**MINUTES**

**FOR THE REGULAR MEETING OF THE**

**CITY COUNCIL OF THE CITY OF BANDERA**

**JULY 16TH, 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 7:32 pm. Council members Glenn Clark, Suzanne Schauman, Sheila Pumphrey, Charlotte Browning, and Jim Hannah were present. City Administrator, Lamar Schulz, City Secretary, Karen Chesler and City Treasurer, Trinity Burnes were also present.
2. No Invocation given & all stood for Pledge of Allegiance.
3. Visitors to be heard

Linda Stein stated after the hotel workshop she has thought about this a lot and anytime someone wants the freebies to get a business in town they have suffered from the tax abatements. She believes the city needs an ordinance that states if anything goes wrong the hotel the investor will have to put up a security bond to cover expenses waived. Taxes all go up and the city gets a percentage of all of these fees. She talked to an insurance agency and the city can get a Surety Bond for 15 years for the 10 years worth of fees and then have them just buy property outside the city and build a new building and then the city would not get any of the sales tax. A surety bond is there if a business owner doesn’t stay around and the city has a way of getting their money back. An ordinance documents the process so a future council can handle if this issue comes up again.

Linda Stein stated we have people moving into town that are selling property in Williams Arizona but are moving to the city to be by their parents. They have purchased an above ground swimming pool and they called the city staff to ask about the water rates to fill a pool. The cost couldn’t be calculated. The utility clerk who answered the phone could not calculate the water. They came down to the city office, were given a form, which had a miscalculation on it. They asked for a copy so they could go and figure it out themselves. When they came in and told the utility clerk they were the ones she was talking to on the phone, she rolled her eyes at them and stated “really you are here?” Linda Stein stated this is supposed to be a professional building and selling water is a business. The City of Bandera has rates to go by and the staff should be able to calculate them especially if they are in the utility department. The Utility Clerk should be able to calculate the amount of water and what they will be charged. Linda Stein stated she knows they are going to charge them for sewer but she remembers that they use to charge based on the average usage from December, January, and February because you are not watering your yard and other things but they have done away with that. It starts with city council and it is not being passed down but she has been here two months and she still does not know. The miscalculation on the paperwork is uncalled for and should be corrected.

Mike Pimpenella, New Chief Officer from the Boys and Girls Club of Bandera County introduced himself. He was selected for this new position and he comes from the Teen Center.

1. Minutes of Previous Meeting

**Council member Glenn Clark made a motion to approve the Public Hearing & Regular meeting minutes for May 7, 2015, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

1. Discussion and Possible Action on the Following Topics:
2. Request for Margaret Hardin to provide information on the Texas Capital Fund and whether the City of Bandera could use it to help fund the 3-Story Mixed Use Building

Margaret Hardin, Langford Community Managements Services, handed out some background information to council about the Texas Capital Fund grants. Margaret Hardin stated the Texas Capital Fund can provide for the city when they are looking at a business moving into a community or expanding a business within a community. Margaret Hardin explained she has been working with Bandera for about 17 years on their Block Grant Programs to provide funding for the city to do improvements which is mainly infrastructure improvements for water and sewer. They have one project they are going out to bid in the next few weeks to replace sewer lines. But there is an Economic Development tool under the Texas Capital Fund and they provide money for businesses that want to open or expand. The grant helps provide infrastructure – water, sewer, gas, electricity and roads to their sites. All public infrastructure is a grant to the city but if it is on-site work it is for the business for land acquisition, building, and that is a real estate loan side of the program. Which is a 20 year loan at zero percent interest. The community can apply for that money but the business and the City make an agreement and the business pays lease agreements to the city for 20 years at 0% interest or until they pay the improvements off. 20 years is the maximum but the business can pay the city off earlier. It is a lease payment that goes back to the state. Margaret Hardin stated your real estate or infrastructure can ask for anything from $100,000 to $1.5 million. The amount is based on the number of jobs the business can create. So the city is not required a match but the business is required to create jobs. The business can get $25,000 per job up to $750,000 limit, then only $2,000 for each job after that up to the $1 million, and over the $1 million to $1.5 million they get $5,000 for every job created. Margaret Hardin stated they have done some small jobs but they mainly do grants for $750,000 for infrastructure improvements offsite but the business has to create 32 - 33 jobs. John Hegemier asked what percentage of the applicants get funded. Margaret Hardin replied it is hard to say because they take applications every month by the 20th but they start with a certain amount of money at the beginning of the year and they have less and less throughout the year as they grant funds. Margaret Hardin stated this is not by region but state wide. January and February they will fund 3 or 4. They have to consider the possibility of funding or not in the later months with fewer funds available. Each item has the background and the first packet is infrastructure and the second packet is real estate development programs and thirdly is a score sheet for both infrastructure and real estate. You have to score 45 points to be eligible for the grant and right now the information she has they are at the 45. Margaret Hardin stated the business has to state what the medium wage is going to be per week and was put in as $500. You get points for that but if it is lower than that then you don’t get the points. So then you would not be eligible to apply because your funding range would fall. The same way for the primary jobs, if you have a company that offers health insurance you get some points, but none were put in the category. All off-site parking for public parking is a grant. Onsite utilities and parking are the businesses responsibility and they would have to pay back the money to the state for the improvements. The Capital funds Margaret Hardin has worked with in the past, the city and the business had to have an agreement outlining what the city is responsible for and what the business is responsible for. Margaret Hardin does not know of any capital funding they have done where the city was responsible but the business was responsible for the payment. If they want to get funding to build a building the city would have to own the building until the money is paid back. If the business leaves for some reason then the city could work to put another business in the building. Suzanne Schauman asked if the sewer and water on the streets are items the grant would cover. Margaret Hardin questioned if it was the same business. Suzanne Schauman replied it is the same street and they use the same water lines. Margaret Hardin replied it has to be for the one business. If it is something that you want to do they need to sit down and see if it will even workout. Margaret Hardin explained if you make it better downstream then it can benefit others down the way even if they are not the beneficiary because sewer lines do help more than the one person. Some businesses do not want to divulge their information or give out the financial information. They will have to sit down and figure out what is needed and if they can fulfill the job requirements with the salary they have projected. When the contract comes to an end they have to send in four months of payroll reports, otherwise they have to pay back the $25,000 per job. The sewer and water contract is only for two years. They have some that have to pay a lot back. The business needs to know if the city is responsibility or the business. That is something council should consider carefully. Suzanne Schauman stated we are talking about the hotel industry, or shops and that is not realistic at all. Margaret Hardin stated those are the rules they go by for the average weekly rates. She is not sure where the numbers are pulled from but it was based on a 75 percent of the median weekly wage. The figures are either from the Texas Workforce Commission or the census information. Suzanne Schauman stated we do not even know the businesses that are going in there. John Hegemier stated the first floor is shops and the other floors are the hotel. Margaret Hardin replied it is the hotel space and the shops lease space from the hotel. Suzanne Schauman pointed out the median wage is probably down further and then we would lose even more points. Margaret Hardin stated we will have to sit down with them before we can see if we have enough points to put in the application. They also put in for administration and they would have to do it themselves or she can do it and she is considered in the positions also. Margaret Hardin stated usually they have a match component. In the past, they also let you use the permit fees, and impact fees as the city’s portion but they are not doing that any longer and would not count as funds the city put in. Jim Hannah asked if they think they can get another workshop to discuss with the hotel business. Lamar Schulz stated he thought that would be possible. Margaret Hardin stated she works for the city and has their best interest in mind.

1. Proposed Budget Amendments for Fiscal Year 2014-2015

Lamar Schulz stated there is an error on one page because he used a template for the Marshal’s Department. 512 is the Marshal’s Department and it says Administration. The right fund number is there but it is just the label that is incorrect.

**Council member Suzanne Schauman made a motion to approve the budget amendments for fiscal year 2014-2015 with the one correction, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

1. Consider and possible award of the Solid Waste Collection and Disposal Services Contract

Lamar Schulz stated council should have some paperwork in the packet from the attorney. The sheets in the packet are the same that were submitted in the bids. Lamar Schulz wrote at the top which ones belonged to each company for information purpose. Trinity Burnes stated she did a side by side comparison of the companies and she pulled out the bill from last month with the number of trash cans and dumpster. She did a basic cost for the garbage a month. Lamar Schulz replied the key point in going through all of this is down below with the price increase and in the past it was quoted as the CPI as a comparison and is normal. Lamar Schulz stated they both have stated in the contract the additional charges for the landfill and these charges can be adjusted accordingly. Lamar Schulz stated these are the basic numbers but the way the statute is written we are able to approve the lowest and the best bid. Which means the lowest bid may not always be the best bid. The best may be based on other qualifications such as financial stability, past experience, and it does give you flexibility on this type of contract. Suzanne Schauman asked if the contract included the sales tax. Lamar Schulz replied no, it does not. Jim Hannah stated this is the first time he has seen the numbers or contract and wanted to know if they have anything for recycling costs. Lamar Schulz stated on the top sheet you will see a $3 additional charge on the Vaquero sheet and for Republic it is $3.10. They both were to include a recycling amount and those amounts were not taken into consideration for the spreadsheet numbers. Jim Hannah stated he is not ready to vote on this tonight because they have just gotten this packet and has not been able to research this. Jim Hannah asked if he can address both firms about recycling and the disposable areas with landfill increases. Jim Hannah asked about the security of the land fill and what is the possibility that the costs will go up. Terry Gawlik replied he will be willing to address this with the City Administrator and he would be willing to roll back the prices. Vaquero Representative stated they use Republics landfill and they do a price increase once a year and they have to be within 20 percent and not sure why Republic is any different in the price increases. Vaquero is in the process of getting a permit for their own landfill but are not at liberty to disclose the site. The McComb’s family is the largest shareholder. Thus, he is not concerned about the stability of the company. Vaquero Representative stated he wants to address something else and the recycling costs because it was only a $1 more. The bid for Vaquero should be $19.00 without recycling and $20 with recycling. They will pick up the trash simultaneously every week. Linda Stein asked how often in this new contract will they have the city wide clean up. John Hegemier stated in the contract it is twice a year. Terry Gawlik stated he works great with the city and he is willing to work with us to get any issues resolved. Charlotte Browning stated she does not believe they had the information in a timely fashion and wants to be notified when the paperwork is ready for them to pick up so they have time to look it over before the meeting. Karen Chesler stated she put out the packets last night but EDC had a meeting and then took them back. Charlotte Browning stated she wants them to notify council when packets are ready. Glenn Clark stated all sorts of information are available with the City Administrator and she needs to come in and see what is going on.

**Council member Suzanne Schauman made a motion to approve based on past performance to Republic Services, seconded by Council Member Glenn Clark. In favor- Suzanne Schauman, Glenn Clark, and Sheila Pumphrey. Opposed – Jim Hannah and Charlotte Browning. Motion carried.**

 E. Departmental Reports:

 1. Permits Department Report

 2. Public Works Department Reports

 3. Finance Department Reports

 4. Municipal Court Activity Report

 5. Marshal’s Department Report

John Hegemier stated we will start with the permits Department reports. Karen Chesler stated we have a lot of commercial building going on with the pharmacy. Mike Armstrong stated they completed the cement for the hometown pharmacy.

Roy Clayton stated the Mulberry Well is going to be pulled in the next week or so here. The lightning struck the Dallas Well. They have not been able to locate the parts for the well and do not know the extent until it is pulled. They have discovered other parts are also damaged. Roy Clayton stated they have someone going out around the clock and checking our valves. Jim Hannah asked are we having trouble getting the water up into our water towers. So there isn’t an immediate need on the part of our citizens but is going to be handled in this fashion. Roy Clayton replied we are going to have to continue to manually manipulate the valves and he sees no reason why this can’t continue. Lamar Schulz replied but it is a 24 hour process. Roy Clayton stated they are experiencing difficulty and they did not have the parts needed in the greater San Antonio area because they have problems with outdated parts. Jim Hannah asked if they are due for a rebuild on that well. Roy Clayton stated they are going to have a meeting on this next week but will fix what they need to and then move on. Jim Hannah asked what TCEQ said about cleaning up of the river banks. Roy Clayton stated he has another issue with TCEQ but does not have anything from them on that subject. Jim Hannah stated he hopes they are just going to slap our hands on this. Suzanne Schauman asked if we have requested someone to come and replace the sewer lines. Lamar Schulz replied it is all through outside companies and we will be able to get it put in with the grant.

John Hegemier asked if anyone has any questions for Trinity Burnes. Jim Hannah asked Trinity Burnes what she has found with working here for a couple of weeks with the Incode system. Trinity Burnes replied she likes it and has been playing around and is able to pull all sorts of reports in different areas of the system on what the city has paid different vendors and how they were coded. The system is user friendly. She does like it a lot and has gone just looking around. Trinity Burnes stated on Monday she will be going over to another city to see how they are doing things for half of day because they have the same software. Jim Hannah asked what city is it. Trinity Burnes replied Liberty Hill. Lamar Schulz stated he will set up another time to go to Uvalde and see how they have a variety of things, how they handle different things and then she can decide how she wants the system. Trinity Burnes asked if they wanted just the summary or the full version of the reports. John Hegemier replied the summary but they will let her know later. Suzanne Schauman stated looking at the summary it looks like the budget amendments have not been applied yet. Lamar Schulz stated yes she is going to figure out how to do that and will get it in pretty rapidly. John Hegemier stated then we can work on the budget. Lamar Schulz stated they will start working on the budget before it is completed because they want to be finished with it in the second week of September.

Lamar Schulz stated he wants to go back to the garbage bids. The bid for recycling is one time every other week. Vaquero had put $20 and Republics figure for that same was $20.10 but the difference is that Republic had split it out as $17 for the regular pick up and the $3.10 for the recycling. The combined is $20.10 and $20.00. Charlotte Browning stated this is why she did not want to vote on this item because she does not have enough information to make a decision and vote on.

John Hegemier stated the Municipal Court are collecting fines and doing a pretty good job. Suzanne Schauman stated they are doing good and exceeding expectations.

Marshal Will Dietrich stated the Marshal’s Department are doing better with the ordinance violation, writing more violations and a lot more traffic enforcement in the City Park for the rest of the summer. Will Dietrich stated he was not here for the last meeting and wants to thank council for the confidence and giving them the tools that they need to keep doing the good job they are doing. Will Dietrich stated he did get a visit from some ladies from TxDot to give them a $10,000 grant for impaired driving enforcement for Christmas, New Years, Labor Day and Memorial Day. It seemed pretty easy to obtain and come back to council if they need to get approval. They originally sent him an e-mail and the Marshal did not respond so they were following up with a visit. Marshal Dietrich stated they are working on getting the vehicles and getting the equipment put in them. Marshal Dietrich wanted to thank Roy Clayton as he has been a pleasure to work with and he is willing to do what needs to get done but wishes they could do more. Glenn Clark stated he wants to put a shout out for the National Night Out and they are still accepting donations. Marshal Dietrich stated he is going to have to put a shock collar on Willie Smith. The ladies from TxDot have a heat safety course and an impaired driving program where they bring the golf carts over and give people of all ages the goggles that distort everything. They are not committed for National Night Out and this is more geared toward younger people to see what can happen to them when drinking. An audience member asked where is National Night out going to be held. Marshal Dietrich stated at the Boys and Girls Club. Deputy Wedgworth has been working with the girls in the program as a mentor and doing a terrific job.

1. Adjourn - **Council member Jim Hannah made a motion to adjourn at 7:02 pm, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

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Karen Chesler John Hegemier

City Secretary Mayor