

Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
October 3, 2019 at 6:30 p.m.

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Skip Blancett.

Jim Hodgkin of Salado United Methodist Church gave the Invocation and Salado ISD 9th grade student/Life Scout Evan Hart and Salado ISD 6th grade student/athlete Lola Haas led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, Aldermen Rodney Bell, Amber Preston Dankert (arrived at 7:05 p.m.), John Cole, and Michael Coggin.

Staff Present: Village Administrator Don Ferguson, City Secretary Cara McPartland, Police Chief Pat Boone, Salado Fire Chief Shane Berrier, and Tourism Director Chadley Hollas. Village Attorney Alan Bojorquez was present via phone conference.

Proclamation

Proclamation of the Village of Salado, Texas recognizing Allen Sirois of Salado as a recipient of a Carnegie Hero Fund Commission Medal for life saving.

Mayor Blancett read the proclamation and presented it to recipient Allen Sirois who spoke positively of his upbringing in Salado by his grandparents, who were also in attendance and spoke of their history as seventh-generation Saladoans.

1. Citizens Communications

Paul Cox of 2716 Winners Circle Drive spoke of his volunteer service on the Planning and Zoning Commission and how he based objective decisions on the law and facts, not on his personal beliefs. He said elected officials have a higher obligation to act in the best interest of all citizens. He felt that the Board did not vote according to law and facts when it approved the golf cart ordinance amendments. He said the majority of the Board disregarded legal opinions and other evidence when it came time to vote. He cited more stringent golf cart regulations approved by other cities and said our attorney advised that the Village adopt those same standards. He felt that two aldermen should have abstained from voting due to stated personal reasons.

2. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of September 19, 2019
- B. Approval of minutes of the Special Board of Aldermen meeting of September 17, 2019

Alderman Coggin moved to approve the Consent Agenda, as presented. Alderman Cole seconded. Motion carried on a vote of 4-0.

3. Status Reports

A. Village Administrator's Status Report

- Wastewater Project Update

Village Administrator Ferguson reported approximately 50 percent of the properties in the service area have paid impact fees and defined the process of connection. He advised TCEQ has conducted its initial inspection of the treatment plant, with no major issues found. He said online payment options are being explored for wastewater system customers. He noted that all Salado ISD facilities are online with the wastewater system, with the exception of the high school, which is expected to connect soon.

- Pace Park Improvement Project

Village Administrator Ferguson reported that the park was inspected by the Village's insurance carrier and recommendations included addition of safety signage, removing some trip hazards, and painting some wood supports. Although it was not recommended to close the park, he said there was consensus the park is outdated and needs to be replaced sooner, rather than later. He advised that the Pace Park Advisory Board will be looking at solutions. He said leveling has been completed and mowing is underway. It was noted that staff is meeting with civic club representatives to discuss potential funding partnerships and grants.

- Implementation of Amended Golf Cart Ordinance

Village Administrator Ferguson reported a city-wide mailer is being prepared to educate residents on recent changes to golf cart regulations related to night driving and required equipment. He advised that Salado Police Department will issue warnings before any citations are issued, as it will take time for residents to become aware of the amended ordinance, which continues to require golf cart drivers to abide by rules of the road. He stated the Village will seek an Attorney General opinion on driver's license and insurance requirements for golf cart operations.

- Gateway Sign Lighting Project

Village Administrator Ferguson reported the equipment to light the two gateway signs on IH-35 has been ordered and the contractor will begin work upon delivery.

- Audit Services

Village Administrator Ferguson reported that bid proposals will be sought next week from auditing firms to perform the 2019 Village of Salado audit.

- Main Street Improvement Project

Village Administrator Ferguson reported that crews are making progress on installation of drainage pipe on Main Street. He advised that the project is on schedule to be completed in spring of 2020. Contractors are working to minimize impact on businesses during Stroll activities. He reminded that Main Street will be closed beginning January 4, 2020 for approximately 40 days, as crews will be replacing the culvert underneath Main Street at Rock Creek.

- Board of Aldermen Activity Report

Village Administrator Ferguson reported the following statistics for Fiscal Year 2019: 42 meetings held totaling over 63 hours; five executive sessions held; and total number of approved ordinances/resolutions.

B. Salado Police Status Report

- Calls for Service
- Police Department Staffing
- National Night Out
- Citizens on Patrol (COP)

Chief Pat Boone reported on September increased calls for service, reports written, citations/warnings issued, two arrests made, decreased Priority 1, 2, and 3 response times, six vehicle crashes, and number of house watches. He spoke on COP assistance provided for upcoming events, well-attended National Night Out activities at Johnny's Outback, and resignation of a newly hired officer.

Discussion addressed School Resource Officer (SRO) duties and increased number of September calls.

C. Salado Fire Chief Status Report

- Calls for service

Fire Chief Shane Berrier reported on the number of EMS, fire, and motor vehicle accident calls responded to within Bell County and the Village of Salado for the month of September. He thanked everyone for coming to the annual fish fry fund-raising event. Discussion addressed increasing number of calls for service, ongoing equipment needs, and exploration of possible grant funding options.

D. Tourism Director's Report

- Salado Marketing Plan Update
- Upcoming Events

Tourism Director Chadley Hollas reported on insights gathered from marketing information showing where most visitors are coming from within and outside of Texas; top destinations; and

upcoming events for October and November. Alderman Dankert spoke on this Saturday's Sirena Fest activities, starting with the parade at 11 a.m., and provided details on the parade's route, festival location/events scheduled following the parade, and Sirena Fest's purpose to help fund a new all-abilities playground to be located on the Salado Civic Center's grounds.

4. Discussion and Possible Action

- A. Discuss and consider possible action approving the Fiscal Year 2020 Tourism Marketing Campaign for the Village of Salado. (*Tourism Director Chadley Hollas*)

Tourism Director Hollas presented the Fiscal Year 2020 Tourism Marketing Campaign, including:

- Targeting of Houston and Dallas visitors, in addition to Austin
- Key changes to billboard advertising, including use of static billboards (versus changing digital billboards)
- Planned billboard locations on IH-35 southbound just south of Fort Worth and one on Highway 290 outside Austin
- Percentage of budget allocated for digital marketing (about the same as last year)
- General internet display ads and new search ads planned for this year
- Print advertising up from last year (increased presence in *Austin Monthly*)
- Creative messaging/graphic design to encourage visitors to Salado

Discussion addressed data gathering/analysis to focus on reasons for visitation to Salado area; effective billboard placement and available locations; importance of consistency/frequency of marketing and messaging; budgeting for three different seasonal billboard designs throughout the year; full integration of Visit Widget; and competition for visitors to Salado.

Alderman Cole moved to approve the Fiscal Year 2020 Tourism Marketing Campaign, as presented. Alderman Dankert seconded. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action regarding a plan to address those properties in the initial service area which have not yet connected to the Village of Salado Wastewater System. (*Village Administrator*)

Village Administrator Ferguson advised approximately one-half of property owners in the initial service area have connected or are in the process of connection. He noted certain provisions in existing ordinances relating to impact fees and mandatory connection and asked for the Board's direction as to how to proceed after hearing from the public and consultation with the Village's attorney.

Glynn Gantenbein of 500 Center Circle, owner of Salado Creek Antiques, asked why he did not know where his tap was going to be placed before he found out it was on his neighbor's property. He said his neighbor's connection was completed, but would not allow re-trenching on his property. Mr. Gantenbein stated the importance of follow-up and questioned the definition of "new development" as relates to sewer connections. He added that the Village should allow tall

signs fronting IH-35 and felt they bring in a lot of visitors. Village Administrator Ferguson said that the tap location is very limited and alternate locations are being explored.

Janice Means of 305 North Main Street read from a statement (*full text is attached to these minutes*) expressing concerns regarding the costs of connecting to the sewer, the impact fees and monthly bills, and finding plumbers and electricians to connect and decommission existing septic tanks.

Jay Ritch of 906 Indian Trail said his comments are his own thoughts and do not bear any official sanction from his volunteer committee service for the Village of Salado. He expressed concerns regarding excessive commercial impact fees and how those fees were calculated. He felt there has to be a better solution for commercial property owners. He described the \$5,000 fine for those not yet connected as a strong arm tactic. He felt that citizens are held to a more severe standard than the Village held a contractor and said this level of fine was to maximize punishment. He stated imposition of the fine would degrade the Village's reputation as a fair minded and even handed entity that would be hard to recover from. He said he was bothered by the fact that frustrated citizens have reached out to form a group with legal representation and questioned what anticipated results might be. He also feared negative impact from social, print, and television media coverage, as well as harm to efforts of the Village to manage growth coming in the near future. He said he had a problem with the application form wording using the phrase "desires to connect" and felt it should say "the undersigned applies for," as it gives the appearance the application is voluntary. He stated his understanding that impact fees not assessed under statute may be voluntarily paid.

Will Lowery of 602 Center Circle said he originally registered to comment on the shock he felt regarding punitive measures the Board may be determining. He said the Board needs to get in touch with and listen to the community members who elected them. He felt that discussing punitive measures about owners who have not connected is hurtful and offensive. He said multiple owners have expressed valid concerns that have not been addressed and feared unfavorable press coverage of Salado. He spoke of hearing many comments from other owners who are confused and do not understand how all of this works. He said he was completely uneducated and had to do research on impact fees, which he stated "is not how other municipalities do this." He asked the Board to think about real life situations and the effect on people who own property here and have been generating tax resources.

Tim Fleischer, secretary of the Masonic Lodge at 95 South Church Street, read from a letter distributed to the Board written by Lodge Master Brian Arnett (*full text attached to these minutes*). The letter referenced multiple Lodge concerns, including rejection of its application, specific wording on the application, amount of impact/connection fees, possible penalties for not connecting, and working out an easement agreement with a neighboring property owner.

Morris Foster of 80 South Main and owner of multiple properties in Salado spoke on the manner in which the Village is handling the sewer situation, which he said is an embarrassment that detracts from tourism. He spoke of his family's 100-plus year history as founders of Salado and of his responsibility to stand up and offer several alternatives to work through this situation in some amicable way. He said the main reason he is here tonight is due to lack of communication leaving people no alternative but to seek relief from the courts. He felt the "little yellow card" that was sent out was inflammatory.

Melanie Kirchmeier of 11882 Stinnett Mill and owner of several other Salado properties spoke of her personal experience as an elected official and recognized the difficult decisions facing officials. She said her impact fees are paid and she is waiting for the connection work to be done at an entire cost of over \$15,000. She stated those costs are a tough pill to swallow and felt the threat of a \$5,000 per day criminal penalty for not connecting is unimaginable, and stressed she is not a criminal. She hoped that future agendas reflect good will and cooperation between the Village and business owners trying to connect. She also spoke of a longtime friend, who is financially unable to pay the impact fee, nor the monthly sewer bill. She said her friend has repeatedly contacted the Village and Board members, and the added stress of possible criminal penalties has caused her friend to be extremely worried. Ms. Kirchmeier suggested possible deferments for financial hardship and objected to threats of criminal penalties as not being what Salado is about. She said threats to businesses need to stop because this is a very complicated process involving water lines and easements. She said she is trying to comply, but just needs a little more time and suggested the Board consider a deferment plan for owners experiencing financial hardship.

Shane Berrier, owner of property on Main Street, said it is a burden for owners to connect, especially those who have no costs and additionally on those who are required to install grinder pumps. He said that besides paying a sewer bill, owners with grinder pumps will pay extra electricity costs and possible repair costs. He felt the sewer was not well thought out and that everyone connecting to the sewer should have been equal, as the properties on the other side of the street do not require grinder pumps. He also felt the threat of penalties is wrong. He asked the Board to think about the pressure put on those owners he knows do not have the funding to connect.

Jim Lassiter of 230 North Main and owner of commercial properties, spoke of his service on three committees since moving here, the Wastewater Impact Fee Advisory Committee, the Comprehensive Plan Update Committee, and the Minimum Lot Size Task Force. He spoke of his professional background and his move to Salado for the quality of life. He said he tried to do his part to help this community, preserve its history, and help position it for future growth. He said he would have had a different view if he understood the law when he was on the impact fee committee. He said he learned later about the law when asked by numerous people about the enormous cost put on these commercial properties. He said his own connection costs exceed \$62,000 for his properties, which include properties housing McCain's Bakery and The Pizza Place. He asked the Board what they thought would happen if he passed on that cost to his tenants. He said he was more than offended by threats of not connecting and would pay in accordance with the laws of the State of Texas. He was willing to listen to a reasonable and fair resolution in the interim, but stated he is proud to be a part of Impact Salado.

Darlene Walsh of 1001 Mill Creek Drive spoke of her ownership of commercial properties in Belton, as well as Salado, and said in Belton her commercial property was connected for free, with no impact fee, and at no cost to destroy her septic tank. She said Belton did this because it improved their town and redevelopment is helping Belton to get back more money than they put in. She said it also improved property values, so some owners sold their properties to other businesses or to developers who put up houses and apartments. She stated the whole town benefitted and spoke of Jarrell as doing the same as Belton, where she said there is no impact/connection fee. She said they reap more tax benefit in the long run and asked if the Village wants to spend money in court or spend it on the people "you were hired to help." She spoke of

her vote for the sewer as in the interest of helping this town and of her work to incorporate Salado and set up its zoning and comprehensive plan. She cited studies that recommended Salado connect with Belton, which she said was before Morris Foster generously offered the gift of his plant to the Village, even with the need for some upgrading. She felt that Morris Foster's plant could have served our town without incurring debt and stated she would not have voted for the sewer had she known about Sanctuary, which came after the vote. She said she is a developer who looks for the most cost effective way to get something done and was sorry we did not look at other ways.

Mayor Blancett thanked speakers for their comments.

Mayor Blancett adjourned Open Session and convened into Executive Session at 8:18 p.m., pursuant to Chapter 551.071 of the Texas Government Code for consultation with legal counsel.

Mayor Blancett adjourned Executive Session and reconvened Open Session at 8:50 p.m.

No action was taken in Executive Session.

Alderman Bell moved to instruct the Village Administrator to construct an ordinance that would rescind impact fees for the existing service area and eliminate connection penalties. Alderman Dankert seconded.

Alderman Coggin requested an amendment to the motion adding that all future new construction, not existing businesses, be subject to the maximum allowable impact fee.

Alderman Coggin, in response to Alderman Bell, confirmed the amendment would apply to those properties that were not part of the original connection service area.

To clarify, Village Administrator Ferguson stated an ordinance would be drafted to do away with the impact fees for the existing properties in the service area, but will leave impact fees in place for any new development outside the existing service area.

Alderman Bell accepted Alderman Coggin's amendment with Alderman Dankert's permission.

Alderman Dankert accepted the amendment.

Mayor Blancett called for a vote on the amendment to the motion and asked Alderman Coggin to restate the amendment.

Alderman Coggin restated his amendment to the motion that all new construction outside of the existing service area will have an impact fee of \$5,152 per LUE. Alderman Cole seconded.

For further clarification, Village Administrator Ferguson asked if Alderman Coggin's intent is to require the impact fee when vacant lots in the existing service area connect to the system. Alderman Coggin stated his intent is that the impact fee is for true new service, not existing businesses.

Amendment to the original motion was approved on a vote of 5-0.

Mayor Blancett asked Alderman Bell to restate his motion with the approved amendment.

Alderman Bell restated his motion to include the previously stated amendment to his original motion, to instruct the Village Administrator to reconstruct our ordinance rescinding the impact fees for the existing service area of Salado, and eliminate the penalties for connection of service. Alderman Coggin seconded. Motion carried on a vote of 5-0.

Alderman Bell requested future workshop discussion of development of a plan for those property owners experiencing financial hardship. Village Administrator Ferguson stated the Board will be presented with the revised ordinances for approval at its October 17th meeting and can also schedule a workshop item to discuss the issue of financial hardship. In response to Mayor Pro-tem Coachman's inquiry, Village Administrator Ferguson confirmed that the revised impact fee ordinance will include an impact fee refund clause.

Mayor Blancett spoke of the Board's service, its love for Salado, and difficulties associated with providing for the health and welfare of the Village on a \$1.3 million dollar budget.

- C. Discuss and consider possible action regarding the proposed creation of a Historic Overlay District Task Force. (*Village Administrator*)

Village Administrator Ferguson proposed creation of a 5-member task force comprised of the following:

- Two members from the Salado Historical Society
- One member of the Planning and Zoning Commission
- One member of the Board of Aldermen
- One owner of property located within the Village's historic area

He said the task force's single purpose is to bring forth recommendations regarding potential development regulations within the Historic Overlay District.

Alderman Coggin moved to approve the proposed creation of a Historic Overlay District Task Force, as presented. Alderman Dankert seconded. Motion carried on a vote of 5-0.

- D. Discuss and consider possible action approving the Fiscal Year 2020 Village of Salado Employee Holiday Schedule. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the following holiday schedule:

Designated Holiday	Date
Columbus Day	Monday, October 14, 2019
Veterans Day	Monday, November 11, 2019
Thanksgiving	Thursday, November 28, 2019 Friday, November 29, 2019

Christmas	Tuesday, December 24, 2019 Wednesday, December 25, 2019
New Year's Day	Wednesday, January 1, 2020
Martin Luther King, Jr. Day	Monday, January 20, 2020
Presidents Day	Monday, February 17, 2020
Good Friday	Friday, April 10, 2020
Memorial Day	Monday, May 25, 2020
Independence Day	Friday, July 3, 2020
Labor Day	Monday, September 7, 2020

Alderman Bell moved to approve the Fiscal Year 2020 Holiday Schedule, as presented. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 5-0.

Adjournment

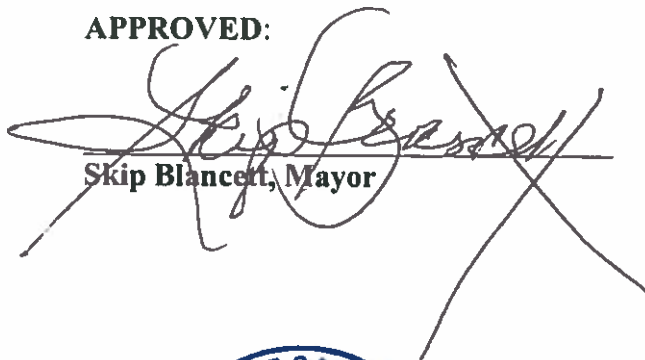
Alderman Dankert moved to adjourn. Alderman Bell seconded. Mayor Blancett called the meeting adjourned at 9:01 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 17th of October, 2019.

APPROVED:



Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary



BOA 10/3/19

I am Janice Means. My husband, Vic, and I live at 305 North Main. We are active civically and love the Village of Salado. We voted for the sewer because we know it is needed for the future of Salado. Never would we have voted For if we had any idea of the cost and controversy this has caused! We are a very small fish in a very big pond when you compare our dilemma to some (or most) of the business owners.

Our out of pocket cost is going to be between \$15,000 and \$20,000 and that is with the lowest Impact Fee. We have no way to recover any of that cost. And certainly, that is not how we planned to spend our money when we are in our mid 80's!!

We have a perfectly operating septic tank system. We will have an added monthly bill. To make bad matters worse, we are diligently working almost daily with plumbers and electricians who have more work than they can do and who do not want to come to Salado to work. It is a nightmare!! Not good for our health or our attitudes!!

My heart aches for the residents in the Village who can not afford any of these costs. Their houses are mortgaged to the max, they are struggling to make ends meet and living from pay check to pay check. How do you expect them to come up with thousands of dollars to pay these plumbers and electricians as they complete the work? Much less, the payment of the impact fee!!

Aldermen, Vic and I are aware of the "Impact Salado" group with regards to possible legal action. This would be a disaster to our beloved Village!! Just think of the negative publicity and the damage it would do. We, the citizens of the Village of Salado, have elected you to represent us. I am here to plead with you to resolve this issue as soon as possible without destroying our beloved Salado!!

Aldermen:

Despite the best efforts of Salado Masonic Lodge to comply with the mandatory connection to the Salado sewer system, our application was denied late in the afternoon Sept. 27 after sitting for two weeks with the Village. We only learned that we were turned down when we made the second phone call to the Village to check on the application.

In our application for the Impact Fee Payment, we requested the following:

\$750 payment on Sept. 13, the day of the application.

\$1,000 payment on the annual date of Sept. 2020

\$1,000 payment on the annual date of Sept. 2021

\$1,000 payment on the annual date of Sept. 2022

Total of \$3,750 for the one Living Unit Equivalent (LUE). This is for a property that historically uses less than 1% of the 100 gallons per day LUE level. The Lodge uses less than 30 gallons per month historically, regardless of summer or winter. For the record, the LUE of 100 gallons per day/3,000 gallons per month recommended by the engineer paid \$40,000 by the Village for the Impact Fee Study in 2018 is about half of the TCEQ standard and the LUE equivalents for several other cities that have recently adopted Impact Fees for sewer service. The 100 GPD is even lower than the Assumed LUE conversion for wastewater treatment of 185 GPD found on page 9 of your own Impact Fee study.

LUE is a standard definition of what an average household uses per day in water that is to be treated by the sewer system. For residential customers, the Village adopted a Winter Month usage so that the water put on lawns, etc. during the spring, summer and fall were not part of the equation. For non-residential customers, the Village adopted a year-long average for determining the initial LUE (as well as the monthly water bill). Non-residential customers will be charged multiples of the LUE that is far below the industry standard, resulting in inflated LUE standards and inflated sewer bills that are based on SWSC water bills.

This is the poisonous fruit. Is this the reason the Village only has \$4,100 in \$100 sewer service deposits? We wonder if that \$4,100 includes the customers that were tied on to the Stagecoach sewer plant. We also wonder if they are part of the so-called 47% who are "in the process." We wonder if Salado Masonic Lodge is part of that 47% even though its application was rejected because of the so-called changes in the Impact Fee payment application above. We also refused to sign a document that forces us to lie. For the record, Salado Masonic Lodge does not "desire to tie in to the WW system." Nor does it desire to pay an impact fee out over four year or at all, for that matter. We are being forced to do so, which is how I corrected the document when I signed it for the Village of Salado, in order to avoid criminal penalties of \$5,000 per day (per your ordinance and per the posted agenda) and to avoid having the Village come on to our private property and install a system against our wishes. Because we are good neighbors, we have also worked with a neighboring property to grant it easement across our property in order to save that neighborhood untold thousands of dollars in connection costs. That neighbor cannot put a line across our property until we are first connected and our septic is demolished. Will the village fine that neighbor \$5,000 per day? Will it forcefully connect that property in a way that is multiples more expensive?

Salado Masonic Lodge will vote on Monday Oct. 6 whether to pay the total impact fee so that none of us have to sign a document that forces us to lie about the situation. We will also vote to have our protest put on the record of the Village of Salado so that history will know the truth.

Brian M. Arnett

Brian M. Arnett WM