**MINUTES**

**FOR THE SPECIAL MEETING OF THE**

**CITY COUNCIL OF THE CITY OF BANDERA**

**JANUARY 8, 2015**

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

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

1. Call to Order by Mayor John Hegemier at 6:00 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, Betty Brown were also present.
2. Invocation-no one was present to give & 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

**Council member Glenn Clark made a motion to approve the minutes of the Public Hearing of December 04, 2014 at 5:05 pm, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

**Council member Glenn Clark made a motion to approve the minutes of the Regular Meeting of December 18, 2014 at 6:00 pm, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Discussion and Possible Action on the Following Topics:
2. Approval of expenditure to increase Incode to include Misc. Accounts Receivable setup a cost of $1,500

Betty Brown stated when she was going through the contract she realized with the implementation of Incode next week we need to have a miscellaneous accounts receivable to track the receivables due to the city. Ms. Brown discussed with Incode and the cost for this is $1,500 to implement. So she is requesting the increase. Betty Brown stated the overall bill from Incode will decrease due to manually inputting of information Incode was planning on doing. Thus, the overall bill will decrease the contract and will be presented to council at the next meeting. Lamar Schulz stated the budget will not increase as a result. Basically, council is approving the purchase of the Accounts Receivable with the overall budget decreasing. Suzanne Schauman stated when Incode was presented to us she understood the accounting package was included. Lamar Schulz replied there are a lot of pieces to the puzzle. Suzanne Schauman asked how receivables were missed. Lamar Schulz stated they did not see a need for that particular section but Betty Brown pointed out things for Flying L where we bill and this would be beneficial for the city to have. In the past, we sent a bill but did not track when or if it was paid. Suzanne Schauman asked if the journal entries have been entered. Lamar Schulz replied yes. Suzanne Schauman asked if in the future, council will be presented with another contract. Both Betty Brown and Lamar Schulz replied yes. Suzanne Schauman stated these amendments to the contract will decrease the total expenses. Lamar Schulz replied yes. Suzanne Schauman stated ok. Thank you.

**Council member Glenn Clark made a motion to approve the expenditure to increase Incode to include Misc. Accounts Receivable setup cost of $1,500, seconded by Council Member Charlotte Browning. All in favor none opposed. Motion carried.**

1. Approval of expenditure to increase Incode set up and implementation of ability to continue with credit card payments at an approved cost of $800

Betty Brown stated this is the same situation as the previous item. We need to be able to accept credit cards. However, this is a small portion of the whole package and this was overlooked. We were not going to be able to take credit cards and we need to be able to continue to take credit cards online. We have quite a few people that pay online with credit cards.

**Council member Jim Hannah made a motion to approve the expenditure to set up and implement the ability to accept credit card payments at an approved cost of $800 with Incode, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

1. Discuss increasing Hotel Tax from 3% to possibly 6%. If action is taken, the increase Hotel Tax will become effective April 1, 2015

Item pulled from the agenda. No discussion.

1. Determine who will conduct the 2014 TxCDBG Survey Questionnaire. Said survey must be completed prior to the application for a proposed TXCDBG grant

Jim Hannah stated Lamar Schulz and he discussed with Roy Dugosh a couple of days ago. Roy Dugosh is volunteering to spearhead the survey and thinks he can get some people from the Historic Commission to help fill out the survey. We have until mid-month to get this done. John Hegemier stated in the past we have included the survey in the water bill. Jim Hannah replied we can’t put it in the water bill but people who come in to pay their water bill, can take the survey with Lisa Chacon at the counter. Lamar Schulz stated we can provide a donation to the historical commission for helping get the survey completed. Mr. Schulz discussed with the attorney and as long as we write up an agreement and sign it, we can make a donation. John Hegemier asked when does the survey need to be completed. Lamar Schulz replied Margaret wants the survey by the end of January. They need to get it in order for how they need the survey. John Hegemier stated we have had city employees do this in the past. Lamar Schulz stated correct but we need to decide how to go about getting it done. Jim Hannah stated it means a quarter of a million dollars for the city towards a water system. Suzanne Schauman stated the advertisement needs to state the worth to the city to be eligible for this money. Toni Kunz stated to drum up more enthusiasm the whole survey could be put in the paper and it would be great for the community. Brian Black added putting the $250,000 on top to get the reader’s attention and put what the benefit for the community is so they have an interest in completing the survey. John Hegemier stated anything we can do to get this completed will be great for the community. Jim Hannah replied these are good suggestions and we will figure something out for a press release. Jim Hannah asked Lamar Schulz what is the dollar amount. Lamar Schulz replied the amount is over $250,000. The city will need to put in $13,750 for the funds. John Hegemier stated we do not need to make a motion to move forward as it is just administrative. Glenn Clark added when the time comes for the historical committee we can make a recommendation to approve the donation. Lamar Schulz replied yes.

No motion needed but just information.

1. Request a proposal to waive the residency requirement for city positions where ordinances currently require the employee to reside in Bandera County

Glenn Clark stated he does not feel this is a necessary requirement and it hinders who we can hire when we have open positions. Brian Black asked does this requirement apply only to the employees or the mayor and city officials. Lamar Schulz responded we are just talking about city employees. John Hegemier replied he thinks it is the city marshal and the city administrator. Lamar Schulz stated he believes it is for other people too. It does not stipulate city but Bandera County. Most cities have gone to a response time versus location. John Hegemier stated that is why Charlie Hicks was within 12 minutes of town. Suzanne Schauman stated it states employees and not city officers. John Hegemier stated we are required to live here. Lamar Schulz stated the law requires council and mayor to live in the city. Brian Black stated he can understand if it pertains to police officers if they are on-call but should not matter if employees live across the county lines. Suzanne Schauman stated we are going to need to amend the ordinances because we cannot simply do it by waiving the restriction. Glenn Clark stated we have waived the requirement before. Suzanne Schauman stated we extended the guidelines to not enforce the ordinance and allowed additional time. The ordinances should be amended because we have so many problems now with the building and permit process but believes the only position that has this requirement is the city administrator. John Hegemier added it is also the Marshal. Lamar Schulz stated he will research it. John Hegemier stated we had a discussion with Charlie Hicks when he was the Marshal. Suzanne Schauman stated we need to amend the ordinances. John Hegemier asked if we can just waive it tonight. Glenn Clark stated we have already done it for three months and he does not have a problem with doing away with the ordinance. Suzanne Schauman asked if they want to amend the ordinance.

**Council member Suzanne Schauman made a motion to waive the residency requirement for city positions at this time where ordinances currently require the employee to reside in Bandera County until such times as the ordinances can be amended to reflect the change, seconded by Council Member Jim Hannah. All in favor none opposed. Motion carried.**

1. Request by Mike Armstrong for additional hours, benefits, phone allowance, and vehicle allowance

Lamar Schulz stated Mr. Armstrong needs to speak on his behalf. Mike Armstrong stated when he worked here before he was getting paid $35 per inspection. The last inspector was getting paid $35.00 per inspection. Don Clark came to Mr. Armstrong and asked him to come and help out the inspection department and he agreed on the contingency he would come on as an employee at a rate of $17.00 per hour. Mr. Armstrong pays for his own gas, cell phone and overhead. The city does not pay for his licenses as he works as an independent business owner and it is not fair for the city to pay for these licenses. Mr. Armstrong has three licenses with the state of Texas. Currently, Mr. Armstrong is working 30 hours per week and does not have enough time but the office staff has helped out with the inspection department. The workload in the inspection department is heavy and has not been run correctly. The city of Bandera is growing. This is his proposal to city council. John Hegemier asked how many hours are you contract for now. Mike Armstrong replied it is 20 hours a week but has been working 30 plus hours not including nights or weekends. John Hegemier asked how many hours do you need to maintain the work load? Mike Armstrong replied 32 hours per week with code enforcement and at night and weekends. John Hegemier asked about the permitting process and assist in getting check lists made. Mike Armstrong replied our permitting process for the city is about 20 plus years behind and we have researched other cities similar in size such as Lockhart, Boerne, and Hondo. We need to update our fee schedules. Many inspections we do not charge for and no other city would do it for free. Roof inspections we do not charge for a permit or inspection. The Certificate of Occupancies we do not charge for the permit and Mr. Armstrong goes to some of these businesses three and four times for free. Mr. Armstrong gets paid but the city does if for free. John Hegemier asked are you proposing to fix this. Mike Armstrong stated yes, with the help of the other city employees. Karen Chesler stated we will be bringing things to council once we have some forms and fees to approve. After the meeting on Tuesday night where we discussed things and received a zoning change so we made a form for zoning changes. Ms. Chesler did not know a fee was associated with a zoning change and she let the owner of the land how anted the change know the form needed to be filled out and pay the fee. We made another form for the Certificate of Occupancy and a check list for the inspection for the business so we know what is needed for the certificate of occupancy. Currently, we do not have any fees associated with the certificate but we need to look into charging something for Mr. Armstrong’s time and will bring these to a future meeting for approval. John Hegemier asked if both of you are going through the forms to check for errors. Mr. Armstrong replied yes. We look at 4 different cities to see what will work for Bandera. Suzanne Schauman asked why Mr. Armstrong does not use a city issued cell phone. Mike Armstrong replied the number he uses is on his business cards and everyone has that number. The phone is a very small portion of the expense allowance. Mr. Armstrong is willing to drop the allowance in half. Mr. Armstrong uses his own truck, car or van. The is saving well over the amount he is asking for as an allowance and knows what it takes to run a business. Suzanne Schauman asked if we have another city vehicle for him to use. Lamar Schulz replied no. John Hegemier asked Lamar Schulz if he had any numbers for the changes. Lamar Schulz replied not exactly because when you go to 32 hours it includes the employee paid health insurance and 14 % for TMRS. John Hegemier asked if that is about $7,000. Lamar Schulz replied it is over $6,000 for the two items for the remaining part of the year. Jim Hannah added we need the additional hours. Lamar Schulz replied Mr. Armstrong needs additional hours. Mike Armstrong stated today was his day off but was here all day. John Hegemier stated that a new fee schedule and better controls for the city to recoup some of that money. Mike Armstrong stated yeah, because we do not collect for things that we should be. We have businesses in town that do not have a Certificate of Occupancy. Six out of Nine of the businesses did not have an address on the front of the building for 911 emergency services and 911 have been around for over 20 years. If you drive the streets of this town you will see that over 1/3 of the houses do not have addresses on them. This could be an issue especially with the senior population and this will end up costing us a life. The city inspector/code enforcement needs to work on issues like this and Mr. Armstrong will be doing both jobs. Suzanne Schauman asked how many miles do you drive in a day doing city business. Mike Armstrong replied he probably makes 15 rounds in a day about 40 miles a day on average. The builders and contractors know what he drives and they want to avoid him because they do not want to pay for permits. John Hegemier asked what allowance are you asking for. Mike Armstrong replied a $400 allowance. Glenn Clark asked can we get Mike to keep a log for a couple of weeks to give us a better understanding. Mr. Clark has no problem reimbursing for mileage but a lot of employees have been approaching council for a raise. If he is calculating it correctly that is a 15% raise and we will need to negotiate that point. Suzanne Schauman stated we just recently gave a $2.00 an hour raise and is still wondering why but is not happy about it. The council needs to crunch the numbers and see what we can do because we have employees with the city for 20 years and they did not get a raise. We will break down with all of the benefits and see what the total is going to be. Suzanne Schauman stated she knows Mike Armstrong is doing a good job. Mike Armstrong stated he came in at the $17.00 an hour as a favor to Don Clark. Suzanne Schauman stated she is not denying that but we need to crunch the numbers. We recently have hired a new Public Works Director and the Municipal Clerk got a $2.00 an hour raise. We had $13,000 in the budget to allow for raises with other considerations. Ms. Schauman does believe Mr. Armstrong should be 32 hours and council will consider at the next meeting on the 22nd. Jim Hannah stated he will go along with that but Mike is a unique employee at a time when we need to tighten up in discipline. Mike if he is ok with waiting until the next meeting. Mike Armstrong stated council can do what they have to and if he does not have a 100 percent backing he does not want the job. Jim Hannah asked Lamar Schulz and Betty Brown if it is in the budget for what Mike is proposing tonight and asked if they can crunch the numbers. Lamar Schulz replied this is not in the budget and we would have to make amendments. Mike Armstrong stated he was discussing with Betty Brown today and Mr. Armstrong was willing to take $20 an hour but that is the lowest Mike Armstrong will go. Jim Hannah replied the wage might not have to go that low but he agrees with Suzanne Schauman and Glenn Clark that council needs to look at the amounts for these items. Toni Kunz asked what is the city’s policy on reimbursement for a personal vehicle outside of payroll. Can an expense report be submitted and do you pay the federal rates and per diems for meals. John Hegemeir stated he is not familiar with the code. Suzanne Schauman stated she was reimbursed $.55 a mile for the seminar in Austin last year. Toni Kunz replied so it is the standard federal mileage rate. John Hegemier stated yes. Suzanne Schauman asked can we postpone this until our next scheduled meeting to see where we are going to get the money. Glenn Clark stated Mike Armstrong has a right to an answer and Mr. Armstrong is willing to take $20.00 an hour which is showing fairness on his part. If we can get Mike Armstrong to keep a log for a few weeks we can budget what we are going to pay. Jim Hannah stated if we wait 2 weeks maybe we won’t have to go down to $20.00 an hour and we will have the information we need. Mike Armstrong stated he has waited and was passed over on another position and he will not wait. Trina Ward asked so are you going to quit if they don’t approve it. Mike Armstrong replied am I going to quit. John Hegemier stated do we have a formal motion. Glenn Clark asked if Mike Armstrong would be willing to keep a log of his mileage. Mike Armstrong stated he has already agreed. Lamar Schulz stated currently the city pays the IRS rate which is $.56 a mile. Suzanne Schauman stated Mike you are a very valuable part of what we are trying to achieve here and your changes have been very important. At $20.00 an hour and reimbursement of mileage we hope you will continue to give the quality of performance we expect as Ms. Schauman does not appreciate being told council needs to take care of this tonight or you will quit. Mike Armstrong stated he did not say he quit but he has another offer and he needs to accept one of the offers by the end of the week. Mr. Armstrong discussed with city staff today. Suzanne Schauman asked so you have another job offer. Mike Armstrong stated yes ma’am. Suzanne Schauman asked did anyone here know about this. Glenn Clark stated it really does not have any bearing on what we do here because he had other job offers but did not always tell his supervisor. Suzanne Schauman stated it might have changed my attitude if I knew he was going to leave us.

**Council member Glenn Clark made a motion to approve Mike Armstrong at $20.00 an hour and reimburse mileage for 32 hours a week with benefits, seconded by Council Member Charlotte Browning. All in favor none opposed. Motion carried.**

1. Fishing For Kids of All Ages Update

Lamar Schulz stated the event went really well. It was a little chilly that morning. We had 60 people show up for the event. They came and went throughout the day. Mr. Schulz wanted to thank Terry Gawlik from Republic Services for funding the food, drink and eating utensils for the event He noted the city paid for the fish. Precinct 3 Commissioner, Andy Wilkerson did a good job for us. Mr. Wilkerson went out of his way to clear the area by the river and put down ladders for the kids so they could get closer to the water without falling in. Mr. Wilkerson brought poles for the kids to use along with the bait. Mr. Wilkerson was baiting lines and helping make the event much more than it would have been without him. Glenn Clark stated he had a previous engagement in the morning but went down after; he appreciated Andy Wilkerson’s help along with Grady Desmuke. Both did a great job. Mr. Clark appreciates Lamar Schulz, Mike Armstrong, and Joe Hearn for a good job and the kids had fun. Lamar Schulz stated the event was supposed to start about 9 am and kids started showing up at 8:30 am. Mr. Schulz felt the event was well attended. Mr. Schulz thought with the weather might hinder the turn out but it went well. Jim Hannah asked if the kids caught any fish. Lamar Schulz stated yes, one little girl caught two perch, one boy caught a bass but it was too small and he had to throw it back. The kids were having fun and the fish were biting. Glenn Clark stated there were quite a few people on both sides of the river. Mr. Schulz thought the parents were having just as much fun as the kids. Glenn Clark stated it was money well spent.

1. Adjourn

**Council member Glenn Clark made a motion to adjourn at 6:40 pm, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

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Karen Chesler John Hegemier

City Secretary Mayor