**MINUTES**

**FOR THE REGULAR MEETING OF THE**

**CITY COUNCIL FOR THE CITY OF BANDERA**

**FEBRUARY 5, 2015**

**AT 6:00 PM IN THE MUNICIPAL BUILDING**

**AT 511 MAIN STREET, BANDERA, TX**

1. Meeting Called to Order by Mayor John Hegemier at 6:00 pm. Council members Glenn Clark, Suzanne Schauman, Sheila Pumphrey, and Jim Hannah were present. City Administrator, Lamar Schulz, City Treasurer, Betty Brown, and City Secretary, Karen Chesler were also present.
2. Invocation given by Patricia Moore & All stood for the Pledge of Allegiance
3. Visitors to be heard-no one signed up and no one spoke
4. Minutes of Previous Meeting

Glenn Clark asked for one change to be made to the second page of the minutes for the he to be clarified as either Mr. Dietrich or Mr. Crady. Karen Chesler replied it should be Mr. Crady.

**Council member Suzanne Schauman made a motion to approve the minutes of the Special Meeting of January 22, 2015 at 6:00 pm, seconded by Council Member Shelia Pumphrey. All in favor none opposed. Motion carried.**

1. Discussion and Possible Action on the Following Topics:
2. Request to approve resolution authorizing application to the Texas Water Development Board Research and Planning Fund

Lamar Schulz stated they are trying to get grant funds for the waste water and piping to a golf course or other entities. The grant study’s what the costs are to do the whole project and the costs the city would incur. Tom Brown, Naismith Engineering stated this grant is through the Texas Development Board for a 50/50 grant. The city portion would be $34,250 with the scope of work for a water reuse project for irrigation of parks, athletic fields, golf courses and part of the study is to look at the existing permits and pricing structure. The cost estimates to do the project and see how much water can be saved not for the city but to well fields. This is for a planning grant the Water Development Board has operated for years and is part of the regional state water plan. This strategy has been identified as a potential water source to reduce the amount of potable water for irrigation purposes in our community. John Hegemier replied thank you Tom. Jim Hannah stated this is an excellent opportunity since state wide they have spent money on small cities to improve the water infrastructure. The city and Flying L PUD are challenged to find ways to use or pump from the lower trinity of the aquifer. This is an opportunity for the city to secure a grant and work with the Flying L and others in the area to come up with methods to reuse water from the sewer water plant. A study of our existing sewer plant needs to be done to see about reusing the water. Mr. Hannah noted one of the first things when we get this grant is to discuss what is being pumped, what the needs are and what the future needs are and how we can rearrange some coordination of our wells and the wastewater in the community to take pressure off the lower trinity aquifer. Mr. Hannah noted the Bandera River Authority has requested the city come up with alternatives to take pressure off the lower trinity for water used in our parks and Flying L golf course.

**Council member Jim Hannah made a motion to approve the resolution as written authorizing the application to the Texas Water Development Board Research, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

1. Request to approve resolution authorizing the submission of a Texas Community Development Block Grant Program Application to the Department of Agriculture for the Community Development Fund

Lamar Schulz stated they are still working on the numbers for the amount the city is responsible for. The grant is to drill a well north of the community away from our current wells so they do not suck water from the other wells. The grant will pay for $275,000 but $370,000 is not covered and the city would be responsible for. The goal is for the city to obtain the additional funding to reduce the amount the city actually pays. Currently, the city needs to show they are responsible for the $370,000. The grant is an estimate of what it would cost to drill a middle trinity well north of the city. John Hegemeir asked if it is the middle trinity or lower trinity. Lamar Schulz replied the figures are based on a middle trinity well and a lower trinity well would cost $200-300 thousand more to drill. Jim Hannah stated we should really study both options. Lamar Schulz responded we need to give them a response and estimate immediately. Margaret Hardin stated the CDBG application is due at the end of this month and in order for the city to apply the city has to adopt the resolution stating they are agreeing to the $370,000 amount as the city’s portion. Ms. Hardin only has two weeks left to give notice to the paper five days prior to submitting, the application and notice in the paper next week. John Hegemier asked if we agree to the 5 percent match are we meeting the requirements of the grant. Margaret Hardin replied no, the resolution needs to add up to the cost estimate in the application. The amount of money has to match the total needed for the project to be completed less the $275,000 the grant pays based on the total of the estimate. The city has to show they can cover the costs at the time the application is submitted. John Hegemier asked if Mr. Hannah is referring to the middle trinity but we would already have the infrastructure in place to drill to the lower trinity. Jim Hannah replied the middle trinity might be good in this area but north of town they already have some middle trinity wells. Mr. Hannah asked if we apply for this grant for the middle trinity but we get down the line and want to research the lower trinity can we change it. Margaret Hardin replied you can and the way the application is written is the city wants to drill a well but they do not have to designate the middle trinity or the lower trinity. Currently, the city does not have a site, so they are just estimating where the city is acquiring property and what the costs are for a well. The site has to be two acres with the sanitary easement but the application is based on estimates. When you get funded, then the city can get bids for the project. Ms. Hardin stated the city needs a well, this is the estimate to drill a well but the cost estimate was for the middle trinity and the city wants to drill to the lower trinity which is another $200-300 thousand dollars. If funded, the requirement is to serve the community when the project is complete. Suzanne Schauman asked if the amount includes purchasing the property to turning a tap on in town how do we know how much it is going to cost. Lamar Schulz stated we estimated approximately a mile outside of town. Suzanne Schauman asked outside the city limit or on the north side of town. Lamar Schulz replied correct, the amount can change based on how far outside the city we have to go. Suzanne Schauman replied finding property right outside the city limits is going to be difficult. John Hegemier stated there are things to work out but this is the application process. Jim Hannah stated there are a lot of details to work out. Suzanne Schauman stated the resolution states the City of Bandera is committing funds from our Water and Sewer Fund, is this something we need to create for this? Lamar Schulz replied no this just means that money is going to come from the utility fund. Margaret Hardin replied the resolution can be changed to say utility fund but the resolution has been used by other cities. Suzanne Schauman replied our budget is already tight and agrees we need this but we only put in a little for contingencies. Lamar Schulz replied in all likelihood the grant is not going to happen in this budget year. Margaret Hardin clarified the application has to go in at the end of the month and will take six months for the scoring process, check for deficiencies, then ranked but by the time the monies are allocated it will be Fall. Lamar Schulz stated the grant for sewer line replacement that we are getting ready to work was applied for two years ago in 2010. Suzanne Schauman stated so it will be a little down the road and we can ask EDC to help with some funding. Lamar Schulz stated council can look into funding from other sources to help cover costs. Suzanne Schauman stated she concerned about the funds coming out of this year’s budget. Margaret Hardin stated the timing won’t be close to this year’s budget because Bandera is going to lose out on some points because they have a project funded this year. Ms. Hardin stated historically you probably won’t be funded until 2016 if you get funded. Suzanne Schauman replied council does not need to worry about getting funded in this year’s budget. Lamar Schulz added correct and this can be combined with other grants from the Water Development Grant that could cover land acquisition or piping. The loans are for 3%. Margaret Hardin stated other funding is available and council will need to come up with funds from somewhere. Margaret Hardin stated we are trying to get an accurate numbers for the costs. John Hegemier asked if Bandera is awarded the grant how long do we have to complete the project. Margaret Hardin replied the grants are on a two year cycle and the project needs to be completed in two years. JR Higgins asked if the contract states we cannot hire contractors because he has seen grants where they had to do so much of the work in-house. Margaret Hardin replied if you want to do force account labor the city can reduce costs but will need to contract a well driller but can lay the pipeline with force account labor. JR Higgins responded the Public Works Department never seems to have the time or labor to complete within the two year period. Margaret Hardin stated it is not required and most cities go out and get bids for. JR Higgins replied they can get in trouble if they are not able to complete the job when it needs to be done then they cannot hire anyone to finish it. Margaret Hardin replied the grant is not written with that in it. Lamar Schulz stated he went to another city to see how they are working on funding from other sources through the process. Glenn Clark stated if we have a problem the solution is not going to get easier down the road but it will get more expensive.

**Council member Jim Hannah made a motion to approve resolution authorizing the submission of a Texas Community Development Block Grant Program Application to the Department of Agriculture to include a $370,000 match from the city, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

1. Request to authorize the Public Works Department to sell certain vehicles and equipment

JR Higgins stated the city has some equipment that is not being used and has been sitting for years. He noted the Public Works Department is in need of a new truck. JR Higgins would like permission to sell the equipment and the two older trucks to use the money to purchase a new truck. Mr. Higgins would like to get rid of the two 1998 Chevrolet trucks that have been in the shop consistently and have no heater. When they resurface streets the work is contracted out so the motor grader and oil trailer spreader equipment have not been used. JR Higgins stated he has a standing offer for the motor grader for $25,000. They do not have any funds budgeted to purchase new trucks. Mr. Higgins stated he is trying to figure out how to purchase a new truck without any out of pocket money. Betty Brown reminded council that in order to sell vehicles the law requires the city take sealed bids for anything over a certain amount of money. Suzanne Schauman stated we need to put in the paper requesting sealed bids for these items with an address to send to. Glenn Clark replied the process is already in place but we are just giving authorization for JR Higgins to sell these items.

**Council member Glenn Clark made a motion to allow the Public Works Director to sell certain vehicles and equipment not of use to the department and use the funds to purchase a new truck, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

1. Request to consider the contract between the City of Bandera and the Flying L PUD

Lamar Schulz stated the current contract between the Flying L Public Utility District (PUD) and the City of Bandera Public Works Department was signed back on July 9, 2012. After a lengthy review of the contract and discussions between JR Higgins and Lamar Schulz they have come to the conclusion the city should not be in a contract with the Flying L PUD. Lamar Schulz noted city staff needs to focus their efforts on the city’s water and wastewater system because the city does not currently have enough licensed personnel to property maintain and operate the city’s system and the Flying L PUD’s system. Lamar Schulz noted that, if council is in agreement and the city should not enter into a new contract. The next step would be to cancel the current contract. As per the written agreement the current contract states the city needs to provide written notice to the other party 60 days in advance by certified mail to allow the Flying L PUD the opportunity to get another entity or private contractor to continue maintaining their systems. Suzanne Schamuman asked if the Flying L lift station is tied into our city sewer system, right. Does the lift station pump into the City of Bandera’s sewer? Brian Cummings replied on Highway 173 by the nursing home facility are straight into the city and nobody else is hooked into it. Suzanne Schauman replied ok. Jim Hannah replied the assessment the city’s finance department has done is that the city is losing money to maintain the contract with the Flying L PUD for years and it is a business decision. Mr. Hannah does not believe that we need to continue the contract but move forward in order to break even or make money the city would need to charge too much.

**Council member Jim Hannah made a motion to approve sending a letter to the Flying L PUD to cancel the contract with the City of Bandera, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Request to approve elected officers for the Planning & Zoning Commission – Chair-Toni Kunz, Vice Chair- Jason Williams, and Secretary – Phillip LaBarre

 Jim Hannah stated he hoped Toni Kunz would be here tonight because the Planning & Zoning Commission has not seen Phillip LaBarre at the last several meetings especially when he was elected as the secretary. The council has not received word whether Mr. LaBarre has accepted the position or whether he will continue to be part of the P&Z. Mr. Hannah explained he tried to get in contact with Mr. LaBarre and asked the president of the P&Z to see if she was able to contact Phillip LaBarre. Jim Hannah noted that Phillip LaBarre has been a good guy when he has shown up for the P&Z meetings. Consequently, Mr. Hannah would like to have the Secretary position left off the motion until council knows if Phillip LaBarre will accept the position and resume his position on P&Z. Toni Kunz and Jason Williams have attended the P&Z meetings and have accepted the nominations. Thus, Mr. Hannah is for confirming them tonight and passes on the secretary position until council knows more about Mr. LaBarre’s intentions. Robert Koimn stated since you brought that up he would like to make a comment, Mr. LaBarre was not at the meeting when he was elected as secretary. Glenn Clark stated he doesn’t know who will do the duties but if it doesn’t matter. Jim Hannah added the P&Z position of secretary is really ceremonious because the minutes are done by the City Secretary.

**Council member Glenn Clark made a motion to approve the elected officers for the Planning & Zoning Commission, Chair – Toni Kunz, and Vice Chair - Jason Williams, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Request to advertise for two open positions to the Planning & Zoning Commission

**Council member Glenn Clark made a motion to approve advertising for two open positions to the Planning & Zoning Commission, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

1. Request to amend 2014-2015 budget for:
2. Skate Park project for up to $50k, and
3. Chart of Accounts Item #80020 – Bond Interest from $6k to $11,200 for interim interest payments

Martha Shoemaker stated the Friend of the Silver Skate Park addressed the EDC requesting a project funding for $50,000 for site prep, concrete slab, and the engineering services. EDC approved the drawings and they are included in the council packets for the skate park foot print. The project is for the youth of Bandera and Bandera County. Martha Shoemaker replied, she hopes council approves the budget adjustment because EDC unanimously approved it. Then, the EDC can go through the administrative process of Public Hearings notices, the waiting period and statutory requirements for getting the project moving forward. This project has been in the works for 12 years with the fundraising. EDC respectfully requests the approval of the budget adjustment up to $50,000. Then EDC will enter into a written performance agreement with Friends of the Silver Spur Skate Park and move forward with the project. Glenn Clark noted the balance of the funds are held by the City of Bandera which total $24,400 which will be used for this project. John Hegemier asked if the site selection will be part of the process. Martha Shoemaker replied the footprint of the site selection has already been approved. Glenn Clark replied the site selection was approved in 2005 or 2008. Joe Hearn added it had been approved by the city. John Hegemier asked if they are keeping it at that same location. Joe Hearn replied yes, sir behind the large restrooms at the City Park by Cypress and Third Street.

**Council member Glenn Clark made a motion to approve the EDC budget amendment for the 2014-2015 budget for the skate park project for up to $50k, seconded by Council Member Jim Hannah. All in favor none opposed. Motion carried.**

Martha Shoemaker stated when they were in the budget process they did not have enough information to know they needed two interest payments for their debt service bonds and EDC and council only approved the budget for $6,000 for the interest payment and it should be $11,200 to cover the second payment in August. So EDC is requesting council to increase the bond interest to $11,200 to cover the debt service payment in August.

**Council member Suzanne Schauman made a motion to approve amending the 2014-2015 budget chart of accounts item #80020 for bond interest from $6k to $11,200 for interim interest payments, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Mid-year Report from EDC for:
2. 2015 Projects/Programs,
3. Expenditures of 2013-2014 budget for the EDC, and
4. Future plans of EDC

Martha Shoemaker stated as a requirement from the EDC by-laws they are required to report to council on an interim basis at the beginning of the year an update on the projects they are undertaking for 2014-2015. The projects approved for this year’s budget are the hotel RFP for $10,000 and the team leaders for this project are Toni Kunz and Robert Koimn to investigate, prepare, and gather information to complete a hotel RFP. As a side note, the $10,000 is the price for a lower tier subcontractor to do the work but so far it has been done on a volunteer basis but there could be some administrative costs of copying, and binding. The next project is the 11th Street Improvement for $15,000 which includes drainage by the Middle School from Sycamore to Maple Street with a sidewalk on one side which is a safety issue for the children walking after school. The next project is for a performance agreement with Pape-Dawson to develop the Main Street sidewalks and the team leader is Tony Battle. Ms. Shoemaker currently does not have an update on this project. Ms. Shoemaker stated Paul Berwick was the City Park planer and the new plans for the park are on the city website. The EDC has a needs list for bathrooms and electrical which they have approved for $100,000 and the team leaders are Lynn Palmer and Charlie Fellows. The last project on the list is the street lights on Old San Antonio Highway for $5,000 and the team leader is Joe Hearn who has contacted BEC and the work is going to happen relatively quickly.

 The non-profits EDC has donated to are the Bandera Business Association for the Christmas lights for $3,000, The Cowboys on Main for the BBA, The Boys and Girls Club of Bandera with an afternoon tutorial where they have hired a part-time person. The Boys and Girls Club have a career center, Celebrate Bandera with the Bandera Community Foundation but they need to fund the Honor Veterans, Texas Hill Country Music Fest, Bandera Community Foundation for tent upgrades, the Cowboy Capital Rodeo Association and the Medina River Protection Fund.

Martha Shoemaker stated the future plans include the City Park Plan and she encourages everyone to go on the city’s web page to look at the plans but this is probably not going to be funded this year and may not be for next year. EDC still needs to have public comment, public notices and funding for the projects. This is the future of EDC. The Pape-Dawson contract is for the survey and obtaining grant funds. The construction for the sidewalk project funds will be from Hwy 173 to Hwy 16 and is about two to two and a half million dollars.

1. Request from EDC for the month expiration for the term date

Martha Shoemaker stated the EDC does not have a specific date for the end of term. John Hegemier asked if the EDC was thinking the fiscal year. Martha Shoemaker stated if council chooses a fiscal year then the elections are in November and the old council may like her but the new council might not. EDC is suggesting the end of May and the appointment on June 1st. EDC will accept any date but wants it planned and defined. Glenn Clark asked if they can extend the current members until May. Suzanne Schauman stated she thought EDC terms expire in July. Martha Shoemaker stated nothing is written in the by-laws and thus, they are not sure what date it is. Joe Hearn added over the years it has changed from the end of the year to September but at one point they were short one or two members. When the date interferes with budgets and elections it can be an issue unless it is moved to May. Lamar Schulz added it will make the transition smoother. Glenn Clark stated the terms that expire in 2015 can be bumped to May 2016 then the ones that are expiring in 2016 can be bumped to May 2017. Lamar Schulz stated to word the bylaws so members go thru the next May and continue to stagger the years. Joe Hearn stated May also puts them in a position where they are far enough ahead of the budget to get the budget in before the last minute. In the past, the budget is looked at and approved but they would like council to scrutinize the budget. Lamar Schulz stated those that want to stay on for another 2 year term can. John Hegemier stated it is a two year term with a three term limit but he is not sure about that.

**Council member Glenn Clark made a motion to approve May 31 as the month expiration for the EDC terms, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Request to set a fee for the Application for Certificate of Occupancy and review new application form and Inspection checklist

Mike Armstrong stated Karen Chesler and I have been working on the new application for the Certificate of Occupancy and presently we are not charging a fee and this process is costly to the city. The application and the check list are provided in the packets for council to review. Mike Armstrong added the application fee would cover the processing and number of times Mr. Armstrong has to go to some of these businesses for the C of O. Karen Chesler stated towards the bottom of the form she added an amount for the application and additional inspection fees but she is asking that council set this fee. Karen Chesler pulled numbers from other cities on what they charge for this service. Castroville has a $30 fee, Liberty Hill she was not able to find what they charge for the application but the penalty is $500 per day per ordinance, Kerrville is $50 per inspection, Cedar Hill is $75 and other miscellaneous cities did by square footage from $50 to $100. When someone opens a commercial account for water Mike Armstrong should be notified and the owner should fill out the C of O. Jim Hannah asked if you find something wrong in the plumbing or the electrical then they will have to come over and get a building permit. Mike Armstrong stated he sees two people in the audience that he has done the Certificate of Occupancy for in the last couple of months. One business they did not have any problems but the other he had to go back a couple of times to inspect. Mike Armstrong stated the city pays for his time and going back over to the building and we do not collect anything for doing this. Mike Armstrong explained that anyone that wants to have the list of items he checks for when he is inspecting can be picked up at the city office when they fill out the application and he can answer any questions over the phone if they give him a call. Mike Armstrong clarified that the check list was made for all businesses and some will not have all items checked. Jim Hannah stated $75 is a little steep for people wanting to come into town to open a new business but does feel a fee needs to be assessed. Mr. Hannah feels that we should be more in line with Castroville at $30 and then for additional inspections for $50. Mike Armstrong stated the C of O is now required for restaurants to get insurance. John Hegemier stated we want to be welcoming to new businesses coming in and we need to keep our fees lower. Suzanne Schauman stated if we want to do this we need to get really specific because when she had wall covers for the outlets that were missing and this is not on the list but she does agree with a fee attached to the application. Glenn Clark stated any licensed electrician would know that. Suzanne Schuaman stated she does like the C of O list. Mike Armstrong stated it is a safety hazard inspection list to protect the citizens walking into the business.

**Council member Glenn Clark made a motion to approve a $50 application fee and $50 additional inspection fees, seconded by Council Member Sheila Pumphrey. In favor-Glenn Clark, Suzanne Schauman, and Sheila Pumprey, opposed-Jim Hannah. Motion carried.**

1. Request to change fee for sign application and review new form

Karen Chesler stated council has a sign permit application and an information sheet. Comparable figures are Hondo charges $75, Liberty Hills $2.00 per square foot minimum with a minimum of $50 and a maximum of $100, Lockhart $10 plus $.25 per square foot over 40 square feet, Boerne is $25 plus $2.00 per square footage, and Kerrville is $60. Mike Armstrong stated he does make a trip to each business to see where they are going to put them and then we present a draft of the sign to P&Z for approval. Karen Chesler stated currently the city’s permit fee is $25. Glenn Clark stated again we are not trying to make money but recoup our costs. What do you think would be fair? Mike Armstrong stated the $50 the same as the C of O. The city wants to keep the P&Z involved and some of the members go out and check out the signs to conform to the western motif and a lot of people have input on the signs. Mike Armstrong stated the banners we should charge the $25 and they are suppose to be temporary but he is not checking to see if they are pulling them in after 20 days. If Mr. Armstrong sees banners that are falling apart he will know they have been up too long. If they want a banner permit they should be for 30 days.

**Council member Glenn Clark made a motion to approve a $50 application fee for sign permits and $50 additional inspection fees, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Adjourn - **Council member Glenn Clark made a motion to adjourn, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

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Karen Chesler John Hegemier

City Secretary Mayor