**MINUTES**

**FOR THE SPECIAL MEETING OF THE**

**CITY COUNCIL OF THE CITY OF BANDERA**

**JUNE 25, 2015**

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

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

1. Special Meeting called 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, and City Secretary, Karen Chesler were also present.
2. Invocation given by Pastor Ed Sullivan & all stood for the Pledge of Allegiance.
3. Visitors to be heard – Pastor Ed Sullivan stated he wants to thank council for the work they do and sometimes it is under appreciated and not noticed but as a member of the community he wants to thank them for their hard work.
4. Minutes of Previous Meeting - No meeting minutes to approve.
5. Regular Meeting:
6. Discussion and Possible Action on the Following Topics:
7. Request for Resolution for COBRA Continuation of Coverage Agreement with TML MultiState IEBP

Lamar Schulz stated basically this is ongoing each year and it requires a resolution from council to approve individuals to take cobra, if need be. John Hegemier stated we offer cobra to those employees who leave and we have done this other years.

**Council member Glenn Clark made a motion to approve the resolution for COBRA Continuation of Coverage Agreement with TML MultiState IEBP, seconded by Council Member Charlotte Browning. All in favor none opposed. Motion carried.**

1. Request for Section 125 QE Grace Period

Lamar Schulz stated people who are on the Section 125 can take advantage of this but we need the paperwork completed before the 30th of the month. John Hegemier asked what the flexible spending account is. Lamar Schulz replied employees of the city have the opportunity to put money in an account to be used for medical, dental and child care expenses. The funds are pretax dollars and can be used later with a credit card. If you decide to put a $1,000 in you can use the money starting the first day of the year. John Hegemier replied this will allow you to carry over funs for a few months. Lamar Schulz replied correct up to 15 months. John Hegemier asked what does it cost the city. Lamar Schulz replied each year it costs the city a small amount but he does not remember exactly. Last year, we set up the program but not sure how much it will end up costing this year. Last year, we budgeted $890 for the Section 125 Plan. John Hegemier stated he sees a $3.25 per month or $5 participant fee. Glenn Clark asked how many people took advantage of this last year. Lamar Schulz replied three. Each year he hopes it will grow and more will take it advantage of it. There are some savings on taxes and stuff for the city. However the savings have not been measured because they were so small this year. John Hegemier stated he does believe it is a good program. Jim Hannah asked if any employees are taking advantage of this. Lamar Schulz replied Jerry Alcorta, Karen Chesler, and I. As more employees learn more about it they hope it will continue to grow. If the employee does not spend the funds it stays in the account and the employee loses it. That is the down side. Mr. Schulz stated he has never had that happen.

**Council member Jim Hannah made a motion to approve the Section 125 Quarter End Grace Period, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

1. Request for TML MultiState Intergovernmental Employee Benefit Pool Rerate Notice and Benefit verification form

Lamar Schulz stated these are the new medical insurance rates and they are up about $14.00 per employee. Karen Chesler stated the employee medical is what council should be most concerned with because that is the amount the city covers. The family portion of medical and dental is paid by the employee. Suzanne Schauman asked what the P75-150-40 means on the first page under the plan. Karen Chesler replied this is the plan we had picked comparable to the other year’s benefits. Lamar Schulz added what it boils down to is that 70 percent is in network and the 50 percent is if you are out of network. Suzanne Schauman asked after the deductable is met is it 100 percent paid for the employee? John Hegemier replied once they meet the deductible then it should be paid at 100 percent. Lamar Schulz stated correct. Karen Chesler added if you are going for the preventative maintenance you do not have to pay anything it is paid at 100 percent. Glenn Clark stated if we are staying with the TML insurance then these are just the new rates for the new budget year and we are acknowledging them.

**Council member Jim Hannah made a motion to approve the TML MultiState Intergovernmental Employee Benefits Pool Rerate Notice and Benefit verification form, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

1. Request for clarification of the location the scouts will use at City Park on the previously approved weekend of September 25-27, 2015

 Glenn Clark stated he met with the Scout Master down in the park. The event will take place at the end of September. Mr. Clark does not see a problem with allowing them to use the whole south end of the park where the road splits and goes into a circle. The Boy Scouts will be camping and will abide by all park rules. The Boy Scouts are going to have the public in. They will not be in the Dripping Springs area that is very popular with tourist. Lamar Schulz stated they just wanted to be clear where they are going to be in the park and what area they are going to be using. John Hegemier stated at the last meeting they were not sure what they were going to be using or where they were going to be setting up. Glenn Clark stated this will put them by the large restrooms. Suzanne Schauman asked when do we normally quit charging at the park. Lamar Schulz replied last year it was right after Labor Day but it also depends on if we have water or not. Suzanne Schauman stated she wants to make sure we are not charging for this event. Lamar Schulz replied they can allow the people attending to use the back entrance. Lamar Schulz stated he agrees because this event is for others to see what the Boy Scouts are doing and encourages participation.

1. Request for Mayor to attend the New Judges Conference July 6-10, 2015 in Austin, Texas

John Hegemier stated Francis Kaiser included a summary of the conference and is encouraging the mayor to attend. John Hegemier stated the funds come out of the Municipal Court budget. Mayor Hegemier can cover the duties at the jail when the judge is not available or out of town.

**Council member Glenn Clark made a motion to approve the mayor to attend the New Judges Conference July 6-10, 2015 in Austin Texas, seconded by Council Member Charlotte Browning. All in favor none opposed. Motion carried.**

1. Proposed Budget Amendments for FY 2014-2015

Lamar Schulz stated a lot of these are just breaking out our budget and where they need to be. It is breaking out the building permits into residential and commercial. The HVAC, Plumbing and Electrical permits to have a better idea what types of permits are being issued. It is just breaking the revenue out so you can see where it is coming from. No additional funds are being added to the budget. Lamar Schulz stated similar to the animal control where you can see what specifically it is for Control fees, Impound fees, adoption fees, and animal tag fees. Mr. Schulz stated the water service fees are broken down into residential inside, residential outside, commercial inside and commercial outside the city limits.

**Council member Glenn Clark made a motion to approve the seven budget amendments for Fiscal Year 2014-2015, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

1. Request for discussion of assistance and incentive programs to encourage economic development in the City of Bandera

Lamar Schulz stated he wasn’t sure how far they wanted to go into this but wanted council to have all the information. Lamar Schulz thought Gene Hartman was going to be here tonight to answer questions. Lamar Schulz stated the first two pages are the items Mr. Hartman was requesting the city to get involved in. The third page is an email that Lamar Schulz received from Trey Bailey giving us an idea of what the City of Luling has done. Three hotels have been built in Luling. Luling uses a sliding tax abatement over a ten year period. This has been the standard and they included the ordinance they used. Lamar Schulz stated we cannot speak for the school district or the county but the tax abatement. Each entity would have to address that issue. Council needs to address each of the items requested. Glenn Clark stated he would like to have a workshop for clarification from Mr. Hartman and Public input. Mr. Clark does not want to meet with them individually. Suzanne Schauman stated she agrees with Mr. Clark and wants to ask some questions about the project. Jim Hannah stated we can have a workshop and not a Public Hearing yet. Jim Hannah asked Mayor Hegemier to contact Mr. Hartman about a workshop and arrange a date. John Hegemier stated he is eager to get started on this. Charlotte Browning asked what are they asking for. John Hegemier replied the list they are wanting is parking variances, $100,000 in land improvements, and tax abatements from the city, county, and school district. Lamar Schulz stated he gave council the information so they would have a chance to look at it. Martha Shoemaker asked if someone from the EDC can be present as they are asking for specific things from them. John Hegemier stated the meeting is public and anyone can attend or add input. Lamar Schulz stated this may be a good exercise for council to do. Suzanne Schauman added Luling provided the resolutions they used so we know what needs to be done. Jim Hannah added Lamar Schulz put together good information on this item. Martha Shoemaker asked how big the City of Luling is. Lamar Schulz replied it is 5,000 but the area with these hotels was not in the city limits a few years ago. The City had to annex property and build the infrastructure.

1. Purchasing vehicles for the Marshal’s Office: determining the method of financing said purchase

Lamar Schulz stated Bandera Bank is willing to finance the Ford SUV’s. Lamar Schulz stated we are looking at 3, 4, or 5 years of financing at a very good rate. The annual budget impact would be $24,060 for each of the three years, $18,228 for each of the four years and $14,724 for each of the five years. Lamar Schulz is proposing the four years at the $18,228 but it is whatever council chooses. Lamar Schulz stated we can budget and we will not need to take a big hit in any one year. Lamar Schulz added we need to get the equipment and they have what they need to do their jobs and move forward. Jim Hannah asked why he favors the four years. Lamar Schulz replied the difference each year between the $24,000 and the $18,000. Mr. Schulz added this would give us a little more flexibility when we are doing the budgeting. Suzanne Schauman asked what the overall interest rate differences are for the different years in dollars. Lamar Schulz replied $732.00. John Hegemier stated it does match the length on the liability with the asset which is a good fundamental of accounting. Glenn Clark asked if we have any found money we can pay it off early.

**Council member Glenn Clark made a motion to approve financing with Bandera Bank for 4 years for $18,228, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Adjourn - **Council member Glenn Clark made a motion to adjourn at 6:35 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