

**Village of Salado  
Salado Municipal Building  
301 North Stagecoach Road  
Salado, Texas  
Minutes of Regular Meeting of Board of Aldermen  
June 6, 2019 at 6:30 p.m.**

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

First Baptist Church Associate Pastor Frank Wallace gave the Invocation and Davis Graham led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, Alderman-elect Rodney W. Bell (assumed duties after oath of office administered), Aldermen Amber Preston Dankert, John Cole, and Michael Coggin.

Staff Present: Village Administrator Don Ferguson, City Secretary Cara McPartland, Police Chief Pat Boone, Fire Chief Shane Berrier, and Tourism Director Chadley Hollas

### **1. Oath of Office**

Administer oath of office to Alderman-elect Rodney W. Bell (*Mayor Skip Blancett*)

Mayor Blancett administered the oath of office to Alderman-elect Rodney W. Bell, who thanked everyone for their thoughts and kindness, and took his place at the dais.

### **2. Presentation**

Presentation of a public service award to Michael McDougal for serving six (6) years as an alderman for the Village of Salado, Texas.

As former Alderman McDougal was not present, this item will be continued to a future date.

### **3. Zoning Board of Adjustment**

Discuss and consider possible action regarding an appeal of the Village Administrator's decision regarding site development work at 20 Rock Creek Drive in Salado, Bell County, Texas (*Mr. & Mrs. James Reed, Appellants*)

Village Administrator Ferguson advised that the appellants have requested to continue this item until the Board's second meeting in July, or sooner, if possible.

Alderman Dankert moved to continue this item, as requested. Alderman Cole seconded. Motion carried on a vote of 5-0.

### **4. Citizens Communications**

Charles Dunifer, owner of Antique Rose at 402 N. Main Street, expressed concerns regarding exemptions granted for certain businesses such as the Stagecoach Inn and any breaks given to businesses such as Barrow's Brewing (*see Agenda Item 8C*). He said that such exemptions or breaks are wrong and should be applied across the board, as he felt other businesses are subsidizing costs for those given breaks. He said the Board has made some poor decisions that he felt are not fair or right.

Linda Reynolds of 507 Santa Rosa thanked the Board for its service. She spoke of a recent conversation with a Planning and Zoning commissioner about putting pressure on the Sanctuary developers to help lessen the taxpayers' burden. She recommended that Village Administrator Ferguson provide a report on the Sanctuary development status at every meeting, whether or not there has been any activity. She stated that development of hundreds of acres of land that currently has an agricultural exemption would increase tax revenue. She spoke on provision of services such as roads maintenance and fire/police protection as costly to the Village.

Dr. Lewis Raney of 800 De Grummond Way spoke of problems with debris in the creek in front of his house. He asked that the Village waive burn permit fees and noted that Fire Chief Berrier indicated he had no problems allowing a fee waiver, as there may not be a need for him to personally inspect regular burns.

Tim Fleischer of 912 Cedar Park Circle asked the Board to consider amending its Wastewater Impact Fee Ordinance to grandfather existing properties. He stated the purpose of impact fees is to provide alternative funding when taxpayers are unwilling to pay for infrastructure for future growth. He cited the Village's study, which he said shows that existing properties will account for less than 20 percent of total plant capacity of 200,000 gallons per day. He felt the ordinance created different classes of property/business owners by considering those not connected to the Stagecoach plant to be new development. He stated his opinion that this a "false qualification" to define properties that have been in Salado for decades to be considered new development. He stated impact fees are usually applicable to new subdivisions or commercial construction. He said people are being forced to tie into the sewer. Mr. Fleischer cited a *National Association of Homebuilders* article relating to common errors of impact fee technical studies, specifically alleging that funding offsets of bonds are often ignored or improperly applied.

## **5. Consent Agenda**

- A. Approval of minutes of the Regular Board of Aldermen meeting of May 16, 2019.
- B. Approval of minutes of the Special Board of Aldermen meeting of May 16, 2019.

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

## **6. Status Reports**

### **A. Village Administrator's Status Report**

- Wastewater Project Update

Village Administrator Ferguson reported approximately 24 percent of the properties in the service area have paid impact fees and are connected or are in the process of connection. He advised there will likely be a future workshop agenda item to discuss possible extension of the connection deadline. He said initial wastewater bills were mailed out to customers last week. He noted the Royal Street wastewater extension is estimated to cost \$190,362 and would be borne by two property owners. He anticipated the final connection of Stagecoach Inn to the new Village wastewater system to be completed by the end of next week. The connection of Salado ISD properties to the Village wastewater system is expected to occur in mid-August 2019.

- Impact of recent Texas Legislative Session on Salado

Village Administrator Ferguson reported on passage of SB 2 (*Texas Property Tax Reform and Transparency Act of 2019*) lowering the property tax rollback rate (now called a “voter approval rate”) and explained that cities may not adopt a rollback rate over 3.5 percent unless approved by voters. He advised that SB 1152 allows cable and phone companies to stop paying the lesser of their state cable franchise and telephone access line fees. While this would have somewhat of a negative impact, the majority of franchise fees paid to the Village are from electric and solid waste providers. HB 852 prohibits cities from calculating building permit fees based on the cost of improvements or dwelling value. He said cities must immediately use a different way to calculate residential building permit fees. He said the Board will be presented with a proposed alternative method of calculation based on square footage. He advised that SB 621 eliminates the requirement that plumbers be licensed by the State of Texas and has the unintended consequence of placing the burden of regulation on cities.

- Main Street Improvement Project

Village Administrator Ferguson reported crews are installing storm water pipe in front of the Stagecoach Inn for the next two weeks. He noted site preparations on the northern end of Main Street are underway prior to installation of sidewalks and lighting. He said work will progress in an “X” pattern from south to north. He advised that at least one lane will remain open during construction and that Main Street/Rock Creek will require a detour for about 40 days in January 2020.

- Salado Creek Gravel Removal Project

Village Administrator Ferguson reported May flooding deposited large amounts of gravel that will need to be removed, which requires a permit from Texas Parks and Wildlife. He noted a permit application will be submitted to remove approximately 5,700 cubic yards of gravel from Salado Creek, with the primary target removal area just upstream from the one-lane low water crossing.

- Emergency Services District Proposal

Village Administrator Ferguson reported on a meeting with Bell County officials on the creation of an emergency services district (ESD) and procedures required to initiate the process of such creation. He said there was consensus that an ESD petition should be initiated by a steering

committee of taxpayers, rather than by public entities, with a target election date in November 2021.

In addition, Village Administrator Ferguson reported that engineers for the Sanctuary project delivered construction plans for Phase 1 of the development (66.21 acres containing 182 housing units). He said the review process is underway and updates will be provided.

He thanked Village staff, Keep Salado Beautiful, and all volunteers who picked up flood debris in Pace Park last weekend.

Discussion addressed location and scope of Sanctuary Phase One development; Texas Parks & Wildlife role in the gravel removal project; addition of future agenda items for wastewater service connection extension and revisiting impact fees; passage of the so-called “Salado” bill that requires contractor penalties be assigned to the TxDOT district fund where damages occurred and spent in that district; future agenda items regarding presentation of wastewater system financial data and financial advisor briefing on debt service; Stagecoach development agreement’s wastewater/parking lot concessions and public access easement; clarification that TxDOT is not making any changes to the Main Street Bridge; ADA-accessible sidewalks/ramps at intersections; and limiting construction barricades to minimize negative impact to driveway/parking access.

#### B. Salado Police Status Report

- Calls for Service
- Public Outreach Program
- Citizens on Patrol

Chief Pat Boone reported on May calls for service, reports written, citations/warnings issued, arrests made, and Priority 1, 2, and 3 response times. Types of priority calls were explained and examples were given of scenarios that impact prioritization of calls and response times. He spoke on implementing the R-U-OK check-in service program and the Salado-specific H.E.A.T. program to help reduce auto theft. Regarding May community outreach, assistance was provided for a car show and walking parade, officers attended a peace officer memorial ceremony in Killeen, and a presentation was given to the Lions Club. He noted that Officer Sonia Castillo (formerly McGee) is working on the department’s social media outreach. Discussion addressed staffing issues, candidate interviews planned for next week, officer retention, and active shooter response training.

#### C. Salado Fire Chief Status Report

- Calls for service

Fire Chief Shane Berrier reported on the number of EMS, fire, and motor vehicle accident calls responded to within Bell County and the Village of Salado for the month of May. Discussion addressed burn permit waivers for certain individuals/groups, and allocation/possible elimination of burn permit fees.

#### D. Tourism Director’s Report

- Salado Marketing Plan Update
- Marketing Photography
- Upcoming Events

Tourism Director Chadley Hollas reported on a recent positive meeting with a cooperative of area “destination” cities; feature in *Texas Meetings & Events*; marketing in *San Antonio Magazine* and *Houstonian* magazines; and display of a selection of photographs capturing the spirit and experience of Salado. He reported on upcoming events and activities, including Texas History Days and Barrow’s Beer Fest. Discussion addressed mitigation of potential impact of Main Street construction on tourism through positive communication, signage, and social media, provision of a monthly event calendar, and trolley driver volunteers.

## 7. Ordinances

- A. Consider approval of the first reading of an ordinance of the Village of Salado, Texas to annex under Chapter 43 of the Texas Local Government Code, the Williams Road right of way from West Village Road to FM 2484, owned by Bell County as further described in Exhibit A in Bell County, Texas lying adjacent and contiguous to the present corporate limits of the Village of Salado in the Village’s extraterritorial jurisdiction in Bell County, into the incorporated municipal boundaries of the Village of Salado, Texas including the following: findings of fact; effective date; repealer; severability; and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson explained this is the first of two required readings of the proposed ordinance.

Alderman Cole moved to approve the first reading of the ordinance, as presented. Mayor Pro-tem Coachman 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 to annex under Chapter 43 of the Texas Local Government Code, the Salado School Road right of way from West Village Road to Thomas Arnold Road, portions of which are owned by Bell County and the Salado Independent School District, as further described in Exhibit A in Bell County, Texas lying adjacent and contiguous to the present corporate limits of the Village of Salado in the Village’s extraterritorial jurisdiction in Bell County, into the incorporated municipal boundaries of the Village of Salado, Texas including the following: findings of fact; effective date; repealer; severability; and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson explained this is the first of two required readings of the proposed ordinance.

Alderman Cole moved to approve the first reading of the ordinance, as presented. Alderman Dankert seconded.

Discussion addressed procedural issues related to the Salado ISD's petition to annex and Village-initiated right of way annexations, which have been thoroughly vetted by legal counsel.

Motion carried on a vote of 5-0.

- C. Consider approval of the first reading of an ordinance of the Village of Salado, Texas to voluntarily annex under Chapter 43 of the Texas Local Government Code, property owned by the Salado Independent School District on Williams Road, as further described in Exhibits A and B, in Bell County, Texas, lying adjacent and contiguous to the present corporate limits of the Village of Salado in the Village's extraterritorial jurisdiction in Bell County, into the incorporated municipal boundaries of the Village of Salado, Texas including the following: findings of fact; effective date; repealer; severability; and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson explained this is the first of two required readings of the ordinance to annex Salado ISD's Williams Road properties, which includes the high school and new school site. He noted that finalized ordinances containing all exhibits have been provided to the Board.

Alderman Bell moved to approve the first reading of the ordinance, as presented. Mayor Pro-tem Coachman seconded.

Alderman Dankert asked if there are any parts of Salado ISD school properties that are being excluded from the annexation. Village Administrator Ferguson replied that both annexations include all Salado ISD school properties.

Motion carried on a vote of 5-0.

- D. Consider approval of the first reading of an ordinance of the Village of Salado, Texas to voluntarily annex under Chapter 43 of the Texas Local Government Code, property owned by the Salado Independent School District on Salado School Road and Thomas Arnold Road, as further described in Exhibits A and B, in Bell County, Texas, lying adjacent and contiguous to the present corporate limits of the Village of Salado in the Village's extraterritorial jurisdiction in Bell County, into the incorporated municipal boundaries of the Village of Salado, Texas including the following: findings of fact; effective date; repealer; severability; and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson explained this is the first of two required readings of the ordinance to annex Salado ISD's properties on Salado School Road and Thomas Arnold Road.

Mayor Pro-tem Coachman moved to approve the first reading of the ordinance, as presented. Alderman Coggin seconded. Motion carried on a vote of 5-0.

- E. Consider approval of an ordinance of the Village of Salado, Texas abandoning public right-of-way for property adjoining the Salado Inn on the Creek and located just northwest of the intersection at or near Royal Street and College Street; and providing for: findings; a

repealer; severability; an effective date; and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson reviewed the location of the subject property, its ownership/title history, and associated claims of adverse possession. It was noted that Salado Inn on the Creek's owner is currently paying taxes on the property, despite research indicating that portions of the right of way are publicly owned. As such, the owner of Salado Inn on the Creek has requested that the Village abandon and transfer ownership of sections of right of way to Salado Inn on the Creek. Subsequent to initial discussions, an adjacent property owner has expressed concerns about accuracy of the legal descriptions provided with the original request. Due to these concerns, Village staff recommends that a survey be provided to the Village to clear up any questions and confirm the subject property's legal description and public ownership. He requested that the Board continue this item to allow for such confirmation and proposed the following motion language: "With the understanding that it is the intent of the Board of Aldermen to abandon the subject property and transfer ownership, once an acceptable survey and legal description are provided to the Village and public ownership is confirmed, the motion is to continue consideration of this ordinance until the first meeting in July or sooner to allow for Mr. Lowery of Salado Inn on the Creek to provide this information to the Village at his cost, and not the Village's cost."

Darlene Walsh of 1001 Mill Creek Drive spoke of Bell County Commissioners Court action taken in 1998 abandoning a .208 acre tract of land, along with unimproved alleys and roads in the subject area. She distributed a handout to the Board (*attached to these minutes*) stating reasons for her opposition to the proposed ordinance. She stated that if the Board approves the ordinance, it would result in the Village giving property to Mr. Lowery, which is one-half of the alley claimed in 1998, that she has paid taxes on for 20 years. She said if the abandonment is approved as described, her property would be greatly devalued. She asked that action be postponed until an accurate and current survey can be provided by the Village or by Mr. Lowery. She questioned whether an ordinance can be amended without giving 72-hours notice under the Texas Open Meetings Act. Village Administrator Ferguson stated that an ordinance can be drafted and amended up until the moment it is approved. He noted the ordinance caption remains unchanged and was properly posted for action.

Alderman Dankert requested an updated map of the subject property, referred to as "The Slivers", in addition to an accurate survey, which can be hard to read. Village Administrator Ferguson replied affirmatively and said the purpose of the survey will be to clear up any questions regarding the subject property. He clarified his recommendation, which is to continue consideration of the ordinance, not to approve the ordinance at tonight's meeting.

Per the abovementioned recommendation, Mayor Pro-tem Coachman made the following motion: With the understanding that it is the intent of the Board of Aldermen to abandon the subject property and transfer ownership, once an acceptable survey and legal description are provided to the Village and public ownership is confirmed, the motion is to continue consideration of this ordinance until the first meeting in July or sooner to allow for Mr. Lowery of Salado Inn on the Creek to provide this information to the Village at his cost, and not the Village's cost. Alderman Dankert seconded.

Alderman Coggin asked why the Board did not approve the Barrow's recent abandonment request. Village Administrator Ferguson replied that it was the Board's decision to enter into a long-term lease agreement, as the easement had a potential for some type of public use in the future.

Alderman Dankert asked if Mr. Lowery is amenable to the motion. Mr. Lowery replied affirmatively and said he has no problem having a survey done to address neighbors' concerns.

Alderman Coggin asked Mr. and Mrs. Walsh if they would agreeable to abandonment and transfer of ownership after a survey is done. Mr. Walsh replied that if the survey does not affect their property in any way, then they will consider it. Mrs. Walsh said the description is hard to understand, even for attorneys, but felt the ordinance would give away part of their property, which includes a concrete ramp improvement. She stated the survey is in conflict with the current map. In response to Alderman Coggin, Village Administrator Ferguson reiterated his previous clarification that tonight's motion is to *continue* consideration of the ordinance, not to approve it tonight. He stressed that consideration to approve the ordinance would be continued until the Board has all of the information it needs to properly consider action. Mrs. Walsh said the Texas Transportation Code requires that all affected property owners must sign a petition to abandon, vacate, or close a street or alley. Village Administrator Ferguson said that procedural matters have been fully reviewed by legal counsel.

Motion carried on a vote of 4-1. Alderman Bell voted against.

## **8. Discussion and Possible Action**

- A. Discuss and consider possible action regarding a proposed interlocal agreement between the Salado ISD and the Village of Salado regarding fees and development requirements for the Salado ISD properties located on Williams Road, Thomas Arnold Road and Salado School Road that are being annexed in the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson explained key provisions of the proposed ordinance, which waives Village permit fees only, but requires Salado ISD (SISD) pay the Village or a third-party contractor for inspection and plan review fees. He noted that existing signage and lighting is exempt from the agreement, as such signage/lighting is pre-existing, non-conforming (or "grandfathered"), but any new signage or lighting must comply with the Village's sign and lighting regulations. He recommended approval of the interlocal agreement, as presented.

Discussion between Alderman Cole and Village Administrator Ferguson regarding roles and responsibilities of the Village and SISD confirmed the requirement that SISD provide documentation of compliance with Village Code.

Alderman Bell moved to approve the interlocal agreement, as presented. Alderman Cole seconded.

Alderman Dankert understands that SISD is a taxing entity that would pass permitting fees on to taxpayers, however, she said that tax burden is shared by SISD taxpayers within a much larger jurisdiction than the Village's taxing jurisdiction. She felt the Board would be doing our Village



a disservice if it requires small Main Street businesses to pay impact fees, but not SISD. She said SISD has more money to pay these exact same fees and if SISD does raise taxes then it impacts everyone and creates an equal playing field.

Alderman Bell asked if there is a law that prohibits charging SISD an impact fee. Village Administrator Ferguson stated that is a question related to the next agenda item (Item 8B), but responded that the Village cannot legally charge the SISD because they are paying for the service line extension.

Alderman Dankert said the SISD is actually saving money in the long run, as the cost they paid for the wastewater service extension is not close to what they are paying to have their septic system pumped across the district. She did not understand why if it is new development, that the SISD cannot pay an impact fee.

Discussion between Village Administrator Ferguson and Alderman Dankert continued on connection costs and impact fees. Village Administrator Ferguson gave an example of another property interested in extension of wastewater service, and like the SISD, this property could not be charged an impact fee for the capital costs of a wastewater line that they would be paying for themselves. Alderman Dankert said every business on Main Street has paid to put in pipe from their building and asked whether that would be the same thing, as they are paying to connect. Village Administrator Ferguson explained that those businesses are paying for the pipe from their building to the wastewater service line, not for the wastewater service line itself. He noted the SISD is paying for the cost of the wastewater service line to extend to their property.

Alderman Cole agreed with Alderman Dankert, felt we are in a gray area, and understood why people are upset.

Mayor Pro-tem Coachman reminded that Board members are discussing the next agenda item (Item 8B), which has to do with sewer service, and asked to move forward on the current item that deals with development fees and requirements. Mayor Blancett called for a vote.

Mayor Pro-tem Coachman, Alderman Bell, and Alderman Coggin voted aye. Aldermen Dankert and Cole voted nay. Motion carried on a vote of 3-2.

- B. Discuss and consider possible action regarding a proposed interlocal agreement between the Salado ISD and the Village of Salado relating to the provision of wastewater services for the Salado ISD properties located on Williams Road, Thomas Arnold Road and Salado School Road that are being annexed in the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson said this item is related to the previously discussed topic of wastewater impact fees (see previous Agenda Item 8A). He noted key provisions of the interlocal agreement, which allows the Village to provide wastewater service to the annexed properties. He advised the SISD is responsible for paying the cost of extending wastewater service lines and the cost of actual connection to the system (pipe from SISD building to service line). He said the SISD would be required to sign the same service agreement that is required of all other customers. It was noted the SISD would be on the same billing schedule as all other customers and would be

considered a high impact commercial customer. As stated earlier, the SISD would not pay an impact fee, as the SISD is paying the capital costs for wastewater service line extension and connection to that extended line. He noted that downtown area customers did not pay capital costs for the wastewater service line.

Mayor Pro-tem Coachman moved to approve the interlocal agreement, as presented. Alderman Bell seconded.

Alderman Coggin asked what would happen if the Board decided to charge SISD impact fees. Village Administrator Ferguson said it is likely the SISD would withdraw its petition requesting annexation. He advised that past discussions with SISD regarding annexation into the Village included the SISD's willingness to pay for the capital cost of extending wastewater service, but not the impact fee, which legally cannot be charged to an entity bearing the capital cost of the line extension. Alderman Coggin asked if the design is finished and if the lines are currently being installed. Village Administrator Ferguson replied that the lines are installed and SISD is reimbursing the Village for the full cost of line extension. Alderman Dankert asked what it would cost the Village taxpayers to not enter into the agreement and whether the Village has the money to cover such cost. Village Administrator Ferguson stated that it may be possible to spend remaining bond money to cover the approximately \$300,000 cost of the line extension. Alderman Dankert did not feel the SISD, as an existing entity, should be exempt from the impact fee, which she said they can afford, while Main Street businesses are taking a hit.

Mayor Pro-tem Coachman stated that SISD is paying to extend the line to all of their campuses and to back out of the agreement now would mean the Village would have to pay for all of that infrastructure, which it does not have the money to do. He noted that the SISD is not gaining much in the agreement, as they have had to pay for all of the infrastructure costs. He recognized the SISD will be saving on having to maintain its own septic system, but pointed out the SISD will also be helping the Village pay for its sewer plant, as SISD will be billed as a heavy customer user.

Village Administrator Ferguson reminded that the Board took a stand on the extension policy that states anyone requesting extension of wastewater service will bear the cost of that extension. He cautioned that if the Board waives the cost of extending service to SISD, then it will have to waive it for other potential future users, such as the Holiday Inn, which would be prohibitively expensive for the Village to do. He said the concept is that the growth should pay for itself. He cities typically require the requestor to pay for utility service extension so the rest of the customers do not bear the brunt of that extension cost.

Alderman Coggin favored approving the agreement as a good deal for everybody and called the question. Mayor Blancett called for a vote. Mayor Pro-tem Coachman, Alderman Bell, and Alderman Coggin voted aye. Aldermen Dankert and Cole voted nay. Motion carried on a vote of 3-2.

- C. Discuss and consider possible action regarding a request to modify the manner in which the monthly wastewater bill is calculated for Barrow Brewing located at 108 Royal Street in Salado, Texas. (*Village Administrator*)

Village Administrator Ferguson reviewed the request from Graydon Hill of Barrow's Brewing to adjust the brewery's wastewater bill downward to account for the amount of water that goes into the beer he produces and not into the wastewater system. He said Mr. Hill would report on an annual basis the volume data needed to develop the credit for bill calculation. He said current production data anticipates about a four percent bill reduction. He said this is not uncommon for businesses such as craft breweries. He recommended approval of the request as there will not be a huge impact on overall system revenues and likened it to consideration given to customers for irrigation that does not go into the wastewater system.

Discussion addressed the anticipated four percent bill reduction, which may go up, if brewery sales increase. At Mayor Blancett's invitation to comment, Graydon Hill offered to answer any questions.

Mayor Pro-tem Coachman moved to approve the request, as presented. Alderman Dankert seconded.

Alderman Coggin asked if this adjustment would be a monthly calculation and Village Administrator Ferguson replied it would be an annual calculation, which is not an administrative burden on staff. Alderman Bell asked how many other such requests the Village might receive. Village Administrator Ferguson said there is one winery that might have sufficient volume to consider a similar request. Discussion between Alderman Dankert and Village Administrator Ferguson addressed staff's authority to make billing adjustments for issues such as leaks or irrigation based on Board's direction and requiring requestors to provide proper documentation. Village Administrator Ferguson advised that affordable in-line meters provide data on how much water is used for irrigation versus water going into the treatment plant.

Motion carried on a vote of 5-0.

- D. Discuss and consider possible action regarding a request from Salado Masonic Lodge #296 A.F. & A.M. to be exempt from the connection requirement for the Village of Salado Wastewater System. (*Village Administrator*)

Village Administrator Ferguson referenced a letter submitted by Tim Fleischer, Secretary of Masonic Lodge #296 (*attached to these minutes*).

Tim Fleischer presented reasons for the request for a hardship waiver from the requirement to connect to the Village's wastewater system and payment of impact fee based on the unique nature of the Lodge and its operations, including age/small size of the building, recent costly improvements to the building, direct financial hardship to ongoing Lodge operations, lack of impact on sewer capacity (30 gallons or less of water used per month), and no benefit to the Lodge from receiving sewer service. He said the building's small size and lack of parking limits its possible uses. He challenged the legality of impact fees generally and cited a National Association of Home Builders Impact Fee Handbook and Arizona Supreme Court cases which compared impact fees to unlawful taxes. He said the Lodge never asked for sewer service and is not new development. He described the property as unique from any other and said connection would place a financial burden on the Lodge.

Alderman Dankert asked Mr. Fleischer if the Lodge would still be financially able to connect to the system, if the impact fee were waived. Mr. Fleischer replied that if the Lodge is forced to connect, he asked that the deadline to connect be extended to a minimum of 18 months, as local plumbers are working on connecting larger properties first.

Alderman Bell moved to suspend and extend the time to connect for an additional year (until July 2020) and revisit this item in the future. Alderman Dankert seconded.

Village Administrator Ferguson recommended taking no action tonight and continuing this item until the Board's next meeting. Discussion addressed deadline extension versus granting a total waiver based on the unique nature of the Lodge, its minimal water usage, and the need for consistency and fairness when considering connection/impact fee waivers or exemptions.

After discussion, Alderman Bell withdrew his motion and Alderman Dankert withdrew her second. Alderman Bell moved to continue this item until the Board holds a workshop session on June 20, 2019. Alderman Dankert seconded. Motion carried on a vote of 4-1. Alderman Coggin voted against.

- E. Discuss and consider possible action regarding a proposal to declare a Salado Police Department 2010 Ford pick-up truck as surplus property and authorizing its sale at public auction. (*Village Administrator*)

Village Administrator Ferguson recommended declaring the truck as surplus property, and rather than selling at public auction, consider donating it to Belton ISD's Career and Technical Education Auto Technology Program for student training purposes. He advised that Salado ISD was approached about taking the vehicle, but does not have such a program at this time. He noted that the vehicle, which has 135,000 miles and major mechanical problems, will be stripped of all lights, sirens, striping, radios, and any other equipment before donation, if approved. He advised that action on the proposal to transfer the title and ownership of the vehicle to Belton ISD can be placed on the Board's next agenda.

Alderman Coggin moved to direct staff to dispose of the truck at his discretion and declare the subject vehicle surplus property. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 5-0.

- F. Discuss and consider possible action setting a new date, time and place for the FY 2020 Village of Salado Goals and Priorities Workshop. (*Village Administrator*)

Village Administrator Ferguson asked the Board to reconsider the workshop date, due to scheduling conflicts. After discussion of various dates, agreement was reached to hold the workshop on Tuesday, June 25, 2019 at 6:00 p.m. at the Municipal Building.

Alderman Cole moved to approve rescheduling the FY 2020 Goals and Priorities Workshop for Tuesday, June 25, 2019 at 6:00 p.m. at the Municipal Building. Alderman Dankert seconded. Motion carried on a vote of 5-0.

**Adjournment**

Alderman Dankert moved to adjourn. Alderman Cole seconded. Mayor Blancett called the meeting adjourned at 9:05 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 20<sup>th</sup> of June, 2019.

APPROVED:

  
Skip Blancett, Mayor

ATTEST:

  
Cara McPartland, City Secretary



Speaker Darlene Walsh  
BOA Meeting 6/6/19

Texas Transportation Code

Sec. 311.008. CLOSING OF STREET OR ALLEY BY GENERAL-LAW MUNICIPALITY. The governing body of a general-law municipality by ordinance may vacate, abandon, or close a street or alley of the municipality if a petition signed by all the owners of real property abutting the street or alley is submitted to the governing body.

First: The application for abandonment has not been signed by all owners of real property abutting the street or alley.

Graydon Hill owns property south of the strip located south of the Salado Inn on the Creek property (Lots 7-10), and Kathryn Havins Campbell owns property north of the strip that is located north of Lots 7-10.

Further, I own property south of the strip that runs between Lots 5 and 6 and Lots 10 and 11.

In the proposed Ordinance, if the Village is going to abandon the property described in the Ordinance, the Ordinance notes that the Owner is Salado Inn on the Creek LLC and the Village abandon and transfer ownership to the property to Salado Inn on the Creek.

In the case of a platted dedication, unless there is a very specific exception, the owners of the property on either side of a dedicated easement GENERALLY have title to the middle of the street, easement, or other dedicated interest. Therefore, when the abandonment occurs, the legal rights of the adjacent owners to use the property extend to the middle of the dedicated area being vacated.

Therefore, any abandonment of the property described in the ordinance would <sup>also</sup> effectively transfer ownership to Graydon Hill, Kathryn Havins Campbell and me, <sup>as well</sup> <sup>^</sup> as Salado Inn on the Creek.

Other Issues:

In the documents attached to the Ordinance, Mr. Lowery is claiming adverse possession of 9.5' of the alley behind lots 5 and 6. However, I have (and continue to have) possession of this strip of property, since 1998.


Therefore, Mr. Lowery's claim of adverse possession as it applies to this 9.5' strip is ineffective and simply untrue.

The law defines adverse possession as "an actual and visible appropriation of real property, commenced and continued under a claim of right that is inconsistent with and is hostile to the claim of another person." Case law adds that it must be true that the possessor of the property actually does openly possess it (the belief of entitlement to possess is insufficient), has possessed it continuously for the statutory period (sporadic possession is insufficient), and that the possessor

peaceably asserts a claim of right adverse to and exclusive of all others (possession shared with an owner is insufficient).

Here, Mr. Lowery does not openly possess this 9.5' strip, I do and have since 1998 and have had this area fenced off for over 10 years.

Furthermore, Mr. Lowery has not been paying taxes on this strip. It should also be recognized that for an adverse possession claim, it is not enough to be merely caring for property temporarily, or even paying the taxes on it. One can pay taxes on someone else's property for years, but if other adverse possession requirements are not met, then those payments are nothing more than a gift to the owner.

 FINALLY: Why does the ordinance not include the abandonment of the other parts of the alley? (north ½ of the alley between Lots 5 and 6 and Lots 10 and 11 AND the alley located north of Lots 10 and 11 and south of Kathryn Campbell's property)

area  
noted  
on plat





FROM THE DESK OF

## SALADO LODGE #296 A.F. & A.M.

May 17, 2019

Don Ferguson  
Village Administrator  
Village of Salado  
301 N. Stagecoach Rd.  
Salado, TX 76571

Request for Hardship Waiver

Salado Masonic Lodge #296 would like to request exception to the regulation of tying into the sewer for the following hardships that it causes the 140-year Lodge building and property.

Here are the extenuating circumstances and facts that are unique to the Salado Masonic Lodge property:

1. Age of building:

The building is 140 years old. It was originally a two-story building with the top story serving the Masonic Lodge and the bottom story serving the First Baptist Church. More than 50 Years ago, the top story was sheared off and moved to its present location on less than 1/8th of an acre. The most recent BellCAD appraisal lists the market value of the property and building at about \$17,000.

2. Recent costly improvements to improve the building:

Last year, in order to bring the building which had at the time unsightly asphalt shingles, the Lodge took out a short term \$14,000 loan to put a permanent hardiwood siding that would look more like the original siding. The original siding could not be restored. This project was taken on and financed before there was any discussion by the Village of Salado of levying the Impact Fee. The loan was repaid from individual one-time donations of \$500 by several members, as well as proceeds from fundraising programs.

3. Direct financial hardship to the ongoing Lodge operations:

Salado Masonic Lodge #296 has 48 Master Masons, 27 of which pay annual dues of \$100. The Lodge spends \$1,000 per year on property

insurance, \$1,000 per year on per capita dues to the Grand Lodge of Texas. This is a 150 year old institution that has always paid its bills. We receive no charity or tax dollars of any kind.

Instead, Salado Lodge has a flag program to give \$5,000 per year in scholarships, \$1,000 per year in back to school supplies, \$1,000 in cash gifts to Salado teachers and also support the Demolay youth organization.

In order to pay the \$3,750 impact fee, the \$2,000 estimated cost of tying in to the sewer and the cost of decommissioning (\$500+), not to mention the annual cost of \$500+ for sewer service that is not needed, the Lodge will have to curtail these charitable programs.

4. The Lodge will have no impact on the capacity of the sewer:

Salado Masonic Lodge uses 30 gallons or less of water per month. We meet no more than 4 times per month and usually have a meal at only one meeting. We do not have a dish washer or any of the other amenities of a large meeting facility like a church.

We will have an impact of less than .0005 percent on the capacity of the 200,000 gallon per day WWTP. Yet the Lodge is being required to pay a full Impact Fee of \$2,750 even though it uses less than one-tenth of a percent of the LUE calculation of 3,000 gallons per month. Impact Fees are to recover the costs of new growth in a city. To say that the Lodge will have any impact on the capacity of the WWTP is wrong. To force the Lodge to pay a full impact fee is wrong.

5. No benefit whatsoever from sewer service

The Lodge uses 30 gallons of water per month. It will receive no benefit whatsoever from being forced to tie in to the sewer. The Lodge cannot be redeveloped in any way whatsoever, nor does it ever want to be. The Lodge cannot be expanded upon in any way, because it sits on 0.084 acre that was donated by a member 50 years.

6. Further considerations

Salado Masonic Lodge has supported the community of Salado in a variety of ways. The Lodge has provided manpower and heavy equipment for clearing the dead trees at Salado College Hill Park, grading what is now the walking trail there. The Lodge has participated in every clean up event in Salado and is responsible for Church Street clean up. The Lodge painted the interior of Salado Civic Center when it was under the stewardship of the SCC

Foundation. The Lodge also cleaned Pace Park when the Park was under Chamber management.

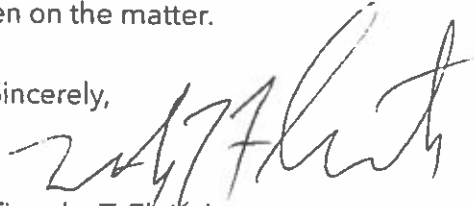
6. Resolution:

We ask that the Village waive forcing the Lodge to tie in to the sewer and any fees connected with that. In return, the Lodge implement sign a deed or title restriction that if the property ever changes hands or purposes, then it will tie into the current sewer system and pay the current impact fees and costs associated with that.

If the Village will not make an exception to tying in to the system, we ask that it waive the time period in which it will require the Lodge to tie in for a minimum of 18 months so that the Lodge can financially plan for these unnecessary expenses. We also ask that it waive the Impact Fee.

If the Village Administrator rules against the Lodge in any way, we request a direct appeal to the Impact Fee Committee and to the Board of Aldermen on the matter.

Sincerely,



Timothy T. Fleischer,  
Secretary  
Salado Lodge #296

Note: This letter is the result of direction from the Lodge members. Salado Lodge will be happy to allow the Village Administrator to view our accounts or monthly statements to verify the financial impact. However, these accounts are a private matter and we do not want to provide print outs that can become a matter of public record unless absolutely necessary.