Village of Salado, TX
Regularly Scheduled Board of Aldermen
Meeting Minutes
Municipal Building, 301 N. Stagecoach Rd.
Thursday, April 23, 2015 6:30 p.m.

Members present: Mayor Skip Blancett, Mayor Pro Tem Fred Brown, Alderman Frank Coachman, Alderman Hans Fields, Alderman Michael McDougal, Alderman Amber Preston Dankert

Members Absent: None

Others Present: Lyndsey Barrett– Acting Village Secretary, Jack Hensley - Chief of Police, Debbie Charbonneau – Executive Director, Kim Foutz – Village Administrator

I. Call To Order : Mayor Blancett called the meeting to order at 6:34 p.m., quorum present.

1. James Haney led the invocation.
2. Pledge of Allegiance and Texas Pledge were recited.

II. Reports:

Aldermen Updates:

Environmental Report: Alderman Dankert reported that the community clean up a few weeks ago went really well and saw a lot of volunteers at city hall and around town. Great landscaping was accomplished at College Hill and the Tourism offices, as well as around town.

ETJ / Annexation Report: No report

Ordinance Committee Report: No report

Main Street Report: Mayor Pro Tem Brown reported that the third and final meeting with the Texas A&M Design Team will be Friday, May 1, 2015 from 2pm – 4pm at city hall.

Street Improvement Committee: Alderman McDougal reported that the notice to proceed with street repairs has been accepted by APAC. Although work was scheduled to begin on Monday, April 20, 2015 and did not, we are not behind and hopefully that work will begin this Monday. Point repairs in the future will be need to be done by a contractor or through an interlocal agreement. The Village employee does not have the time in his schedule to complete the work. This will need to be added to next year's budget.

Stagecoach / Wastewater Report: – Alderman Fields reported that the Village Administrator and he had been working diligently on a plant budget and there would be action taken tonight in regards to the plant. Additionally, there would be further conversation regarding the plant during tonight's regular agenda and workshop.

Mayor's Report: The final presentation for the Main Street Design project, presented by Texas A&M students will be Friday, May 1 from 2:00-4:00 p.m. at City Hall. Citizens invited to participate in Immerse and Emerge a weekend event here in Salado including; stone carvers and the Venue on Friday, the progressive dinner Friday evening from 6pm – 9pm, the Blue Lapis light show Friday night at 9pm, and all day Friday and Saturday at various shops throughout town there will be demonstrations by local artist.

Village Administrator Operational Report: no report

Monthly Reports (given at the first meeting each month): No reports

Special Report: The Mayor turned the meeting over to Village Administrator Foutz, to introduce Don Allman, CPA, PC, who delivered the Annual Report for the fiscal year ending September 30, 2014. Mr. Allman gave thanks

and praise to both Village Administrator Kim Foutz and Lyndsey Barrett, saying they were great to work with. He additionally thanked Kristi Stegall for her work on the financials. He congratulated the Village for a change for the better. He proceeded to go over the annual report, specifically, basic financial statements, which includes the balance sheet for all governmental accounts, statement of net assets and activities, reconciliation of the governmental funds balance sheet to the statement of net assets, statement of revenues, expenditures, changes in fund balances, reconciliation of the governmental funds statement of revenues, expenditures, and changes in fund balance to the statement of activities, as well as notes to the financial statements. Required supplementary information, which includes the statement of revenues, expenditures, and changes in the fund balance budget and actual for both general fund and hotel/motel tax fund. Internal control and compliance, which includes the report on internal control over financial reporting and compliance and other matters based on the audit of financial statements performed in accordance with the government auditing standards. These items were found on pages 4, 5 and 7 of the report and are available upon request.

Financial Report: Kristi Stegall went over the current year-to-date financials for the Hotel/Motel and General Fund accounts. Mrs. Stegall stated that the current P&L overstates the court fines which will need to be adjusted along with several other line items. Mrs. Stegall reported that sales tax received is less than budgeted; property tax received was more than budgeted, but cautioned the Board of Alderman that this line item will not increase much more since most people pay property tax at the beginning of the year. Mrs. Stegall made the comment that the Village had a new chart of accounts created for both, Hotel/Motel and General Fund accounts, and will be working with staff to correct some of the line item coding. Mrs. Stegall said that all adjustments, especially those related to the chart of accounts, will be addressed and brought back to the Board of Alderman at next month's meeting.

Kim Foutz made a special comment that there were some items left out of this year's budget and the Village was being diligent to note those items and make sure they are included in next year's budget.

III. Proclamations:

3. Proclamation honoring and recognizing May 2-10, 2015 as National Travel & Tourism Week and Texas Travel & Tourism Week was read by Mayor Blancett.

IV. Public Comments:

4. Linda Reynolds – 507 Santa Rosa, Salado addressed the BOA first stating her background as a retired reading teacher and stating that she reads everything in the Village Voice, all of the Agenda's, and all of the Mayor's blogs. She stated she, and her mother, originally voted yes to the Sewer Bond, but given the chance would reverse their vote to no. She expressed she was against the proposed development which would in her view change the character of her neighborhood, specifically concerning the proposed music venue. She urged the Mayor and BOA to drive through her neighborhood.

V. Consent Agenda

5. Consider approving the Consent Agenda items:

    a. Minutes, Regular Meeting April 9, 2015

Alderman McDougal made a motion to approve the Consent Agenda as presented, Alderman Dankert seconded, and the motion passed unanimously (5-0).

VI. Regular Agenda:

6. Presentation, discussion and possible action on Resolution R-2015-115, authorizing the submission of an application for funding through the Texas Department of Transportation, Transportation Alternatives Program (TAP), authorizing Village matching funds and project cost reimbursements through federal funding, to develop trails, landscaping, and safety improvements starting at College Hill, and generally progressing along Peddlers Alley, Salado Creek, Center Street, and Royal Streets.

Kim Foutz - presented a slide show outlining a proposed trail system and asking for a resolution committing up to $65,000 in matching funds to apply for a $300,000 TxDot TAP's grant. She indicated that this grant is not available every year, but generally available every 2 years. There are four (4) different

objectives they will receive applications for. We are meeting two (2) of those objectives in the proposed plan, construction of on-road and off-road trail systems for pedestrians, bicyclist, and other non-motorized forms of transportation and construction of infrastructure related projects and systems that will provide safe routes for non-drivers. Sub-committee participants are Alderman Dankert, Alderman McDougal, David Olson (Engineer), Will Lowery (Business Owner), Darlene Walsh (Property Owner), and Claire Hartman (Property Research). The project scope will include an 8' – 10' wide hike and bike trail which would be off-road. In selected areas there would be trees, pedestrian and bicycle crossings, and safety and directional signage.

Mrs. Foutz then presented a map of the Trails Master Plan, which is part of our Comprehensive Plan that has been in place for over 10 years. (map available upon request) These trails share components with the Main Street Plans developed by Texas A&M students, as well as, the Tourism Plan created several years ago. The trail would originate at the College Hill entrance and then run along Peddler's Alley, Salado Creek, Center Circle, Spring Street and Royal Street. Program criteria dictates the trail should serve businesses, parks, and neighborhoods and should be a looped type system. The proposed trail accomplishes this.

The Village is proposing a $300,000 grant which would require 20% matching funds of $60,000. The matching funds can come from two different fiscal years. This project would meet our Trails Master Plan, our Tourism Master Plan, and our Comprehensive Master Plan. Mrs. Foutz urged that the Village needed to start somewhere with trails and this was a great opportunity. Part of the process for applying for this grant included holding public workshops, holding sub-committee meetings, gathering letters of support, and obtaining letters dedicating easements. Notification of award will be forthcoming in the Fall 2015, with construction beginning in the Fall of 2016, if awarded. Deadline for grant submission is May 4th.

Alderman McDougal – The 20% matching funds were not workshopped, but did go through the sub-committee, and this is a very short deadline, is that true?

Kim Foutz – Correct

Alderman Fields – Is the $60,000 in budget. Would it come out of General Fund?

Kim Foutz – No it is not in the budget. It can come out of General Fund or Tourism Fund. Kim deferred to Alderman McDougal.

Alderman McDougal – The funds can come from two different budgets, this and next year's.

Alderman Coachman – Is it true that we are just making a statement committing to this?

Kim Foutz – That is correct, yes.

Mayor Pro Tem Brown stated there were other ways we could raise funds.

Alderman Fields expressed he understood that, but had never seen a sub-committee report.

Alderman McDougal stated he and other members of the sub-committee had walked this proposed trail and it had been well handled. He confirmed that Alderman Fields was correct, there has been no workshop because of the tight deadline.

Kim Foutz spoke to the budget saying this is not something that you would normally see in a budget because you are never sure when it's going to be offered. Very typical for a city not to take something like this through the budget process.

Motion was made by Mayor Pro Tem Brown to approve Resolution R-2015-115 authorizing the Village of Salado to submit an application for funding through the Texas Department of Transportation's Transportation Alternatives Program (TAP) for $300,000 and authorizing Village matching funds up to $65,000 and project cost reimbursements through federal funding. Alderman McDougal and Alderman Dankert seconded, Alderman Fields abstained, and the motion passed (4-0).

7. Presentation, discussion and possible action on Resolution No. R-2015-114 providing the U.S. Department of Commerce Economic Development Administration requested commitments and associated documentation related to financial assistance for wastewater improvements.

Kim Foutz – We have received confirmation from the EDA that the Village has been selected to move forward in the process for further consideration. She noted the funding for Salado had been changed from $1,500,000 to $1,000,000. The letter we received on April 3rd, requested the Village to submit documentation committing to the matching funds of $5,318,000 and identifying the source, which is the $10,000,000 bond election. Additionally, they require us to submit State and Federal applications to the Historical Commission and the Army Corp of Engineers. The Army Corp of Engineer's application will require assistance from our engineer. The EDA is also requiring assurance for civil rights compliance and additional narrative.

Mayor Blancett – Kim how long have you been working on this? What are our chances?

Kim Foutz – First application submitted in October 2014. Chances are very good, especially since we are moving through the process.

Motion was made by Alderman Coachman to approve Resolution R-2015-114 authorizing the Village of Salado to provide the U.S. department of Commerce Economic Development Administration requested commitments and documentation related to financial assistance for wastewater improvements. Alderman McDougal seconded, and the motion passed unanimously (5-0).

8. Presentation, discussion and possible action on Resolution R-2015-113 approving an Interlocal Cooperation Agreement between the Village of Salado and Dallas County Schools D/B/A Texserve to enforce and administer the Automated School Bus Stop Arm Enforcement Program.

Kim Foutz – This is an opportunity for an interlocal agreement with Dallas County Schools with the primary beneficiary being the SISD.

Chief Hensley – One of the major reasons for the School Bus Stop Arm Enforcement Program is the safety concerns we all have for our students who ride school buses. The Bus Guard system uses state of the art technology to address safety concerns both on and off the bus. This program would be installed at no cost to the Village or SISD on every school bus in operation, which would result in SISD saving $140,000 if they were to pay to have this technology installed on all 14 busses. The Village and SISD would also each have a 12.5% share in revenue generated from tickets generated by the program. Those violations would be monitored and reviewed by Texserve and then forwarded to Salado for review. Any tickets issued would then be mail out by Texserve. He then read a letter of support from Dr. Michael Novotny, SISD Superintendent.

Morgan Bird (student representative) – asked when would program be implemented?

Chief Hensley – Said once all approvals were in place, would take about 2 weeks.

Alderman Coachman – Will the Village Municipal Court "go in the hole" with the program?

Chief Hensley – Court cases would be processed like any other traffic violation.

Alderman McDougal – Can the program be installed by the beginning of the 2015-2016 school year?

Chief Hensley – That would be possible.

Motion was made by Alderman Dankert to approve Resolution R-2015-113 authorizing the Village of Salado to approve an Interlocal Cooperation Agreement between the Village of Salado and Dallas County Schools D/B/A Texserve to enforce and administer the Automated School Bus Stop Arm Enforcement Program. Alderman Coachman seconded, and the motion passed unanimously (5-0).

PUBLIC HEARINGS/ORDINANCES:

N/A

MICSELLANEOUS:

9. Presentation, discussion, and possible action on Termination of the Effluent Field License Agreement with Stagecoach Properties Inc. and Morris E. Foster for the Stagecoach Wastewater Treatment Plant.

   Kim Foutz – On May 13, 2014 the Village entered into an Effluent Field License Agreement with Stagecoach Properties and Morris E. Foster. This was to discharge into a field that is just south and to the west of Salado. The contract provides for a lease payment of $500 per month, which progressively increases to $5000 per month. We are scheduled to go up to $1500 per month shortly. The contract has a provision in it that we can terminate with a 90 day notice. We are the current permit holder for the Stagecoach Wastewater Treatment Plant. The permit has been reviewed by staff, an operator, and TCEQ and it does not prohibit discharge into the creek. Staff also had a meeting with U.S. Fish and Wildlife Service and other biologist, who also had no objections to discharge in the creek. Staff recommends termination of this contract. The effective date of termination would be July 24, 2015. Up until that day we will have paid $6000, but will save future payments totaling $164,000.

   Alderman McDougal – We will save $164,000?

   Kim Foutz – Yes.

Motion was made by Alderman Coachman to approve Notice of Termination of the Effluent Field License Agreement with Stagecoach Properties Inc., and Morris E. Foster for the Stagecoach Wastewater Treatment Plant. Alderman Dankert seconded, the motion passed unanimously (5-0).

10. Consider authorizing Change Order #1 to the street improvement contract with APAC-Texas, Inc. DBA Wheeler from Belton, Texas for the 2015 Street Rehabilitation Program reducing the scope and contract.

    Kim Foutz – On March 5, 2015 the Aldermen approved a contract with APAC-Texas DBA Wheeler for $305,620. We knew at that time we were going to do a change order. We did have a meeting with TxDot where we talked to them about expanding some of the things they are doing in conjunction with the I-35 project. We were able to get TxDot to do all of Thomas Arnold on both sides of the highway for us. That is a $52,205.50 savings. As a result that impacts our change order. Our engineer, in conjunction with the Streets Committee chaired by Alderman McDougal, came up with several options. (see attachment 1 for list of options)

Motion was made by Alderman McDougal to Motion to approve Change Order #1 Option A to the street improvement contract with APAC-Texas, Inc. D/B/A Wheeler from Belton, Texas for the 2015 Street Rehabilitation Program reducing the scope and contract by $52,205.50. Alderman Dankert seconded, the motion passed unanimously (5-0).

Mayor Blancett closed the Regular Session at 8:17 p.m.

VII. <u>Workshop Session:</u>

Mayor opened the Workshop Session at 8:20 p.m.

11. Discuss an Economic Development and Incentive Policy – Mayor Blancett invited Melanie Kirchmeier, Chamber of Commerce Vice President, to the table to go over the need for economic development and an incentive policy for both new and existing businesses. Kim Foutz handed out a draft of an incentive policy, asking the board not to read too much into it, it is truly just a vehicle for discussion. The Chamber of Commerce has established a committee to address some of the same issues. Mrs. Foutz asked if one or more board members could be on that committee. Alderman Fields stated he would like to be on the committee and Mayor Pro Tem Brown expressed interest depending on what days the committee meets. Both Mrs. Foutz and Mrs. Kirchmeier expanded on the need for incentives and educational opportunities for existing businesses. Mrs. Kirchmeier announced that the next meeting of the committee will be May 28, 2015 at 8:30 a.m. at the Tourism office.

12. Discuss an operator and associated contract for the Stagecoach wastewater treatment plant – Mrs. Foutz stated that she and Alderman Fields had been looking at several different options and going over

several different scenarios and numbers on the budget, which is currently at "bare bones". The current budget is down to approximately $36,000, with a licensed operator costing $15,000 per year. The rates cannot be set to support the current expenses. The Village will have to operate the current plant with a deficit until the new plant can be built. A study with an Ordinance will be presented at a future BOA meeting. Our current operator is terminating his contract in June. This would not be a full time job, but rather the individual will have to be on call at all hours.

Mayor closed the Workshop Session at 8:46 p.m.

Mayor opened the Executive Session at 8:58 p.m.

Mayor closed the Executive Session at 10:02 p.m.

Motion was made by Alderman Coachman to re-open negotiations with the Sanctuary Development regarding a Waste Water Treatment Plant and a Public Improvement District (PID). Alderman McDougal seconded, and the motion passed (4-1) with Alderman Fields voting nay.

There being no further business, the meeting was adjourned at 10:06 p.m.

APPROVED: _____
SKIP BLANCETT, Mayor of the Village of Salado, Texas

ATTEST: _____
Kim Foutz, Village Administrator