MINUTES

FOR THE REGULAR MEETING OF THE

CITY COUNCIL OF THE CITY OF BANDERA

OCTOBER 16, 2014

AT 6:00 PM IN THE MUNICIPAL BUILDING

AT 511 MAIN STREET, BANDERA, TX

1. Meeting called to order by Mayor Don R. Clark at 6:00 pm. Council members John Hegemier, Jim Hannah, Suzanne Schauman, and Glenn Clark were present. City Administrator, Lamar Schulz, and City Secretary, Karen Chesler were also present.
2. Pastor Greg Young gave Invocation & All stood for the Pledge of Allegiance
3. Visitors to be heard

Andy Wilkerson, Bandera County Commissioner, Precinct 3 stated he was approached to represent the City through Bandera County. After speaking with Mr. Grimes he is going to reject the offer and let Mr. Grimes continue to serve because he is more qualified. Mr. Wilkerson is here for the city to move forward in future endeavors. The decision was made through commissioner’s courts that Mr. Grimes would represent the city and he does not want to go against what was set up by the court.

Lynn Palmer, City of Bandera resident stated she is requesting you take into consideration Mike Cardenas’ devotion to the city of Bandera for the last 25 years. Mr. Cardenas has been dedicated to the city as the Public Works Director. Mr. Cardenas has been the one constant in our city and requests council to consider this when you go into executive session to speak about the matters concerning him.

1. Minutes of Previous Meeting

**Council member John Hegemier made a motion to approve the minutes of the Budget Public Hearing and Special Meeting of September 29, 2014 at 6:00 pm with the one change by Suzanne Schauman, seconded by Council Member Glenn Clark. All in favor. Motion carried.**

**Council member John Hegemier made a motion to approve the minutes of the Tax Rate Public Hearing and Special Meeting of September 29, 2014 at 7:00 pm, seconded by Council Member Jim Hannah. All in favor. Motion carried.**

**Council member John Hegemier made a motion to approve the minutes of the October 2, 2014, seconded by Council Member Glenn Clark. All in favor. Motion carried.**

**Council member John Hegemier made a motion to approve the minutes of the October 8, 2014, seconded by Council Member Suzanne Schauman. All in favor. Motion carried.**

1. Discussion and possible action on the following topics:
2. The removal of $350,000 from a City Certificate of Deposit on 06/29/2012 without the approval of City Council

Lamar Schulz handed out the Certificate of Deposit Adjustment where the $350,000.00 was withdrawn from the CD on 06/29/2012 with the signatures of the individuals that withdrew the funds. In his review of city council minutes from January 1, 2012 through September 30, 2012 he did not see any entries where this was discussed in an open meeting before city council. Mayor Don R. Clark stated I asked you this question previously and I will ask you again. Were these funds properly put into our general fund? Lamar Schulz replied they were withdrawn and put into the General Fund. We are trying to piece together what actually happened with the account after it was deposited. Some budget amendments were made. The expenditures we can account for are listed on the sheet in the packets. The one item we are still working on is the office renovation and we will need to pull the invoices to get an accurate picture of what was spent. The meeting for September 17, 2012 discussed amendments but no attachments were included in the books. Suzanne Schauman stated when council approved the 13-14 budget there was a $193k shortfall. Does this account for where the money was spent? Lamar Schulz replied we are not really sure at this point. We are still going through the paperwork to see what was spent. Mayor Don R. Clark asked Lamar Schulz if he has gone back and read through the minutes and listened to the tapes. Lamar Schulz replied he went through the written minutes but did not listen to the tapes. John Hegemier stated he personally does not see where the big problem is but does agree that council should have been notified when a CD was withdrawn but the expenditures were approved. Lamar Schulz stated the budget amendments were made after funds had been expended. In Mr. Schulz’s experience of public funds or removing funds from a CD a budget amendment is needed. When you move funds from fund balance to your account or budget an approval from council is required. Mr. Schulz has not seen anything handled in this manner. Glenn Clark stated he has all kinds of questions but Mike Cardenas was the city administrator at this time. Did you talk to Mike Cardenas about why the funds were withdrawn? Lamar Schulz replied he has just begun researching this. Glenn Clark stated he is trying to figure out why they would do this? Was there some type of emergency they foresaw? What is the reasoning? John Hegemier replied we transferred money from the reserve account to general fund to pay for expenses. I do not know why this is a problem. Glenn Clark stated this is $350,000 that was taken out and put in the general fund but you do not think there should be any accountability to the citizens of Bandera for the funds. The big problem for this town has been accountability. Mayor Don R. Clark asked Mike Cardenas are you aware of what we are talking about. Mike Cardenas stated that he would need to research it. Mayor Don R. Clark stated this council is trying to be open as they work through this. Lamar Schulz replied this is an ongoing investigation. Suzanne Schauman asked we had $193,000 found money, and then if we can account for another $65,000 above and beyond that it leaves about $100,000 out there not accounted for but it is not acceptable. John Hegemier asked why are you saying it is unaccounted for. A female voice from the audience replied this is a different fiscal year you are talking about. The next fiscal year would be 12-13. Suzanne Schauman stated it was found money. John Hegemier replied it was not found money. Mike Cardenas stated the withdrawal was done and is in our auditing report which should show why and where we moved the money from. Our auditors ask so there should be an explanation on that audit. John Hegemier replied once it is in the general fund the dollars are not earmarked for this project and if we had a shortfall in the budget it was used to cover. Lamar Schulz added the withdrawal had not been approved to move. Lynn Palmer asked why the city administrator did not ask the council that was on the board at that time specifically both Jim Hannah and John Hegemier. Jim Hannah replied he did not take office until after this occurred at the end of 2012. Mayor Don R. Clark stated we are going take this under consideration. Lamar Schulz added that he wanted council to know this situation existed. Jim Hannah asked did you go to the bank and ask them who signed for the release of those funds from the city. Lamar Schulz replied the information is on the form Lamar Schulz handed out but the two signatures were Mike Cardenas and Maggie Schumacher. Mayor Don R. Clark stated we need to work on this further. Suzanne Schauman stated she would like to work on this further and discuss with Maggie Schumacher and Mike Cardenas. Mayor Don R. Clark stated he is trying to keep everything transparent within the city. Lamar Schulz has done a good job. This issue came up and he is questioning it. We are going to check into it and get some answers.

**Council member Jim Hannah made a motion to direct the city administrator to research the account where the money was spent, or receipts were posted, seconded by Glenn Clark. Three members in favor. One opposed. Motion carried.**

1. Request approval to advertise for applicants to serve on an Interlocal Agreement Committee. Said committee to develop an Interlocal agreement between the City of Bandera and the County of Bandera

Mayor Don R. Clark stated we are asking for the approval to advertise for applicants. Suzanne Schauman asked do we have a committee working on this. Mayor Don R. Clark stated we did but it has disbanded. Mayor Clark had talked with the judge from the county and he would like to get some local citizens to represent the city.

**Council member Jim Hannah made a motion to advertise for applicants to serve on an Interlocal Agreement Committee between the City of Bandera and the County of Bandera, seconded by Council Member Suzanne Schauman. All in favor. Motion carried.**

1. Request for Terry Gawlik, Community Relations Manager, Republic Services will discuss the current garbage contract between Republic Services and the City of Bandera. He will discuss possible actions which would reduce the City’s cost for providing garbage service during the remainder of the current contract and in an extended contract

Terry Gawlik, Republic Services stated he would like to apologize he does not have numbers to present. Mr. Gawlik will have it prepared in the next few days. Mr. Gawlik has been a partner with the city and asked if anyone has any questions.

1. City of Bandera has received a $275,000 Texas Community Development Block Grant for sewer improvements. The City will fund $13,750.00 for said project.

Lamar Schulz stated this is for sewer lines to be replaced to prevent excessive inflow and infiltration. Mayor Don R. Clark stated the contractor shall install approximately three thousand one hundred eighty-five linear feet (3,185 l.f.) of eight-inch (8”) to ten-inch (10”) sewer line by pipe busting, approximately one hundred forty linear feet (140 l.f.) of bore, ten (10) manholes, service reconnections, pavement and driveway repair, and all associated appurtenances. The constructions shall take place in the following locations: Hackberry Street: from Seventh Street to Eight Street, Eight Street: from Hackberry Street to Maple, and Maple Street: from Eighth Street to Main Street. These activities shall benefit three hundred fifty-nine (359) persons, of which two hundred ninety-one (291) persons or eighty-one percent (81%) are of low-to moderate-income. This is fantastic.

1. Request Amendment of Chapter 3, Article 3.02 to include P&Z review of all plans for commercial construction in the city

Suzanne Schauman stated the historical district information was put into place and now includes all commercial construction within the City of Bandera. Karen Chesler stated the paperwork was put in the boxes for the council people. Jim Hannah stated he feels this is an extra level of review and will be a good idea for all projects.

**Council member Suzanne Schauman made a motion to amend Chapter 3, Article 3.02 to include a 3.05 for P&Z review of all plans for commercial construction in the City of Bandera, seconded by Council Member Glenn Clark. All in favor. Motion carried.**

1. Request to Schedule a joint workshop with council, EDC, and P&Z on October 23, 2014 at 6:00 pm to discuss Comprehensive Master Plan report

Suzanne Schauman feels it is important to get input from City Council, EDC and P&Z on the master plan but is not sure about how to get this accomplished. The meeting can also include any concerned citizens. The issues or problems of the master plan can be discussed. Ms. Schauman stated she would like to see these groups brought together a few times a year to collaborate efforts. Karen Chesler stated at recent meetings with the EDC and P&Z the date and time of this joint meeting was discussed. Martha Shoemaker stated as a representative of EDC they are looking forward to this meeting and collaborating efforts. Lynn Palmer stated she would like to see the city park plan included in the master plan the P&Z is working on. Mayor Don R. Clark asked if we can get the agendas posted as needed. Karen Chesler stated she will post one agenda for each group.

No motion made. Meeting will be set up.

1. Request Andy Wilkerson, Bandera County Commissioner, Precinct 3, serve as the City’s representative in all matters concerning the County of Bandera

Andy Wilkerson rejected the offer and the item was pulled from the agenda as discuss in the visitors to be heard section.

1. Request approval to spend $1,650.00 to have Able Garcia do the concrete work on the storm drain adjacent to the library (near intersection of Pecan and Hwy 16)

Lamar Schulz stated this is where they are having trouble by the library. The hole was grown over so badly and it drops off. The hole has been cleaned up. Glenn Clark stated he met with Mike Cardenas to discuss adding some concrete over the hole to fill it in. Mike Cardenas stated he is going to put some head wall over the pipe and on the sides. If the hole is not filled in it is going to continue to be an issue. Suzanne Schauman asked who is Able Garcia. Lamar Schulz replied he is a local guy who has done work for the city in the past with the culverts. Suzanne Schauman asked did we get bids on the project or did we just call Able Garcia and ask him. Lamar Schulz replied the reason we are discussing it is that the project is over the $1,500 limit and we need council approval. Mr. Garcia has done concrete work for the city before and we were satisfied. Suzanne Schauman asked does the bid include the price of the concrete. Mike Cardenas stated the price is strictly the labor. Suzanne Schauman stated concrete is $84.00 a yard now. Are we going to use rebar and mesh? Mike Cardenas stated yes. Suzanne Schauman asked do we have an estimate of what the materials are going to cost. Mike Cardenas stated the concrete needed is about 3 ½ yards. For the cost of three yards you may as well get five yards and use the remaining somewhere else. Glenn Clark concluded we are looking at about a total of $2,000 for the project.

Suzanne Schauman stated she wants to go on record stating when we are spending a couple thousand dollars we need to go out for bids. Lynn Palmer stated she would like to have us go out for bids on items like these and have a description or picture of what work is to be done. Mayor Don R. Clark stated we do need a drawing or schematic of what is to be done. Jim Hannah stated a little description would be good to have.

**Council member Glenn Clark made a motion to approve the spending of $1,650.00 to have Able Garcia perform the concrete work on the storm drain adjacent to the library, seconded by Council Member Jim Hannah. All in favor. Motion carried.**

1. Approval of position and job description for Water / Wastewater Quality Monitor

Lamar Schulz stated this is the job description for the new position we are creating which has been approved by the city attorney’s office. Mr. Schulz is asking for council to approve the job description. Suzanne Schauman asked is it just the Class C water license that is required for this position. Lamar Schulz replied yes. The audience asked was this position budgeted for. Mayor Don R. Clark replied yes.

**Council member Glenn Clark made a motion to approve the job description for Water / Wastewater Quality Monitor, seconded by Council Member Suzanne Schauman. All in favor. Motion carried.**

1. Request for resolution for EDC to enter Performance Agreements for Frontier Times Museum

Martha Shoemaker, EDC Vice-President stated the Frontier Times Museum had requested the funding for an expansion to the building that previously was approved in the budget for $15,000. We needed a resolution for the EDC to enter a Performance Agreement with the Frontier Times Museum. Ms. Shoemaker is requesting the mayor sign the resolution. The performance agreement is in the event that the funds are not used as specified in the contract the funds will need to be paid back. EDC has already held a Public Hearing for this. This meeting would be the second meeting needed if it is read or made available to the public to be picked up at city hall.

**Council member John Hegemier made a motion to approve the resolution for EDC to enter into a performance agreement for the Frontier Times Museum, seconded by Council Member Jim Hannah. All in favor. Motion carried.**

1. Request for resolution for EDC to enter Performance Agreements for Pape-Dawson for the Sidewalk project

Martha Shoemaker stated she also created a resolution for the EDC to enter a Performance Agreement with the Pape-Dawson similar to the previous one. In the amount of $12,000 with $4,000 for the needs assessment and the $8,000 for the development of action and identify funding sources. The funds have been approved and budgeted by EDC. The performance agreement is in the event that the funds are not used as specified in the contract then the funds would need to be paid back.

**Council Member Glenn Clark made a motion to approve the resolution for EDC to enter into a performance agreement with Pape-Dawson, seconded by Council Member Suzanne Schauman. All in favor. Motion carried.**

1. Request to purchase and install cameras at each water origin or storage location

Mayor Don R. Clark stated the utility clerk and he has tried to find cameras to monitor the water systems but have not been able to find ones that work with our computer. Mayor Clark would like to post signs about the surveillance cameras at these locations. We are preparing not to have any problems at these locations. Administration thought it would be good to be able to see what happens at these locations. This item will be put on a future agenda. Glenn Clark stated this is a necessity based on the world we live in today. Glenn Clark would like to know who is going to monitor these pictures and when. Mayor Don R. Clark stated this is a system that will send an alert if the camera detects any issues. Lamar Schulz replied to have pictures to see what happened at a location. Mayor Don R. Clark said there are so many different cameras to choose from; such as deer feeder cameras and a thousand other ways to monitor. Let’s not let this become an issue. Council has passed on this item until more research can be done.

1. City Administrator’s Reports
2. Water Department
3. Permits Issued
4. Water Usage
5. General Fund – Bills paid, Balance Sheet & Budget Performance
6. Enterprise Fund - Bills paid & Balance Sheet
7. Municipal Court Activity Report

Lamar Schulz explained all of the different reports and asked if anyone had any questions.

1. Executive Session: Adjourned into executive session at 6:50 pm.
2. The City Council shall meet in Executive Session under Texas Government Code (TGC) §551.071, Consultation with Attorney and §551.074, Personnel Matters

To deliberate and consider the employment status and agreement for Public Works Director, Mike Cardenas

Mayor Don R. Clark stated no action to be taken.

Adjourned into executive session at 6:53 pm.

1. The City Council shall meet in Executive Session under Texas Government Code (TGC) §551.074, Personnel Matters: To deliberate and consider the City Manager Performance
2. Open Session. City Council shall convene in regular session and discuss or take action, if necessary on items discussed in Executive Session.

Reconvened into regular session at 7:17 pm.

**Council Member Jim Hannah made a motion that no action needs to be taken, seconded by Council Member Suzanne Schauman seconded. All in favor. Motion passed.**

Glenn Clark stated that he agrees that Lamar Schulz has done an excellent job for the City of Bandera. Mayor Don R. Clark stated he agrees with that.

1. Adjourn

**Council Member Glenn Clark made a motion to adjourn at 7:21 pm, Council Member John Hegemier seconded. All in favor. Motion carried.**

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Karen Chesler Don R. Clark

City Secretary Mayor