with public comment taken on at least two occasions prior to tonight's public hearing. He provided details on the following proposed amendments:

- Require that roadways in the development are free of defect and damage prior to Village acceptance (*Existing agreement provides no real parameters for acceptance of streets*)

- Require developer to be responsible for maintenance of decorative streetlights (*Existing agreement required Village to be responsible for street light maintenance*)
- Ensure the Village is under no obligation to issue Public Improvement District (PID) Bonds (*Existing agreement indicates the Village shall issue Public Improvement District Bonds under certain conditions*)
- Cap the total amount of sales tax, property tax and rollback grants paid to the developer at \$3,000,000 (*Existing agreement places no cap on grant payments*)
- Waive \$6,000,000 in wastewater impact fees (*Existing agreement requires payment of all wastewater impact fees*)
- Establish an expiration date for the development agreement of 12:01 a.m. on January 1, 2036 (*Existing agreement terminates in 2060; some grant payments could be paid beyond this date*)

Mayor Coggin explained how establishing the 2036 expiration date would result in significant savings to the Village and incentivize the developer to commence construction and maximize tax rebates. Mayor Coggin stated that if a PID is established, the Village would set the terms.

Mayor Coggin opened the public hearing at 7:21 p.m.

Linda Reynolds of 1110 Mill Creek Drive reiterated her prior comments that the Village should not be paying Mr. Hanks' electric bill. She expressed appreciation to Mayor Coggin for his renegotiation efforts. She referenced amendments to Section 6.3 Connection Easements in the Wastewater Service Agreement and said the Village "is flirting with eminent domain again." She asked for clarification on what "work with Developer" means relative to obtaining easements. Ms. Reynolds stated she had knowledge of three families whom she did not want to name who have been harassed over easements and felt there are other options that would better protect the creek such as rerouting sewer lines.

Darlene Walsh of 1001 Mill Creek Drive thanked Mayor Coggin for his efforts toward amending the agreement. She expressed concerns that the developer may not be required to submit to inspection standards required of other developers. She spoke of a past example of a developer who performed his own inspections, sold sub-quality condos, and faced lawsuits from buyers. She also expressed concerns about taxpayers paying for utility costs for fountains and lighting.

Simon Walker, resident of Shepherd's Glen, asked if there is a mechanism to ensure the developer completes the project and prevents him from walking away from the development. He questioned the impact of non-completion on the Village of Salado and asked whether there is a deadline for completion. Mayor Coggin responded that the existing development agreement does not contain any deadlines or penalties for not starting construction.

Tim Fleischer of 912 Cedar Park Circle commended the current Board for its efforts to amend an agreement that was approved by a prior Board. He spoke of the developer's masterful sales pitch to the Village of a "dream and a vision of an old world European community." He said the first buildings that are going to be built look nothing like the original design documents, which he could not find on the Village's website. He asked if the apartment complex property under construction is owned by the Sanctuary developer or not. He said the Village of Salado should be under no

commitment to meet any agreements with the Sanctuary since construction does not adhere to the original design. He questioned what protections are in place to prevent the developer from selling off future pieces of the development that could become strip malls on the south side, apartments on the north side, and 1/10th of an acre lots with houses that cover more than 50 percent of the lot size. He said there is no way there would be room for a 2,000 square foot home with a driveway and sidewalks. He hoped the Board will go back to the original design documents and hold the developer accountable for not building to that design.

Amber Dankert of 9652 Stinnett Mill Road stated that when she was serving on the Board, she knew the developers they were selling the Village “a package of lies.” She said the Village needs to follow the specific advice of legal counsel on a plan of action to fix a broken document based on incorrect information.

Hearing no further comments, Mayor Coggin closed the public hearing at 7:37 p.m.

Mayor Coggin entertained a motion. Alderman Cole moved to listen to what the people said tonight before proceeding. Alderman Howard seconded.

Discussion addressed reasoning for waiting to take action, as the current agreement is binding and has been extensively discussed during lengthy renegotiations; confirmation that the developer sold off the parcel where apartments are currently under construction by new owners; penalties/remedies the developer may take against the Village; confirmation that there are residential design standards in the existing agreement that are available for viewing on the Village’s website; confirmation that the developer will have to adhere to design standards, obtain building permits, and undergo Village inspections; emphasis that the Village will not exercise power of eminent domain and will incur no cost associated with acquiring easements; prior public briefing by Village Attorney on the existing agreement’s legality and option to attempt renegotiation with developer; and additional amendment suggested by Alderman Howard to change Section 6.3(B) Connection Easements as follows: “In the event Developer is unable to secure such easements, Village agrees to work with Developer and any property owners ~~to obtain the necessary easements.~~”

After discussion on the original motion, Alderman Cole withdrew his previously stated motion. Alderman Howard concurred and withdrew his second.

Mayor Pro-tem Bell moved to accept the amendments as discussed and allow Mayor Coggin to move forward by presenting the amendments to Sanctuary developers for their consideration, with any responses to come back before the Board. Mayor Coggin restated the motion to approve the amendments, as presented, including the aforementioned additional amendments as suggested by Village Attorney Cobby Caputo and Alderman Howard. Alderman Cox seconded. Motion carried on a vote of 5-0.

7. Discussion and Possible Action

- A. Discuss and consider possible action authorizing the Village Administrator to negotiate a professional services agreement with a design-build firm relating to the development of an all-abilities playground at Pace Park. (*Village Administrator*)

Village Administrator Ferguson advised that the following firms responded to the Village's Request for Qualifications (RFQ):

- Braun & Butler Construction (Leander)
- STR Contractors, LLC/Casabella Architects (Liberty Hill)
- Webuildfun, Inc. (Austin)

It was noted that Village Administrator Ferguson and interview board members Alderman Howard, Parks Advisory Board Chair Amber Dankert, and Assistant Village Administrator Stacey Ybarra held extensive interviews and forwarded its recommendation to the Parks Advisory Board for consideration at its January 4th meeting.

Parks Board Chair Dankert spoke on the interview process and qualifications of each firm. She spoke highly of Braun & Butler's public outreach approach for the project and felt the firm will interact well with the community. She noted Braun & Butler had a shorter timeframe for completion due to available inventory and experience working with Texas Parks & Wildlife grant funded projects. She stated that the Parks Board unanimously voted to recommend approval of Braun & Butler.

Assistant Village Administrator Stacey Ybarra presented reference checks and provided detailed background information on Braun & Butler's many playground projects, which were all very favorable. Village Administrator Ferguson spoke on fundraising for the multi-phase project.

Discussion addressed design/build cost estimates; anticipated presentation of a finalized agreement to the Board on January 20th; initiation of the public engagement process; proposed location for the new playground; and relocation of the existing historically significant playground.

Alderman Cole moved to approve authorizing the Village Administrator to negotiate a professional services agreement with the design-build firm of Braun & Butler. Alderman Howard seconded. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action regarding the allocation of funds presented to the Village of Salado by the County of Bell for school crossing guard, health/nutrition, child abuse prevention/intervention, and drug/alcohol abuse prevention programs in Salado. (*Village Administrator*)

Village Administrator Ferguson explained that the annual allocation of approximately \$2,500 is historically donated to Salado ISD, which uses the funds to enhance school crossing guard safety, including items such as vest purchases and to maintain signage.

Alderman Cole moved to approve the allocation to Salado ISD, as presented. Alderman Cox seconded. Motion carried on a vote of 5-0.

- C. Discuss and consider possible action regarding a proposed calendar relating to the development of the Fiscal Year 2023 Village of Salado Operating Budget. (*Village Administrator*)

Village Administrator Ferguson presented a calendar containing important budget-related benchmarks and deadlines to help with development of the Fiscal Year 2023 Budget, with the understanding that dates may be amended, if necessary.

Alderman Graham moved to approve the proposed calendar, as presented. Mayor Pro-tem Bell seconded. Motion carried on a vote of 5-0.

Adjournment

Alderman Cole moved to adjourn. Mayor Coggin called the meeting adjourned at 8:08 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 9th of February, 2022.

APPROVED:



Michael Coggin, Mayor

ATTEST:



Cara McPartland, City Secretary

