

**Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
July 21, 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.*

Pastor Ricky Lindsey of Heritage Country Church 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 Paul Cox, John Cole, D. Jasen Graham, and Jason Howard attended in person.

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

1. Citizens Communications

No comments were heard.

2. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of June 16, 2022.
- B. Approval of minutes of the Special Board of Aldermen meeting of June 15, 2022.
- C. Approval of the June 2022 Financial Statements for the Village of Salado.

In response to Alderman Cole's question regarding a wastewater-related expenditure, Village Administrator Ferguson advised that said expenditure was for previously Board-approved repairs and supplies. Alderman Cole moved to approve the Consent Agenda, as presented. Alderman Cox 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 removed.

4. Village Administrator's Report

- Solid Waste Fees

Village Administrator Ferguson reported on a recent State Supreme Court ruling calling into question certain fees collected by municipalities from solid waste service providers. He stated the

ruling does not affect the Village's current practice of collecting franchise fees under the existing franchise ordinance, but it is possible waste service providers may approach the Village about renegotiating future franchise fees.

- Sales Tax Collections

Village Administrator Ferguson reported June's sales tax check totaled \$66,018.34 and fiscal year-to-date collections totaled \$627,304.92, up 15 percent from the same period last year, with collections running ahead of budget.

- May 2022 Election Cost

Village Administrator Ferguson reported the Village's invoice for election services from Bell County totaled \$3,436.10, with the total cost just over \$4,000, including publication of notices.

- Traffic Safety Improvements

Village Administrator Ferguson reported TxDOT is re-assessing the intersection of Royal and Main Streets following a recent traffic study. He said TxDOT is working on a plan to install LED stop signs at the Williams Road/Thomas Arnold frontage road intersections. He stated TxDOT is sending the problem street light heads to the manufacturer for repair and noted the problem is not due to burned-out bulbs.

- Street and Drainage Improvements

Village Administrator Ferguson reported bids will be sought in August for the resurfacing of Pace Park Road and Mill Creek Road between Main Street and Chisholm Trail. He noted the Village is working to secure a contractor to repair the saw teeth on the South Ridge low water crossing. He advised that Bluff Circle surface repairs will be scheduled, depending on the Board's action on Item 6E later on tonight's agenda. He reported the Village's Engineer is working on preliminary engineering for drainage improvements for Stagecoach Circle, Chisholm Trail, and Mill Creek projects and TxDOT is reviewing drainage studies from the IH-35 improvements to see if anything was missed regarding flows.

- Uncollected Hotel-Motel Occupancy Taxes

Village Administrator Ferguson reported staff continues to review databases to determine which short-term rentals (STRs) are not paying so-called "HOT" taxes to the State or to the Village of Salado and advised enforcement letters will be sent regarding payment of current and back taxes.

In addition, Assistant Village Administrator Ybarra spoke of Keep Salado Beautiful's request to have the Village assume administrative duties as a Village-led organization, but noted that Keep Salado Beautiful will retain its status and funding as a non-profit organization with regular board meetings.

Discussion confirmed that any potential changes to solid waste provider fees will have no impact on wastewater fees; no budget impact to the Village for assuming administration of Keep Salado Beautiful, which was not initiated by the Village, but requested by Keep Salado Beautiful; Susan Terry's outstanding contribution to Salado through her many years leading Keep Salado Beautiful; yellow striping to be done at Royal Street/Smith Branch Road prior to start of school; tree trimming scheduled for next week; and approximately 20 short-term rental operations to be notified of HOT tax reporting and enforcement.

5. Public Hearing and Possible Action

Hold a public hearing and consider approval of an ordinance of the Village of Salado, Texas rezoning approximately 2.059 acres, located at 1209 N. Stagecoach Road in Salado, Bell County, Texas, from HD (Historic District) to LR (Local Retail) and providing for the following: severability; effective date and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson advised that this item was continued by the Planning & Zoning Commission until its meeting on July 26, 2022. As such, Board action is required to continue this item until the Board's meeting on August 4, 2022. Mayor Pro-tem Bell moved to continue this item until August 4th, as presented. Alderman Graham seconded. Motion carried on a vote of 5-0.

6. Discussion and Possible Action

A. Discuss and consider possible action regarding the proposed Construction/Final Plat and Construction Plans for Sage Hill at Amity. (*Village Administrator*)

Village Administrator Ferguson briefed the Board on the proposed 22.89-acre single-phase residential development located between West Amity Road and FM 2484 in the Village's E-T-J. He advised access will come from Few Oaks Drive, water will be provided Salado Water Supply Corporation, and wastewater services will be provided by on-site septic facilities. He stated the Village Engineer has reviewed the plat/plans and found them to be in compliance with the Village's Subdivision Ordinance. He noted there is one change to the plat relating to drainage that can be explained further by the applicant's engineer, who is present at tonight's meeting.

In response to Alderman Cole's conveyance of concerns regarding water supply to the development, Village Administrator Ferguson stated that Salado Water Supply Corporation has issued a letter confirming that water can be provided to this development, as the developer is obligated to prove adequate water supply.

Monty Clark of Clark Associates Engineering confirmed that the plan includes sidewalks and consists of 30 lots. Mr. Clark explained the change to drain into the 100-year floodplain by directing water south through right-of-way and access to the owner's other lot, rather than between two lots on the southeast corner of the property.

Alderman Cox moved to approve the Construction/Final Plat and Construction Plans for Sage Hill at Amity, as presented, including the aforementioned change. Mayor Pro-tem Bell seconded. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action regarding a proposed development agreement with QT South LLC for the development of 5.87 acres of land located at the northwest corner of the intersection of FM 2484 and Interstate 35. (*Village Administrator*)

Village Administrator Ferguson briefed the Board on the subject property's location, intended use, facility/amenities, developer's request to annex into the Village, and considerable landscape and lighting requirements. He stated the developer is asking for a 100-foot tall sign, given the property's location in relation to interstate exits and position of the property at the intersection. He noted concerns related to typical truck stops and advised that the developer agreed to prohibit truck parking. As QT's corporate position does not allow for charging stations on their properties, Village Administrator Ferguson advised the developer will contribute toward the installation of charging stations for electric vehicles at other yet-to-be determined Village locations. He anticipated significant sales tax revenue from QT's operation, should the Board decide to approve the development agreement.

Mayor Coggin was very excited to see QT come to Salado and acknowledged the 100-foot sign height, which he said is needed based on his observation as a southbound driver on IH-35 due to the property's location, topography, and exit placements.

Discussion addressed wastewater service (properly permitted and privately owned/operated on-site septic facility); questions to QT representative David Meyer relating to traffic count, turn lanes, and interstate ingress/egress; prohibition of truck parking with separate truck fueling bays; and approximate timeframe for start of construction and opening date; prime location for QT; and statutory annexation process.

Alderman Graham moved to approve the development agreement with QT South LLC, as presented. Mayor Pro-tem Bell seconded. Motion carried on a vote of 5-0.

- C. Discuss and consider possible action regarding a petition for disannexation submitted to the Village of Salado, Texas. (*Village Administrator*)

Village Administrator Ferguson explained the petition was delivered too late for it to be validated and placed on the May election ballot. He advised that Village staff completed a formal review of the petition for placement on the November ballot, which determined that petition signatures were valid, but discovered that the statutorily required metes and bounds description of the area proposed for disannexation was not correct and did not match the area on the map submitted with the petition. He noted that Village legal counsel has advised that the incorrect description makes the petition invalid. He stated that there is a need for the Board to adopt a resolution formally declaring the petition invalid.

Discussion addressed the Village's contractual obligation under the Sanctuary development agreement to annex the development's property, regardless of the outcome of a proposed

disannexation election; historical and current cost to the Village related to petitions/elections for disannexation; legal action threatened in a letter received from the petitioner, should the Board approve the subject resolution; position of Village's legal counsel that petition does not meet statutory requirements for validity; if a disannexation election was successfully held, the properties in the area to be disannexed would still be obligated under State law to pay their share of wastewater debt until retired in 2035, and would lose police and zoning protection.

Mayor Coggin invited public comments.

Douglas Nelson of 1800 Guess Drive said there were people soliciting for petition signatures who did not reach his house and was deeply concerned as a homeowner about what could happen, if disannexed, such as loss of zoning and police protection. He said the idea that 57 votes could bring forward something like this is repugnant to him as an individual homeowner. He realized that there are rules and appreciated the Board taking it as seriously as it has, as he felt this matter does not deserve any more consideration.

No further public comments were heard.

Mayor Coggin agreed with Mr. Nelson's remarks and said people have approached him to say they signed a blank document that they did not intend to sign. He stated putting a petition together to disannex specific properties if they make you mad is disgraceful and said that is not the way we do business here in Salado.

Mayor Pro-tem Bell moved to adopt the resolution declaring the invalidity and insufficiency of the disannexation petition that was submitted in February, as presented. Alderman Cox seconded. Mayor Pro-tem Bell requested an amendment to add "per attorney counsel" at the end of the motion. Alderman Cox accepted the amendment for the additional motion language, as previously stated. Motion, as amended, carried on a vote of 5-0.

- D. Discuss and consider possible action regarding the proposed design of the Village of Salado all-abilities playground. (*Parks Advisory Board*)

Mayor Coggin advised this item will be continued for consideration at a future meeting.

- E. Discuss and consider possible action regarding a proposed agreement relating to the acquisition and improvement of Bluff Circle Road and amending the FY 2022 Operating Budget to reflect the cost of improving the subject roadway. (*Village Administrator*)

Village Administrator Ferguson reviewed the subject roadway's location, current condition, and agreement that will transfer ownership and maintenance of the roadway to the Village from the Bluff Circle Homeowners Association, after some immediate repairs are made at a cost of \$10,000. He advised that under the agreement, the Village and association would equally share the immediate repair cost, paying \$5,000 each. Once the Village assumes ownership and maintenance of the roadway, he said it will become a public street.

Discussion addressed the possibility of the Village paying the entire \$10,000 repairs; the association's legal obligation to bring the roadway up to public standards prior to changing the road's status from private to public; the association's ability to pay for half of the \$10,000 needed for immediate improvements and the Village's offer to share half of that cost; and higher than originally anticipated costs for immediate repairs.

Alderman Graham moved to approve the agreement for the acquisition and improvement of Bluff Circle Road and amending the FY 2022 Operating Budget to reflect the expenditure. Mayor Pro-tem Bell seconded. Motion carried on a vote of 5-0.

- F. Discuss and consider possible action authorizing the emergency replacement of the heating/air conditioning system at the Village of Salado Municipal Building and amending the FY 2022 Operating Budget to reflect the expenditure. (*Village Administrator*)

Village Administrator Ferguson explained the need for emergency replacement of the heating/air conditioning system, as it failed on July 8th when temperatures were exceeding 100 degrees daily. He provided details on the old and new systems and reasoning for replacing the system, after obtaining pricing from three contractors and approval from Mayor Coggin. He noted that the new system was acquired from and installed by Bell Air Conditioning, with the cost for replacement units and repairs to remaining original units totaling \$15,931.82.

Discussion addressed possible future options for Municipal Building facilities, taking care to minimize expenses for repairs to existing building, and payment of the expenditure from Fund Balance.

Alderman Cole moved to approve the emergency replacement of the heating/air conditioning system at the Municipal Building and amending the FY 2022 Operating Budget to reflect the expenditure, as presented. Alderman Cox seconded. Motion carried on a vote of 5-0.

- G. Discuss and consider possible action authorizing the Salado Police Department to submit a letter of commitment relating to the acquisition of two (2) new patrol vehicles. (*Village Administrator & Police Chief Gary McHone*)

Village Administrator Ferguson explained the purpose of the letter is to secure a place on the vehicle wait list, in the event funding is approved for two new patrol vehicles in the FY 2023 Operating Budget. He advised that the Salado Police Department must submit a letter of commitment indicating its desire to acquire two new Tahoes in order to be placed on the wait list. It was noted that the letter does not obligate acquisition of the vehicles, if the Board chooses not to fund them in the upcoming budget process or chooses to only fund one Tahoe.

Discussion addressed upcoming possible budget decisions regarding number of police personnel, including School Resource Officers, and number/type of existing/proposed vehicles. It was noted that the vehicles would be acquired under a lease program, if approved.

Alderman Cole moved to authorize the Salado Police Department to submit a letter of commitment relating to the acquisition of two (2) new patrol vehicles, as presented. Mayor Pro-tem Bell seconded. Motion carried on a vote of 5-0.

- H. Discuss and consider possible action regarding a proposal to hire two (2) additional School Resource Officers for the Village of Salado Police Department. (*Village Administrator & Police Chief Gary McHone*)

Village Administrator Ferguson spoke of recent discussions with Salado ISD Superintendent Michael Novotny regarding enhancing security at all campuses. As opposed to having one (1) school resource officer (SRO) making the rounds to all campuses, discussions have led to a proposal to hire two (2) additional SROs under the same cost-sharing agreement that applies to the current SRO. While the current agreement allows for SROs to be pulled from campus duties in times of emergencies or personnel shortages, Village Administrator Ferguson said under a new agreement, SROs would remain on school properties, as assigned, unless there is a major catastrophe. He noted that there is interest in the SRO positions from potential applicants, as demand is expected to significantly increase. He also advised that improvements to communications are being explored, as well as other Salado ISD programs to enhance security. He highlighted key provisions of the existing agreement between the Village of Salado and Salado ISD, which is updated on an annual basis prior to the start of each school year.

Mayor Coggin favored announcing the additional SRO positions in order to attract SRO candidates who are going to be in very high demand. Village Administrator Ferguson noted that Chief McHone is working on a staffing program that maximizes police presence, visibility, and training. Mayor Coggin and Village Administrator Ferguson expressed confidence in Chief McHone's ability to act as an incident commander, given his background and training.

Alderman Graham asked if there are specific SRO performance standards, to which Chief McHone replied affirmatively. In response to Alderman Cole, Chief McHone stated that SROs would be patrolling inside and outside their dedicated campuses and partnering with Salado ISD staff to help identify weaknesses. In response to Mayor Pro-tem Bell, Chief McHone stated that he will be working on a system to identify and report deficiencies to the Board and to Salado ISD.

Alderman Cole moved to approve the hiring of two (2) additional School Resource Officers, as presented. Alderman Cox seconded. Motion carried on a vote of 5-0.

- I. Discuss and consider possible action regarding the proposed acquisition of solar powered LED stop signs for the intersection of Williams Road and West Village Road. (*Village Administrator*)

Village Administrator Ferguson recommended approval to install solar powered LED stop signs to increase visibility of the signs on the heavily traveled intersection, which is in close proximity to several public schools. He advised the cost for four (4) signs is \$4,296 plus shipping.

Discussion addressed future redesign and increased traffic at the intersection, immediate need for the LED signs to make the signs easily visible, and the ability to repurpose the LED signs, when the intersection is redesigned in the next several years.

Mayor Pro-tem Bell moved to approve the acquisition of solar powered LED stop signs for the intersection of Williams Road and West Village Road, as presented. Alderman Graham seconded. Motion carried on a vote of 5-0.

- J. Discuss and consider issues relating to the development the FY 2023 Village of Salado Operating Budget. (*Mayor Michael Coggin; this is a workshop item and no action will be taken*)

Mayor Coggin advised this workshop item is a beginning step in the budget process and hoped to have a more detailed presentation at the Board's next meeting. Mayor Coggin, Village Administrator Ferguson, and Board members referenced the following proposed budget topics:

- \$250,000 for street/road improvements
- Additional law enforcement costs
- Continued goal to reduce wastewater debt
- Parks improvements (exploring grant funding options for future playground improvement phases, beautification projects, and possible splash pad)
- Drainage projects
- Additional marketing to promote tourism
- Staff salaries (COLA adjustment)
- Comprehensive Plan re-write
- Possible revenue from federal funding for wastewater treatment plant expansion, pending review and approval

Discussion addressed:

- Expansion of sidewalks to streets off Main Street
- Projections of increased tax/impact fee revenue
- Uncertainty regarding building activity

Village Administrator Ferguson advised there may be a need to call a special meeting relating to renegotiation of the Sanctuary development agreement. Quorum requirements and possible meeting dates were discussed.

Adjournment

Alderman Graham moved to adjourn. Mayor Coggin called the meeting adjourned at 8:24 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 4th of August, 2022.

APPROVED:



Michael Coggin, Mayor

ATTEST:



Cara McPartland, City Secretary