

Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
March 19, 2020 at 6:30 p.m.

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Skip Blancett.

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

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, and Aldermen Rodney Bell, Amber Preston Dankert, John Cole, and Michael Coggin.

Salado High School Representative: Averie Piatt was absent.

Staff Present: Village Administrator Don Ferguson

1. Citizens Communications

Darlene Walsh of 1001 Mill Creek Drive spoke on Agenda Item 4F regarding possible refunding or refinancing of outstanding wastewater debt. She said voters were asked to borrow money to connect the business district to the sewer to help the town grow and keep down property taxes. She stated that she talked to unconnected businesses such as Brookshire Brothers, the strip center, the Sonic, Country Boys, Holiday Inn Express and said they want to connect, as well as other properties outside of the Village wanting to connect at their own expense. She asked the Board to look for ways to connect more businesses to help pay down debt.

2. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of March 5, 2020.
- B. Approval of the February 2020 Financial Statements for the Village of Salado.

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

3. Village Administrator's Report

- Wastewater Project Update

Village Administrator Ferguson reminded that social distancing measures are in place. He reported work continues on connecting the 26 unconnected properties in the initial service area that have pulled permits and paid customer deposits by the February deadline. He spoke of possible pursuit of legal action against 3 property owners who have not connected or pulled permits for connection. He advised that 2 of these 3 owners have made contact with the Village. He

reported that TxDOT has repaired at its cost a sewer main break attributed to construction activity. He reminded wastewater customers and on-site septic system owners to not flush wipes with disinfectant.

- Main Street Improvement Project Update

Village Administrator Ferguson reported that sections of curb and gutter/sidewalk are being poured, decorative light fixture and driveway installations are underway, and finish-out work continues on the Rock Creek bridge culvert. He noted the contractor will continue to work weekends, as necessary, with target date for completion projected for early summer, weather permitting.

- Village of Salado Sales Tax Collections

Village Administrator Ferguson reported that the March 2020 sales tax check, representing January sales, totaled \$35,632, similar to the same period last year. He advised that fiscal year-to-date collections of \$281,221 are up about 7 percent from the same period last year, representing 57 percent of budgeted sales tax revenue at the 50 percent mark into the fiscal year. He said that since the beginning of Main Street construction, sales tax collections have been running about 11 percent ahead of prior year collections.

- Coronavirus (COVID-19) Update

Village Administrator Ferguson reported on the need to stay calm and pace ourselves for the long-term when dealing with this pandemic. He advised that to date there are 6 presumptive cases in Bell County and anticipated the number of cases to rise as more testing occurs. He noted that Bell County Public Health District will update its website every day at 2 p.m. to track current cases. He explained the difference between travel-related spread versus community spread and emergency management procedures at different levels of government. He provided details on restrictions regarding restaurant/bar services, recreational activities, and possible penalties for violating those restrictions. He was extremely proud of Village of Salado business community for its prompt compliance. He noted that certain essential businesses will remain open and highlighted the need for practicing social distancing. He advised of a shut-down of schools until April 3rd, to be reassessed as needed for possible extension, with distance learning to be implemented. He said the Bell County's Commissioners Court Judge is expected to issue an amended order prohibiting more than 10 persons in public places and spoke of its impact on public meetings. He advised that there are penalties for non-compliance. He noted that Pace Park and Sirena Park are closed and all existing reservations through the beginning of May are cancelled. He said the Visitor's Center is also closed, with the Municipal Building and Police Department remaining open with enhanced cleaning procedures and social distancing. He reported the Salado Public Library is closed, but implementing outreach, including curbside pick-up and delivery. He said it is highly likely federal assistance will be available to local businesses and non-profits that can provide documentation of economic injury. He advised the local food supply is holding up and commended Brookshire Brothers for keeping shelves stocked. He warned against hoarding and urged people to buy only what is needed. He reported that overnight lodging has experienced high numbers of cancellations and anticipated a decline in Hotel Occupancy Tax (HOT) collections.

Village Administrator Ferguson noted certain upcoming event cancellations/re-schedulings. He spoke of various budget strategies to deal with loss of revenues from sales/hotel occupancy tax collections and wastewater system users, including looking at capital expenditures and all operating costs. He said discussions on recent legislative changes regarding rollback rate caps may open up the possibility of reverting back to the old rollback rate, which depends on how long the pandemic is negatively affecting revenues. He spoke of the Village's healthy fund balance, which may be used as a last resort, after first implementing budget cuts. He asked that people take this pandemic seriously, remain positive, and not panic.

Discussion addressed types of possible financial assistance, such as federal/state sources; establishment of law enforcement safety protocols/contingency planning; impact on Main Street Improvement Project contractors and workers; impact on Sanctuary development; social distancing requirements/enforcement; and need for Saladoans to work together during this difficult time.

- FY 2020 Goals and Priorities Update

Village Administrator Ferguson reported 13 of the established goals are complete, with about 7 in progress. Remaining long-term goals, such as launching of social media sites, are anticipated to be implemented this fiscal year.

- 2020 Salado General Election Preparations

Village Administrator Ferguson reported early/election day voting dates and use of new election equipment.

4. Discussion and Possible Action

- A. Discuss and consider possible action regarding a proposed permanent utility easement on property located at 680 N. Main Street, Salado, Bell County, Texas. (*Village Administrator*)

Village Administrator Ferguson explained original plans that would have required tunneling and an alternative option to go across adjacent property to the north of Old Town. He said the terms of the easement agreement, as with similar agreements secured, allows for a waiver of one LUE fee owed in future wastewater impact fees that may be required for future development. He recommended approval and noted the proposed easement would result in considerable cost savings. Discussion addressed original costs and anticipated cost savings.

Alderman Cole moved to approve the proposed permanent utility easement on property located at 680 N. Main Street, as presented. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action regarding the development of an ordinance establishing a permitting process for large public gatherings. (*Village Administrator*)

Village Administrator Ferguson spoke of previous discussions on this issue and the need to explore possible permitting to mitigate the effects of large gatherings. He stressed this item does not target any businesses in Salado, but is intended to promote good event planning. He asked for Board direction on development of an administrative permitting process, which would require Board approval if there were right-of-way or public property dedication issues. He reiterated the goal is not to stop events, but to ensure they are planned properly and have a successful outcome. Discussion agreed on scheduling a workshop item at the Board's May 7th meeting in order to invite event organizers, receive public input, and hold further discussion.

- C. Discuss and consider possible action regarding the appointment of a member of the Salado Economic Development Advisory Board. (*Village Administrator*)

Village Administrator Ferguson advised this item needs to be continued until April 2, 2020 to allow the applicant to be present.

- D. Discuss and consider possible action regarding a request for a variance from the Village of Salado's fire sprinkler requirement for two (2) retail businesses located at 21 N. Main Street, Salado, Bell County, Texas. (*Village Administrator*)

Mayor Pro-tem Coachman recused himself from the meeting at this time, as he stated the item involves the same company that he is currently leasing a property from.

Village Administrator Ferguson explained the variance request was triggered by increased occupant loads requiring installation of fire sprinkler systems at each business location. He advised the applicant expressed concerns relating to cost of installing sprinkler system. He recommended the following conditions to enhance safety, should Board members desire to approve the requested variance:

- The occupant load in each business shall be limited to 99 people or less and properly posted (maximum number of people can be amended by Board)
- Emergency lighting shall be installed in each business
- All exit doors in each business shall be properly signed
- All exit doors in each business must swing outward
- Lighted landings shall exist at all egress doors for each business
- The separation between the two retail businesses shall have at least a one-hour fire rating
- Each business must have a monitored fire alarm system

Village Administrator Ferguson advised the applicant, Wick Thomas of First Texas Brokerage Management, is present to answer questions. Mr. Thomas asked the Board to consider the cost of each of the abovementioned conditions as separate items and questioned the need for one-hour fire rating separation. Village Administrator Ferguson stated the goal is to help prevent fire spread before the fire department can respond. Discussion addressed costs related to specific conditions; liability to the Village; primary obligation to protect health, safety, and welfare; current fire rating of existing wall; approximate cost of sprinkler system versus cost of complying with aforementioned conditions; lack of existing fire alarm system; adequacy of fire insurance

coverage; costs to property owner and tenant opinions not relevant criteria for consideration of variance requests; and the authority of Board to hear variance requests.

Alderman Dankert moved to approve the variance request, as presented, which includes the aforementioned list of conditions, with the exception that if the wall is found to not be fire rated, then the Board will not require the wall to have a one hour fire rating. She continued to say that if the existing wall does not have a one hour fire rating, then the Board will not require the open portions of wall that are to be closed in, to have a one hour fire rating. Discussion continued without a second. Alderman Dankert withdrew her motion.

Discussion clarifying the motion language established that the intent of Alderman Dankert's motion was that to her it made no sense to ask the applicant to fill in a hole with a one hour fire rated wall if the rest of the wall is not rated. Village Administrator Ferguson stated the purpose of requiring that the entire wall between the businesses have a one hour fire rating is to block the spread of fire from one business to another in the interest of protecting lives and properties. He explained what criteria the Board may consider to approve a variance, which apply to any improvements made to grandfathered properties that do not meet current Code.

Alderman Cole moved to approve the variance, including the listed conditions, as presented, with the occupant load for each business amended to 95 (rather than 99) people. Motion died for lack of a second.

Mayor Blancett requested that the applicant provide the Board with cost information at its next meeting comparing a sprinkler system to rebuilding the separation wall. Village Administrator Ferguson reminded that variances cannot be granted for self-imposed hardships or based on costs to the applicant, and gave an example of a valid hardship.

Alderman Cole moved to approve the variance request, as presented, including amending the occupant load from 99 to 95 people. Alderman Dankert seconded. Discussion questioned the reasoning for the occupant load change from 99 to 95 people, which Alderman Coggin felt as arbitrary and precedent-setting. Village Administrator Ferguson stated that 95 people would likely be a maximum occupant load during certain times such as Stroll and the recommended conditions were intended to create safety conditions similar to what a sprinkler system would provide.

Motion tied on a 2-2 vote, with Mayor Blancett voting nay to break the tie. Motion failed on a 2-3 vote. Following the vote, Mayor Blancett advised that the applicant may bring back this variance request with additional information for the Board's reconsideration at its April 2nd meeting.

Following the vote, Mayor Pro-tem Coachman rejoined the meeting at this time.

- E. Discuss and consider possible action on a proposal that the Village of Salado temporarily contract with Salado Lawn Care LLC to perform certain duties of the Salado Public Works Department. (*Village Administrator*)

Village Administrator Ferguson recommended possible outsourcing of certain mowing duties in light of the recent resignation of the Village's public works employee. He felt that a temporary

contract will serve to determine the feasibility of long-term outsourcing as a more cost-effective option than hiring a full-time Village employee. Discussion addressed how to address other future public works projects such as pothole repairs, signage improvements, and landscape maintenance.

Mayor Pro-tem Coachman moved to approve a 90-day contract with Salado Lawn Care LLC, with possible extension for another 90 days. Village Administrator Ferguson recommended contracting through the end of this fiscal year and noted there is a provision for termination, if needed. Mayor Pro-tem Coachman amended his motion to approve temporarily contracting with Salado Lawn Care LLC, as presented. Alderman Cole seconded. Motion carried on a vote of 5-0.

Addendum to Agenda

4. Discussion and Possible Action

- F. Discuss and consider possible action regarding the potential opportunities available to the Village of Salado to refund outstanding wastewater debt for savings. (*Chris Lane, Financial Advisor; Jerry Kyle, Jr., Bond Counsel*)

This item was heard after Agenda Item 2.

Financial Advisor Chris Lane spoke on recently lowered interest rates and anticipated savings of around \$45,000 per year, and over time totaling around \$600,000-700,000. She said the debt would be refinanced, not extended or restructured, and asked for future Board consideration of possible action via approval of an ordinance setting refinancing parameters.

Bond counsel Jerry Kyle explained the ordinance would allow the Board to authorize a cost-saving refinancing subject to certain parameters. He provided procedural details relating to the ordinance and refinancing.

Discussion addressed net savings of 5.984% after any costs/fees are applied; non-callable option versus possible addition of bidding with an alternate call date option; timeframe for refinancing dependent on approval date and current market conditions; current interest rates; explanation of refinancing versus restructuring; net savings of over \$600,000 after application of refinancing costs; bank bidding process; and maximization of savings.

No action was taken on this item.

- G. Discuss and consider possible action relating to the most recent settlement by the Center for Biological Diversity with the U.S. Fish and Wildlife Service to formally designate the critical habitat of the Salado Salamander. (*Dirk Aaron, Clearwater Underground Water Conservation District General Manager*)

This item was heard after Agenda Item 4E.

Village Administrator Ferguson advised that this item needs to be continued until the Board's next regular meeting, as Dirk Aaron could not be present at tonight's meeting.

H. Discuss and consider possible action regarding the appointment of judges and clerks to work the May 2, 2020, Village of Salado General Election. (*Village Administrator*)

Village Administrator Ferguson explained that the Salado ISD forwarded names of election judges and clerks to the Board for consideration. He noted the Board is only required to appoint judges, however, the list includes judges and clerks. Subsequent to the Salado ISD's list submittal, an additional request was submitted by Danney McCort to be considered as an election judge. Village Administrator Ferguson advised that Governor Abbott has given political subdivisions the choice to postpone their May elections to November 3, 2020, due to concerns about community spread of COVID-19. He spoke of the need to act quickly in order to adequately prepare for the election and meet deadlines, and noted provisions for calling meetings in emergency situations. He spoke of risks related to group gatherings, limits imposed on gatherings, sanitization of the polling place and equipment, possible exposure of high-risk groups to virus transmission (both voters and election workers), and maintaining social distancing. He advised that Salado ISD will be considering postponement of its election until November 3rd at its next meeting.

Discussion addressed obtaining applications for ballots by mail (ABBM); eligibility for ABBMs; reluctance of people to go to polls during COVID-19 pandemic; public safety concerns; election costs (joint versus single entity); safety precautions for voters; possible delay of decision to postpone to a later date; questions regarding what other local political subdivisions may decide about postponement; and health risks to election workers.

At Mayor Blancett's request, election judge applicant Danney McCort spoke to the Board about his experience and qualifications as an election worker/trainer. Mr. McCort said he felt he will be the judge here for the November elections based on his conversations with Bell County Republican Party Chair Nancy Boston and asked for the Board's consideration.

Discussion addressed approving the entire list of judges/clerks versus each named individual, with the understanding any changes to the list would require reconsideration by the Salado ISD Board; lack of complaints with the current judges; and previous approval of the list by the Salado ISD Board.

In addition, Board members briefly discussed the possibility of moving the election from May to November due to the current state of public health emergency. Village Administrator Ferguson indicated the Salado ISD will be considering moving their election at a special meeting on Monday, March 23rd at 6 p.m. Agreement was reached to schedule a special Board of Aldermen meeting on Monday, March 23, 2020 at 6 p.m. to discuss and consider possible action on this issue.

Alderman Dankert moved to approve the entire list of election judges/clerks, as presented. Alderman Cole seconded. Motion carried on a vote of 4-1. Alderman Coggin voted against.

Emergency Addendum to Agenda
(in accordance with Section 551.045 of the Texas Government Code)

4. Discussion and Possible Action

- I. Discuss and consider possible action to reschedule the date of the upcoming Village of Salado General Election to elect a mayor and two aldermen from September 2, 2020, to November 3, 2020, due to public health concerns relating to the Coronavirus (COVID-19) pandemic. (*Village Administrator*)

As this agenda item contains a typographical error, Mayor Blancett indicated there would be no action on this item tonight.

Adjournment

Alderman Cole moved to adjourn. Mayor Pro-tem Coachman seconded. Mayor Blancett called the meeting adjourned at 9:01 p.m.

Recorded by:

Don Ferguson

These minutes approved on the 2nd of April, 2020.

APPROVED:

Skip Blancett
 Skip Blancett, Mayor

ATTEST:

Cara McPartland
 Cara McPartland, City Secretary

