

Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
September 6, 2018 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 Fred Brown, Aldermen Michael Coggin, Frank Coachman, and Michael McDougal. Alderman Andy Jackson was absent.

Salado High School Student Representative Present: Grace Barker

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

Proclamations

- A. A proclamation designating the week of September 17-23, 2018, as Constitution Week in the Village of Salado.

Mayor Blancett read the proclamation and presented it to Salado High School Representative Grace Barker.

- B. A proclamation designating September 29, 2018, as Keep Salado Beautiful Fall Sweep Day in the Village of Salado.

Mayor Blancett read the proclamation and presented it to Keep Salado Beautiful President Susan Terry, who provided details on the upcoming Fall Sweep Day.

Alderman McDougal introduced Grace Barker, who has been appointed to serve as Salado High School's representative on the Board of Aldermen. He cited Ms. Barker's academic and leadership capabilities and accomplishments. Ms. Barker spoke of her interest in speech/debate and local government. Alderman McDougal noted that Ms. Barker is at the top of her senior class academically.

Citizens Communications

Maurice Striegler of 901 Salado Oaks Drive spoke of the need for an outside surveyor to resolve recently discovered boundary line discrepancies regarding certain properties near the Salado Cemetery. He distributed a handout on the property lines in question to the Board.

Larry Nathanson of 3901 Chisholm Trail spoke on the upcoming Patriot Day event honoring first responders and urged Board members to attend. He thanked Marilyn and Tim Fleischer for their coverage of the event in the Salado Village Voice.

1. Consent Agenda

Approval of minutes of the Special Board of Aldermen meeting of August 16, 2018.

Mayor Pro-tem Brown moved to approve the minutes, as presented. Alderman Coachman seconded. Motion carried on a vote of 4-0.

2. Presentations

A. Presentation by Robert Sulaski with Sulaski & Company, LLC, regarding the status of the Sanctuary Development Project. *(Robert Sulaski, Sulaski & Company, LLC)*

Robert Sulaski presented the original concept plans and certain changes made due to area topography. He read a list of the project's guiding principles written by Freda Hanks, the mother of Billie Hanks. He highlighted Billie Hanks' standards for development based on his experiences traveling with Mr. Hanks on other projects. Mr. Sulaski anticipated beginning work on the project in early 2019. He showed artist renderings of the development centered around a common area, specific tracts, recreational amenities, and areas planned for residential and commercial uses. He introduced Cole Brentham of Sulaski & Company who was a Salado High School graduate.

Following the presentation, discussion included: need for more occupied homes to attract retail; anticipated submittal of residential plans in January 2019; estimated construction timeframes; and expected residential build-out in within a five-year period.

B. Presentation by Clearwater Groundwater Conservation District relating to the Salado Vista application for a TPDES permit for a proposed wastewater treatment plant. *(Dirk Aaron, General Manager of Clearwater Groundwater Conservation District)*

General Manager Dirk Aaron presented the District's goals, objectives, concerns, and comments meant to be protective of water resources. He spoke of possible detrimental effects of discharge within the recharge zone that would impact the aquifer and Salado waterways. He noted specific District concerns as listed in exhibits submitted to TCEQ related to treatment plant discharges, overflows, treatment limits for certain contaminants, and expansion due to likely increased demand. Mr. Aaron commended State Representative Scott Cospers for his letter helping to validate concerns expressed about the permit applications.

Discussion addressed: more environmentally sound alternatives such as relocation to the east; land application versus discharge; parameters for treatment standards, which are less stringent than the Village's treatment plant standards; use of effluent for creation of wetlands/pond/irrigation; TCEQ's announcement of a public meeting to be held in Salado (date/time/location to be determined); TCEQ comment period; size of proposed treatment plant; developer's preference for

a centralized wastewater system allowing for greater density; and the District's additional assessments providing valuable scientific data for its permit application comments.

3. Status Reports

A. Village Administrator's Status Report

- Wastewater Project Update

Village Administrator Ferguson reported that collection system crews are working on sewer main installation on West Village Road, with completion expected within the next two weeks. Upon completion of West Village Road, crews will start patch work on Royal Street prior to its chip sealing, to be followed by installation of low pressure lines along the east side of Main Street and lift stations on Church and Royal Streets. He noted construction on headworks at the treatment plant is almost finished. He said most of the parts for the treatment plant have been delivered. He advised Bell County has indicated willingness to work with the Village on decommissioning of existing septic tanks.

- Rezoning of recreational properties located within the Village of Salado

Village Administrator Ferguson reported that properties such as the golf course, Pace Park, the area known as Sirena Park, and the Municipal Building need to be appropriately zoned. He advised that minor adjustments will be needed to the Village's Zoning Ordinance and Comprehensive Plan and anticipated about a 90-day process for needed zoning amendments.

- Modification of agenda production process

Village Administrator Ferguson reported that starting in October, agendas and packets will be posted one week in advance of meetings, and asked that agenda item requests be submitted by 5 p.m. on Mondays of the week prior to the meeting. He noted that there will still be an opportunity to add items to the agenda up to seventy-two hours before the meeting, if necessary.

- Board of Aldermen Activity Report

Village Administrator Ferguson reported that future reports will be presented, beginning at the Board's next regular meeting, to help inform the public on actions taken by the Board, many of which are statutorily-mandated.

- Stagecoach Inn Redevelopment Project

Village Administrator Ferguson reported positively on the opening of remodeled hotel rooms and associated media coverage. He noted the restaurant is now open for breakfast, as well as lunch and dinner. He thanked Stagecoach owners for working with the Village on parking and access to the Stagecoach treatment plant. He noted the plant was able to handle much higher than usual flows this weekend, which were due to the hotel opening.

In the interest of dispelling misinformation, Mayor Blancett clarified that the earlier presentation/discussion on the proposed treatment plant permit application (see Agenda Item 2B) does not involve and has nothing to do with the Village's wastewater system currently under construction. Mayor Blancett also spoke of Stagecoach management decisions regarding the hotel's opening and certain menu items.

B. Salado Police Chief Status Report

- Calls for service
- Citizens on Patrol Program
- National Night Out

Chief Ashe presented August 2018 increased calls for service, reports written, citations/warnings issued, number of arrests, and relatively flat response time averages.

Chief Ashe reported that Citizens on Patrol (COP) volunteers patrolled for over 28 hours in 14 shifts over an 11-day period and found 9 unlocked business doors.

Chief Ashe highlighted activities planned for the National Night Out community-wide event to be held on October 2, 2018 from 6 to 8 p.m. at the Salado Civic Center. He reported on Sirena Fest/Parade plans for October 6, 2018. He noted that the grant application for NIBRS software was approved and the Department has successfully transitioned to the new reporting system. He also reported on training for single officer response for active shooters, new officer training completion by newly hired Officer Chris Dunshie, and the departure of Officer Wayne Cooley, who has accepted a position with Belton Police Department.

Discussion included problems with intentional deer feeding, associated complaint-based enforcement policy, and event-related crowd control and safeguards.

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 August. Chief Berrier also reported on the Department's annual Fish Fry to be held on September 15, 2018, approval of \$600,000 in grant funding for county-wide updating of department radios, and on burn ban status.

D. Tourism Director's Report

- Salado Tourism Advisory Board
- Salado Marketing Plan update
- Upcoming events

Tourism Director Chadley Hollas reported Tourism Advisory Board meetings have included productive discussions on development of a marketing plan for the Village that will help Salado

appeal to a wider variety of travelers. He also reported on the upcoming Chocolate and Wine Festival, including positive ticket sales. Director Hollas, Village Administrator Ferguson, and Mayor Blancett all expressed appreciation to Tourism Advisory Board members for their service and diligence in holding weekly meetings.

4. Public Hearings

- A. Hold a public hearing regarding the Proposed Fiscal Year 2019 Operating Budget for the Village of Salado. (*Village Administrator*)

Following a presentation on the Proposed Fiscal Year 2019 Operating Budget by Village Administrator Ferguson highlighting certain funds/expenditures, Mayor Blancett explained public hearing procedures.

Mayor Blancett opened the public hearing and announced the first call for speakers at 8:16 p.m.

John Cole of 1420 Old Mill Road asked about funding for the so-called “Stagecoach” treatment plant, which is so named because it was owned by the Stagecoach before the Village became the owner of that plant. Village Administrator Ferguson explained it is funded from revenue generated by customers of the plant and from the Village’s General Fund.

Mayor Blancett announced the second and third calls for speakers for the public hearing. Hearing no further comments, Mayor Blancett closed the public hearing at 8:17 p.m.

- B. Hold a public hearing regarding the Proposed Ad Valorem Tax Rate for the 2018 Tax Year to help fund the Proposed Fiscal Year 2019 Operating Budget for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson advised this is the first of two required public hearings and reviewed the proposed increase in the debt service tax rate, with the maintenance and operation (M & O) portion remaining unchanged. He noted the second public hearing on the tax rate is scheduled for September 13, 2018.

Mayor Blancett opened the public hearing and announced the first call for speakers at 8:19 p.m., which was immediately followed by the second call for speakers.

Tim Fleischer felt that the homestead/over 65 years of age exemptions and over 65 years of age freeze are too liberal. He said that once adopted, the over 65/disabled tax freeze can never be repealed. He stated that the Village can address the issue of the over 65 years of age exemption in 2019. He cited statistics from other Bell County cities that show their exemptions are not as generous. He said an “apples to apples” comparison shows the Village’s tax rate as inflated, which creates problems in the real estate market. Based on his research, he said if exemptions were eliminated or not so generous, the tax rate could be lowered. Mr. Fleischer believed that most prospective home buyers are more interested in the tax rate than the exemptions allowed.

Mayor Blancett announced the third call for speakers at 8:25 p.m.

John Cole asked the previous speaker, Tim Fleischer, when he has ever seen a city lower its tax rate. Mr. Fleischer said if the 20-percent exemption were eliminated it would likely trigger a rollback election. He said the vast majority of Salado properties are residential and there is not a large commercial property base, compared to cities such as Temple or Belton.

Hearing no more speakers, Mayor Blancett closed the public hearing at 8:28 p.m.

5. Discussion and Possible Action

- A. Discuss and consider possible action relating to the Salado Vista Application for a TPDES permit for a proposed wastewater treatment plant. (*Village Administrator*)

Village Administrator Ferguson requested direction from the Board on whether any action is desired on this item. Discussion included concerns relating to the potential infiltration of Salado's public groundwater supply and environmental impact on the creek's habitat, either through normal creek flows or through fractures that allow for discharge to go directly into the groundwater supply. Discussion favored the Village expressing its concerns and opposition to TCEQ by sending a letter and being allowed to speak at the public hearing on the permit application.

Mayor Pro-tem Brown moved to direct staff to send a letter to TCEQ stating the Village of Salado's adamant opposition to the Salado Vista TPDES permit application. Alderman Coachman seconded. Motion carried on a vote of 4-0.

- B. Discuss and consider possible action authorizing the Village Administrator to execute an agreement with *Sign Ad Outdoor Advertising* of Houston for the use of two (2) digital billboards on Interstate 35 to market Salado. (*Salado Tourism Advisory Board*)

Tourism Director Hollas provided details on the Tourism Advisory Board's reasoning which favored digital billboards as the best marketing opportunity. He noted digital billboard locations and specific terms of the agreement that allow for the greatest flexibility in marketing Salado's events and increasing awareness of Salado as a tourist destination.

Mayor Pro-tem Brown asked about the possibility of obtaining one of the two billboard locations on the northbound side of Interstate 35 in Williamson County, as opposed to having both billboard locations on the southbound side. Director Hollas said there was not a northbound location available for a digital billboard, and if one was available, it would have cost considerably more.

Discussion also addressed digital versus static billboard costs and savings realized by eliminating the fees for changing static billboard content, as digital content can be changed frequently at no cost.

Alderman McDougal moved to approve authorizing the Village Administrator to execute an agreement with *Sign Ad Outdoor Advertising* of Houston for the use of two (2) digital billboards on Interstate 35 to market Salado. Alderman Coachman seconded. Motion carried on a vote of 4-0. Mayor Blancett asked Director Hollas to convey Mayor Pro-tem Brown's comments regarding location of the billboards to the Tourism Advisory Board for consideration.

- C. Discuss and consider possible action regarding a proposal to declare a certain quantity of .357 Magnum ammunition purchased for the Police Department as surplus property and to authorize the sale of the surplus ammunition to *GT Distributors*. (*Police Chief Rick Ashe*)

Mayor Blancett introduced the item. Mayor Pro-tem Brown moved to approve declaring a certain quantity of .357 Magnum ammunition purchased for the Police Department as surplus property and to authorize the sale of the surplus ammunition to *GT Distributors*, as presented. Alderman Coggin seconded. Motion carried on a vote of 4-0.

- D. Discuss and consider possible action regarding a proposal to eliminate the position of corporal and create a sergeant's position in the Salado Police Department. (*Police Chief Rick Ashe*)

Chief Ashe proposed changing the command structure to eliminate the current corporal position and create a sergeant's position, with no change to the hourly rate of pay.

Mayor Pro-tem Brown moved to approve eliminating the position of corporal and creating a sergeant's position in the Salado Police Department. Alderman Coggin seconded. Motion carried on a vote of 4-0.

- E. Discuss and consider possible action approving plans for a Salado High School Homecoming Parade on Thursday, September 20, 2018. (*Village Administrator*)

Village Administrator Ferguson stated this item has been pulled, as event organizers have notified staff that parade plans have been cancelled until next year's homecoming.

- F. Discuss and consider possible action approving plans for the *Grape Stomp and Harvest Festival* on Saturday, September 22, 2018. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the event plans and provided details on event activities. An event organizer invited the Board to attend.

Alderman Coachman moved to approve plans for the *Grape Stomp and Harvest Festival*, as presented. Alderman McDougal seconded. Motion carried on a vote of 4-0.

- G. Discuss and consider possible action regarding a proposed interlocal agreement with the County of Bell and the Village of Salado relating to surface improvements to Royal Street in Salado, Texas. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the agreement to resurface Royal Street after the Village's wastewater collection system contractor has patched that portion of the roadway disturbed by their work. He said the two-course chip sealing is estimated to cost approximately \$30,000 and would be paid from the Village's General Fund Balance.

Discussion addressed the feasibility of using wastewater project contingency funds to pay for this work and potential use of those funds for other purposes; completion of improvements in October; and timing of the project to avoid periods of heavy construction-related truck traffic.

Alderman McDougal moved to approve the interlocal agreement with Bell County and the Village of Salado relating to surface improvements to Royal Street, as presented. Mayor Pro-tem Brown seconded. Motion carried on a vote of 4-0.

- H. Discuss and consider possible action regarding an amendment to the professional services agreement between Kasberg Patrick & Associates, LP of Temple, Texas, and the Village of Salado relating to wastewater design services. (*Village Administrator*)

Village Administrator Ferguson explained that a slight increase in the allowance for required additional density testing was offset by eliminating some of the on-site representative services for contract monitoring, which resulted in a net deduction of \$37,900 from project engineering costs.

Mayor Pro-tem Brown moved to approve amendment to the professional services agreement between Kasberg Patrick & Associates, LP of Temple, Texas, and the Village of Salado relating to wastewater design services, as presented. Alderman Coachman seconded. Motion carried on a vote of 4-0.

- I. Discuss and consider possible action approving Contract Amendment No. 3 with Matous Construction, Ltd. of Belton, Texas, relating to the construction of the wastewater treatment plant for the Salado Wastewater System. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the amendment allowing for modification of the blower enclosure panel and deletion of more than 200 cubic yards of fill material that was originally thought to be needed for the project. He advised the net impact of the contract amendment results in a deduction of \$5,742 from the project costs.

Alderman Coggin moved to approve Contract Amendment No. 3 with Matous Construction, Ltd. of Belton, Texas, relating to the construction of the wastewater treatment plant for the Salado Wastewater System, as presented. Alderman McDougal seconded. Motion carried on a vote of 4-0.

- J. Discuss and consider possible action regarding a proposal to update the Village of Salado Comprehensive Plan. (*Alderman Frank Coachman*)

Alderman Coachman reviewed his proposal to create a seven-member panel consisting of representatives from the Board of Aldermen, Planning and Zoning Commission, Streets Advisory Board, Salado ISD, Salado Historical Society, Chamber of Commerce, and an at-large resident. He presented the following names for consideration:

- Frank Coachman (Board of Aldermen)
- Larry Roberson (Planning and Zoning Commission)
- Ted Williams (Streets Advisory Board)

- Kim Bird (Salado ISD)
- Cathy Sands (Salado Historical Society)
- Melanie Kirchmeier (Chamber of Commerce)
- Jim Lassiter (at-large resident)

He reviewed the committee's public meeting/hearing and approval schedules that would span a 10-week period beginning with the Committee's first meeting on September 25, 2018.

Alderman McDougal moved to approve creation of the Comprehensive Plan Update Advisory Committee, all nominees, and the planned meeting schedule, as presented. Mayor Pro-tem Brown seconded. Motion carried on a vote of 4-0.

- K. Discuss and consider possible action on issues relating to the Proposed Fiscal Year 2019 Operating Budget for the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson asked if the Board wished to provide further input on the Budget at this time.

Alderman Coachman moved to take no action. Mayor Pro-tem Brown seconded. Motion carried on a vote of 4-0.

Addendum to Agenda

- L. Discuss and consider possible action regarding a proposed service extension policy for the Village of Salado Wastewater System. (*Village Administrator*)

Village Administrator Ferguson advised that the Village has been contacted by potential developers seeking information on availability of wastewater service and capacity for their developments. He reviewed the proposed policy that sets forth specific definitions and procedures for service extension requests, including evaluation of service requests, service extension/development infrastructure parameters, and various options for reservation of wastewater capacity. It was noted that annexation into the Village of Salado would be required for developments requesting reservation of capacity.

Mayor Pro-tem Brown felt that adoption of this policy will cause the Village to lose opportunities for development and did not favor requiring developers to pay substantial fees up front with cash, particularly when lenders may be reluctant to make such loans depending on current economic conditions. Mayor Pro-tem Brown said developers already face tremendous expenses for putting in streets and utilities and he could find no other area cities that make developers pay up front for taps. He feared that developers will go outside the city limits and the Village will lose business. Alderman Coachman said part of developers' funding is based on the fact that there is sufficient capacity and asked how the Village can promise to reserve capacity for large developments without any payment. Mayor Pro-tem Brown felt the Village should not reserve capacity for anyone and sewer service should be available for anyone who wants to come online. Village Administrator Ferguson asked if some concerns could be addressed through negotiated payment arrangements with developers. Mayor Pro-tem Brown felt that developers will choose to build elsewhere, rather

than pay large upfront fees. Alderman Coachman said the Village needs to be able to plan and there is an option to pay for capacity reservation over a 5-year period. Discussion continued on various options for developers who request guaranteed future capacity, while providing some source of funding to help finance system expansion, if needed. Mayor Pro-tem Brown questioned why the Village should guarantee capacity to anyone and said other cities are not adopting such a policy, as it drives away development.

Mayor Blancett favored finding a compromise that will not drive people away, yet protect the Village. Mayor Pro-tem Brown favored simply stating that the Village will provide wastewater service and not guarantee a specific amount of capacity. In addition, he favored the option of allowing payment of tap fee(s) when building permit(s) are issued. Alderman Coachman said this is about impact fees, not tap/connection fees, and reminded that this policy was drafted for Board consideration because the developer wanted a *guarantee* of capacity up front for financing reasons. There was discussion of policy language stating a reservation capacity expiration time period (four years versus five years) and allowing for negotiation of a separate agreement for phased payment of the fees, if the developer wants to reserve capacity. Discussion emphasized that developers do not have to reserve capacity and that this policy is only intended for those developers who have annexed into the Village and want a guarantee of reserved capacity.

Alderman Coggin moved to approve the service extension policy, as presented. Alderman Coggin agreed to Alderman Coachman's suggested amendment to change the expiration period as follows (Section 6, last paragraph, page 3): "Upon approval, the reservation of wastewater capacity shall remain in effect for a period not to exceed ~~five (5)~~ four (4) years in length from the time of payment of the applicable impact fees." Alderman McDougal seconded the motion, as amended. Motion carried on a vote of 4-0.

Adjournment

Mayor Blancett called the meeting adjourned at 9:40 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 20th of September, 2018.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

