Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
July 5, 2018 at 6:30 p.m.

The Board of Aldermen meeting was called to order at 6:31 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 Fred Brown, Aldermen Andy Jackson, Michael Coggin, Frank Coachman, and Michael McDougal.

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

Citizens Communications

No citizen comments were heard.

1. Consent Agenda

A. Approval of minutes of the Regular Board of Aldermen meeting of June 21, 2018.
B. Approval of minutes of the Special Board of Aldermen meeting of June 21, 2018.

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

2. Status Reports

A. Village Administrator's Status Report

- Wastewater Project Update

Village Administrator Ferguson reported that collection system crews are expected to complete Main Street installation in 30-45 days. He advised lift station equipment has arrived and anticipated installation to take place in late August. He said electrical improvements at the treatment plant site are complete and site work continues. He projected treatment plant and collection system completion dates of mid-January 2019 to mid-February 2019, respectively. He reported that approximately $1,100,000 has been paid to date for the collection system construction and approximately $890,000 has been paid to date for the treatment plant construction.

- Development of parking regulations relating to yard parking and recreational vehicle parking

Village Administrator Ferguson reported that the Planning and Zoning Commission has recommended an ordinance be drafted that would require a conditional use permit (CUP) to regulate parking of recreational vehicles (RVs) on residential properties. He explained that a CUP would trigger the public hearing/notification process and allow for neighbors and the public in general to provide input on CUP applications. He noted that as a zoning action, a CUP would remain in place regardless of changes in property ownership, but could be removed for non-compliance with CUP conditions or at the property owner's request. He advised that all CUP applications would require public hearings before the Planning and Zoning Commission and the Board of Aldermen. It was noted that the Board has discretion to specify CUP conditions in order to address public concerns. He anticipated presentation of a draft ordinance to the Board as a workshop agenda item on July 19, 2018.

- Fiscal Year 2018 Street Improvement Project

Village Administrator Ferguson reported on the costs and completion timeframe (late summer/early fall) for chip sealing of Stagecoach Circle, Tres Vista, Indian Trail, and a small portion of Mill Creek Drive by Bell County road crews.

- Stagecoach Inn Redevelopment Project

Village Administrator Ferguson reported on drafting of updated development agreements by legal counsel to resolve conflicts and other issues. He said parking lot repairs are being expedited as room openings are expected in late July to early August. Discussion addressed electrical work progress and advance notice for any associated power interruptions.

B. Salado Police Chief Status Report

- Calls for service

Chief Ashe presented June 2018 calls for service, reports written, citations issued, number of arrests, and response time averages.

- New Officer Hire

Chief Ashe introduced new officer Chris Dunshie and highlighted his professional and educational background and qualifications.

- Citizens on Patrol

Chief Ashe advised that Citizens on Patrol (COP) volunteers patrolled for 22 hours (11 shifts) and found 6 unlocked business doors.

In addition, Chief Ashe reported on new badge designs, chaplain services to be provided by Mary Hendrix, and the upcoming event and fireworks display in Sherrill Park this Saturday, July 7, 2018. Mayor Blancett invited Officer Dunshie to speak on his military/law enforcement experience and

welcomed him to Salado. Mayor Blancett also invited Mrs. Hendrix to speak on her professional and educational background counseling those in crisis and thanked her for her service.

C. Salado Fire Chief Status Report

- Calls for service

This item was heard after Agenda Item 6B.

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 June. Chief Berrier said recent rains will likely have little long-term impact on our area's dry conditions and noted that the Forest Service is actively involved in providing additional resources to local firefighters.

D. Tourism Director's Report

- History Days
- Area CVB Outreach
- Salado Tourism Advisory Board

This item was heard after Agenda Item 2B.

Tourism Director Chadley Hollas reported that the Tourism Advisory Board has held two meetings to date, with initial weekly meetings to be scaled back gradually to bi-monthly or monthly. He spoke of progress on efforts to revitalize Salado tourism and marketing materials, including development and distribution of a rack card promoting Salado.

3. Presentation

Presentation from the Pace Park Advisory Board regarding a proposed Pace Park Improvement Plan. (*Susan Humiston, Pace Park Advisory Board Chair*)

Village Administrator Ferguson advised that Ms. Humiston requested that this item be continued until the Board's next regular meeting on July 19, 2018.

4. Public Hearings and Consider Possible Action

A. Hold a public hearing relating to the calculation of the maximum wastewater impact fee amounts and the possible imposition of wastewater impact fees for new or expanded wastewater utility service from the Village of Salado's Wastewater Utility. (*Village Administrator*)

Mayor Blancett outlined public hearing procedures.

Grady Reed of HDR Engineering presented information on the following: maximum/effective impact fee determinations and calculations for those determinations; Wastewater Impact Fee

Advisory Committee recommendations; and area fee comparisons. Village Administrator Ferguson spoke of Committee recommendations for Board consideration, including a four-year, interest-free impact fee payout option to minimize impact to customers. Other initiatives discussed included possible creation of a rebate program to help defer costs for customers who have decommissioned existing septics and connected to the system.

Mayor Blancett opened the public hearing and announced the first call for speakers.

Tim Fleischer of 912 Cedar Park Circle, spoke on behalf of the Salado Masonic Lodge located at 95 South Church Street. He cited studies that he said point to conflicting gallon-per-day (gpd) statistics, specifically the determination of a 100 gpd LUE as being inconsistent with his research on national and state standards. Mr. Fleischer expressed concerns for many single family residential (sfr) users that he felt will far exceed 100 gpd, as well as commercial users who will be billed based on overall water usage. He cited a study by Powerhouse Dynamics on average water usage for restaurants and provided an example of a restaurant that would have to pay a $90,000 impact fee based on that study. Mr. Fleischer also spoke of his conversation with a local restaurant owner that indicated his business would have to pay almost $16,000 in impact fees based on an estimated 24 LUEs (1 LUE per 100gpd). He presented examples of average water usage/LUEs for churches and the lodging industry and various scenarios resulting in a high number of LUEs and impact fees representing a significant portion of operating costs for businesses/organizations. He noted the limited resources of the Masonic Lodge and its ability to fund its current expenses, including building maintenance and scholarship programs. He spoke of the added costs of decommissioning the Masonic Lodge's septic tank and connecting to the wastewater system, which he said cannot be financed. Mr. Fleischer recognized his opinion is not one of an engineer, but felt that the impact fee study pulled numbers from the air as those numbers are very close to or exactly what it is costing the Village to install and pay for this sewer system. He said that initial customers are being forced to tie in, should not be considered new growth, and as such hoped the Board would consider not imposing an impact fee on initial customers. He felt that the premise that initial users are considered new growth is fundamentally flawed, unethical to enforce, and will have to be defended in court by the Village.

Mayor Blancett announced the second call for public hearing speakers.

Charles Dunifer, owner of Antique Rose at 402 North Main Street, asked why he is being forced to tie into a system that Salado does not need, unless it desires to expand like Jarrell. He said the original incorporation of Salado was to keep Belton and Harker Heights from taking over. He favored keeping Salado the same and asked the Board who they are working for – Main Street, residents, or growth. He congratulated this Board for holding very few closed sessions lately, but said it has "not served us well."

Mayor Blancett announced the third and final call for public hearing speakers.

John Newman of 2221 Chisholm Trail echoed Tim Fleischer's earlier comments, spoke on the maximum recommended impact fee, and also said properties have been paying full property tax on principal and interest of "the prematurely issued bonds." He cited a judicial ruling that he said applied to imposing an impact fee on an existing structure and felt there might be pushback leading

to legal action. He said the Board's granting of exemptions could possibly keep the Village out of court. He cited future capacity projections and concerns that he felt might be addressed under five options: dilute discharge from plant with fresh water; provide supplement nutrition to the plant to secure biological process; pump and haul at some point; non-compliant discharge for periods of time; and to not turn the plant on at this time. He said the service area as presented has no standing in law and wanted an admission that the real service area is the south side of town.

Hearing no further speakers, Mayor Blancett closed the public hearing.

Mayor Pro-tem Brown stated his opposition to charging an impact fee to any property owner that currently has a septic system and is coming online. He said asking them to pay to have service extended to their properties and to have their septic tank decommissioned is enough to ask. He said he has no problem charging an impact fee for new construction. He reminded that the Board is dealing with these issues because the public voted in favor of a wastewater system.

B. Hold a public hearing and consider approval of an ordinance changing the zoning from Local Retail (LR) to Single Family Residential (SF-7) for a property located at 794 Van Bibber, Salado, Bell County, Texas; and providing for the following: severability; effective date and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson reviewed the zoning change request triggered by the recent subdivision of one LR-zoned lot into two lots. As the applicant intends to build a new residence on the newly created lot, there is a need to rezone the subject lot Single Family Residential (SF-7), while the remaining lot from the subdivision will retain its LR zoning designation. He concurred with the Planning and Zoning Commission's unanimous recommendation for approval at its meeting on June 26, 2018.

Mayor Blancett opened the public hearing and called three times for public speakers. No public comments were heard. Mayor Blancett closed the public hearing.

Mayor Pro-tem Brown moved to approve the ordinance changing the zoning from Local Retail (LR) to Single Family Residential (SF-7) for a property located at 794 Van Bibber, as presented. Alderman Jackson seconded. Motion carried on a vote of 5-0.

5. Ordinance

Consider approval of the first reading of an ordinance of the Village of Salado, Texas repealing Ordinance No. 2013-05 and replacing it with Ordinance No. 2018-10 regulating signs; providing for the following: findings of fact, severability, penalties, repealer, an effective date, and proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson highlighted key provisions of the proposed ordinance, including types of signs allowed/prohibited; allowance for free-standing/monument signs; location and height limitations on pole signs; and requirement for visible addressing on signs to facilitate property location by emergency services. Brief discussion addressed the ordinance's two-reading requirement and creation of a separate Board of Adjustment to hear sign variances.

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

6. Discuss and Consider Action

A. Discuss and consider possible action regarding the development of a policy relating to the operation of the Village of Salado Trolley. (*Village Administrator*)

Village Administrator Ferguson requested direction from the Board on the maintenance and operation of the trolley as there is increasing demand for its use for events, whether those events are Village-approved, or non-Village approved events sponsored by non-profit organizations, or organized by private businesses. He noted there are potential liability issues without a policy in place that spells out how the trolley can be used and who may operate it.

Mayor Pro-tem Brown felt the trolley sends a welcoming message to visitors and did not favor creating a policy in reaction to a single event held this past weekend by Barrow Brewing.

Discussion addressed significant liability issues, need for Board authorization for use of the trolley for private events, use of Hotel Occupancy Tax funds for trolley purchase, designation of a specific route with regular stops, driver training for volunteer drivers, and previous absence of policy, except for an existing hold harmless agreement.

Speaking of his own experience as a past volunteer trolley driver, Tim Fleischer offered his comments that the former tourism director had required him to turn in his driver's license and insurance prior to driving the trolley.

Alderman McDougal moved to direct staff to draft a policy relating to the operation of the Village of Salado Trolley. Mayor Pro-tem Brown seconded. Motion carried on a vote of 5-0.

B. Discuss and consider issues relating to the development of the Fiscal Year 2019 Operating Budget for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson briefed the Board on the following projected revenues for the upcoming Fiscal Year 2019:

- Taxes (ad valorem, sales, franchise, mixed beverage)
- Licenses/permits
- Fines
- Investment earnings

A chart was displayed showing growth projections and it was noted there is a need to review the Village's fee schedule, which has not been amended in many years.

Discussion addressed future budget discussions to focus on expenditures and the importance of public input throughout the budget process.

Adjournment

Mayor Blancett called the meeting adjourned at 8:15 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 19th of July, 2018.

APPROVED:

Skip Blancett, Mayor

ATTEST:

Cara McPartland, City Secretary