

**Village of Salado**  
**Salado Municipal Building**  
**301 North Stagecoach Road**  
**Salado, Texas**  
**Minutes of Regular Meeting of Board of Aldermen**  
**March 3, 2022 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Michael Coggin. *The meeting was conducted in person and using videoconferencing. Public participation was available via videoconference.*

Alderman D. Jasen Graham gave the Invocation and the Board of Aldermen led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Michael Coggin, Mayor Pro-tem Rodney Bell, Aldermen John Cole, Paul Cox, D. Jasen Graham, and Jason Howard attended in person.

Staff Present: Village Administrator Don Ferguson, Assistant Village Administrator Stacey Ybarra, City Secretary Cara McPartland, Salado Police Chief Pat Boone, and Tourism Director Andrea Howard.

**1. Citizens Communications**

No comments were heard.

**2. Consent Agenda**

- A. Approval of minutes of the Special Board of Aldermen meeting of February 17, 2022.
- B. Approval of minutes of the Special Board of Aldermen meeting of February 21, 2022.

Alderman Cole moved to approve the Consent Agenda, as presented. Alderman Howard seconded. Motion carried on a vote of 5-0.

**3. Discuss and Consider Possible Action Regarding any Item Removed from the Consent Agenda**

No items were removed.

**4. Status Reports**

This item was heard after Agenda Item No. 5.

- A. Village Administrator's Status Report
  - Wastewater System Expansion Project

Village Administrator Ferguson reported the contractor has completed installation of the low-pressure line on Salado Plaza Drive; work is underway on the gravity line to the Library area; preliminary work is underway relating to the installation of the low-pressure line on the west side of IH-35 in the area of Sonic; and staff is working with Salado Plaza/Salado Plaza Drive property owners on the connection plan to the new low pressure line.

- May 2022 General Election

Village Administrator Ferguson reported there will be a need to amend the ordinance at the Board's next meeting to detail countywide voting locations for early/election day voting and election officials. He noted there will be 6 locations for early voting and 41 locations for election day, enhancing voter accessibility. He advised that Bell County is proceeding with ballot preparation. He stated that there is one write-in candidate this year and advised that information will be provided on the voting process for write-in candidates.

- Sanctuary Project Entrance Construction

Village Administrator Ferguson reported on the layout of the 3-way intersection at the Sanctuary entrance that includes a continuous turn lane per plans approved in 2019. He displayed a diagram of the intersection. He noted discussions with contractors who were ordered to stop work to address concerns with signage, lane markings, and road surface. He stated increased development has created the need to tighten regulations to ensure the Village's approval of materials, traffic control plans, road surfaces, lane delineation, and a requirement that the contractor provide a fixed date on how long work will be happening in the Village's right-of-way. He said discussions are planned to address concerns about placement of the island northwest of the intersection. He recognized that construction may cause frustration, but reminded cutting through the church's parking lot is not an option. He advised of two upcoming projects that were budgeted for Pace Park Road and Mill Creek Drive resurfacing. He noted that work on Pace Park Road will be timed to coordinate with construction at Pace Park.

- Federal Community Project Funding Requests

Village Administrator Ferguson reported on submission of the following funding requests for consideration:

- Main Street walkway over Salado Creek (\$2,750,000)
- Royal Street improvements (\$3,000,000)
- Sidewalk projects (\$650,000)
- Stagecoach Circle/Chisholm Trail drainage improvements (\$7,000,000)
- West Village Road construction (\$5,500,000)
- West Side wastewater plant acquisition (\$4,500,000)
- Low-water crossing gates and FEMA map update for possible inclusion in a Bell County-wide project list

He noted certain timeframes for possible approval of funding requests. Mayor Coggin and Village Administrator Ferguson commended Assistant Village Administrator Ybarra for her assistance in

putting together these funding requests. Discussion addressed ways that citizens can support these projects, including contacting their elected representatives; ongoing meetings with the Salado Plaza Drive contractor to correct certain issues; excellent progress made toward renegotiation of the Sanctuary development agreement; future traffic problems when Sanctuary and other developments are fully built out and possible mitigations; and obligation of wastewater contractor to revegetate construction areas.

#### B. Salado Police Chief Status Report

- Calls for Service

Chief Boone presented the following statistics for February: calls for service (442); 10 offense/incident reports; 8 supplemental reports; 5 crash reports; 2 warrants obtained; 35 citations issued; 89 warnings issued; 2 arrests; 1 grand jury true bill; Priority 1-4 response times; 124 house watches/security checks; and 3 local businesses were notified of open doors.

- License Plate Reader Program Update

Chief Boone presented February statistics on number of license plate images captured (98,767); number of deleted license plates (101,617); no license plate images retained for investigative purposes; no system alerts; number of times system used for criminal investigative purposes (0); number of times system accessed by SPD (0) and number of times system accessed for SPD administrative use (6). Discussion addressed unlocked business doors; criteria for reportable crashes; success of speed limit enforcement on South Ridge; increasing staff report timeframe from 12 months to 13 months; effectiveness of license plate reader program; possible additional license plate reader cameras for future consideration; and additional future reporting by Chief Boone on traffic volumes and speed control.

- Citizens on Patrol Program

Chief Boone reported that COP volunteers found 3 unsecured businesses whose owners were notified.

#### C. Salado Fire Chief Status Report

- Calls for Service

No report was heard, as Fire Chief Jim Franz was unable to attend tonight's meeting.

#### D. Tourism Director's Report

- Salado Marketing Activities

Tourism Director Andrea Howard reported on the following February 1-27 marketing statistics: number of website/app users (187), including number of new (70)/returning (120) visitors; 211 total sessions and 1,660 total pageviews. She noted that a travel and leisure segment on Salado is

scheduled to be aired on NBC's *Today Show* on March 4, 2022. She provided details on a feature article about Salado by *The Bend* magazine in its March issue, which will be available online and in print. She advised that *Southern Lady* magazine will also be in town tomorrow.

- Visitors Center Activities

Tourism Director Howard reported from February 1-27, 265 visitors stopped in the Visitors Center, which was closed for 5 days due to inclement weather and provided historical February statistics (for years 2019-2021). She reported that one or both shuttles will be running during March events, as needed. She advised those interested in volunteering may contact her office for dates and times available.

- Upcoming Events

- March 11-13; Northbound and Down Music Festival; Barrow Brewing
- March 26-27; Wildflower Art & Craft Fair; Salado Chamber of Commerce
- April 9; Salado Historical Tour and Cemetery Tour; Salado Historical Society
- April 23-24; Sounds over Salado Music Festival; Barrow Brewing
- May 5-8; Cowboy Poetry & Music Gathering

Discussion addressed Tourism Director Howard's positive interaction with businesses and the community; obtaining a clip of the *Today Show* feature on Salado, and gauging future impact of this media coverage on tourism.

## 5. Presentation

Presentation of the 2021 Salado Glassworks HOT Fund Grant Performance Report. (*Tourism Director Andrea Howard*)

This item was heard after Agenda Item 3.

Director Howard introduced Gail Allard of Salado Glassworks, who reported on expenditures related to the \$4,000 in HOT funds awarded in the first round of applications. He spoke on features of a new website that make it easier for guests to register for events and improve tracking of data such as number of overnight stays. Discussion addressed out-of-town guests; tracking where visitors are coming from; positive effect on tourist spending in general; budgeted versus actual overnight stays covering multiple months; and correlation between weekend events and weekend occupancy rates throughout the year. Mayor Coggin thanked Mr. Allard and stated the Board's support for local businesses.

## 6. Ordinances

- A. Consider approval of an ordinance of the Village of Salado, Texas, amending Ordinance No. 2017-08 establishing park regulations applicable within any public park located within the Village limits or its extraterritorial jurisdiction; providing for findings of fact, penalties and enforcement, proper notice and meeting. (*Parks Advisory Board*)

This item was heard after Agenda Item 4.

Village Administrator Ferguson highlighted key provisions of the proposed ordinance, including establishing curfew rules, prohibition of glass containers, allowance of gas grills if used in designated locations, prohibition on vaping or use of tobacco products; and allowance of wildlife feeding only with feed obtained from the Village.

Discussion addressed rules signage; criminal versus civil penalties; proposed ordinance's compliance with State laws relating to firearms; common prohibition of alcoholic beverages in parks; allowance of alcohol only during special permitted events; possible decrease of penalty fine amounts; enforcement issues; Village permission required for wood-fired grills; and no-cost permits.

Alderman Cox moved to approve the ordinance, as presented. Motion died due to lack of a second.

Mayor Pro-tem Bell moved to approve the ordinance, with the following provisions: remove criminal penalties; decrease the maximum civil penalty to \$250; permits included in ordinance are to be at no cost; and proper signage posted in accordance with State regulations. Alderman Howard seconded.

Discussion addressed holding additional discussions and postponing action versus action at tonight's meeting, and possible future requirement for two or more readings on all ordinances.

Mayor Coggin called for a vote as follows: Alderman Howard, aye; Alderman Graham, nay; Alderman Cox, aye; Alderman Cole, nay; Mayor Pro-tem Bell, aye; Motion carried on a 3-2 vote.

- B. Consider approval of the first reading of an ordinance of the Village of Salado, Texas amending Ordinance 2019-06 establishing rates for wastewater service to be charged in the Village of Salado; and providing for the following: findings of fact; conflicts and repeal; effective date; no vested interest; penalties and enforcement; proper notice and meeting. (*Village Administrator*)

Village Administrator Ferguson reported on extensive past discussions on the proposed rate increases to help eliminate subsidization of the wastewater system from the General Fund. He proposed the following changes in base and volumetric rates:

	<b>2022 Charges</b>	<b>Existing Charges</b>
<b>Wastewater Base Fee</b>		
Residential	\$21.77	\$20.00
Non-residential (low impact)	\$43.54	\$40.00
Non-residential (high impact)	\$65.31	\$60.00
<b>Wastewater Volume Charge (\$/1,000 gallons)</b>		
Residential	\$8.71	\$8.00
Non-residential (low impact)	\$11.97	\$11.00
Non-residential (high impact)	\$17.42	\$16.00

He noted that this would be the first rate increase since the system came online more than two years ago.

Discussion addressed ability to manage water usage to mitigate volume charge; goals to eliminate subsidization, reduce debt service on taxpayers, and plans to create a reserve fund to deal with unexpected expenditures; amount of system user fees without taxpayers' subsidization of wastewater system and associated impact on business community; explanatory notices to wastewater customers on rate increases to go into effect with the April 2022 system billing, if approved; projected number of connections needed to eliminate subsidization based on projected growth; proposed rate increase discussed in public budget process; and additional opportunity for public input on second reading of ordinance.

Mayor Pro-tem Bell moved to approve the ordinance on first reading, as presented. Alderman Cox seconded. Motion carried on a vote of 5-0.

## **7. Discussion and Possible Action**

- A. Discuss and consider possible action regarding the award of mid-year grants under the Village of Salado Hotel Occupancy Tax Program. (*Tourism Director Andrea Howard and Alderman Paul Cox*)

Tourism Director Howard presented two mid-year applications for the remaining \$4,500 in grant funding from Salado Chamber of Commerce for its 56<sup>th</sup> Annual Salado Art Fair and Legacy of Salado for its Sirena's Creekside Carnival. She noted that the Tourism Advisory Board voted to award grants to both applicants in the amount of \$2,250 each. Alderman Howard recused himself at this time due to a possible conflict of interest.

Chamber of Commerce representative Theresa Kunz said the \$2,250 would be a great boost to the advertising/security budget, as there are already 72 vendor applications for the upcoming 2-day fall art fair event. Discussion addressed billboard advertising locations, radio station ads, and social media; estimated return on investment; anticipated revenue; new website for improved tracking of data; and projected impact on hotel occupancy.

Legacy of Salado representative Theresa Howard spoke on her organization's mission to enhance the Village of Salado through the preservation, conservation, improvement, and maintenance of Salado's public spaces. She said any money made from the festival or any event in the future will go directly back to the Village of Salado. She advised that grant funds would be spent on paid advertising in specific publications and said numerous other organizations have been contacted to obtain free listings. Discussion addressed projected return on investment and use of Legacy funds for parks improvements.

Alderman Graham moved to approve the award of mid-year grants in the amount of \$2,250 to both applicants, as presented. Alderman Cox seconded. Motion carried on a vote of 5-0.

Alderman Howard returned to the meeting at this time.

- B. Discuss and consider issues relating to the disannexation petition submitted to the Village of Salado on February 18, 2022. (*Mayor Michael Coggin*)

Mayor Coggin stated that there was a disannexation petition submitted to the Village on February 18, 2022 that is currently being reviewed. He noted the areas affected by the petition and stated if the petition is validated, the disannexation would appear on the November ballot.

Village Administrator Ferguson stated the disannexation was not submitted within the timeframe that would have allowed an election to be ordered in time to place on the May 2022 ballot. He stated the next election date would be in November 2022, provided the petition is verified and validated in accordance with State law. He noted that some of the signatories on the petition have indicated that they did not know what they were signing and said they would not have signed if they had known the intent of the proposed disannexation. He explained that State law does not allow names to be removed from petitions once they have been filed. He also noted there is a belief among some of the signers that disannexation would exempt them from taxation by the Village. He advised that State law is very clear that those property owners who signed the petition would still be obligated to pay taxes for debt service on the wastewater system like all other taxpayers in the Village. He stated there is another provision in State law that would potentially obligate the Village to refund previously paid tax payments, if disannexation were approved, for as long as the property in question has been part of the entity. He stressed that there are specific parameters in place on how that determination is calculated and did not feel that such a scenario is likely, pending legal review.

Discussion addressed the ability of disannexed areas to later submit another petition to be annexed back into the Village; existing Sanctuary development agreement that includes annexation into the Village as a provision, unless the agreement is changed; petitioner's possible intent and justification for the petition to disannex; approval of the disannexation would be placed on a city-wide ballot to be voted on by all Village of Salado voters, not just those in the area affected by the petition; the major portion of Village taxes are for wastewater system debt service; past unsuccessful disannexation attempts and costs incurred by the Village to hold additional elections; obligation of the mayor to call an election, if petition signatures are validated in accordance with State law; last disannexation election vote counts (approximately 90 percent voted against disannexation and 10 percent voted for disannexation); and confirmation that the petitioner is not required to reside in the affected area.

### Addendum to Agenda

#### **7. Discussion and Possible Action**

- C. Discuss and consider possible action regarding a proposed renewal amendment to the Wastewater Maintenance and Operations Agreement with Operations Management International, Inc. (*Village Administrator*)

Village Administrator Ferguson stated the existing agreement with Operations Management International, Inc. (also known as Jacobs) expires at the end of this month and noted certain proposed modifications:

- New agreement term of 5 years, allowing for 2 optional consecutive 5-year terms
- Establishing the annual service fee for the first year of the new term as \$169,120, an increase of 5 percent from the current fee
- After the first year of the new term, annual increases in the annual service fee thereafter shall reflect the annual increases in the CPI water and sewer index.
- The current rate schedule to perform out-of-scope repairs will remain unchanged for the first year of the new term, with annual increases in the remaining 4 years of the new term to reflect annual increases in CPI water and sewer index.

Village Administrator Ferguson recommended approval of the agreement as presented, with inclusion of the additional language to clarify that out-of-scope repairs will remain unchanged for the first year of this 5-year extension and thereafter any increases in the rate schedule will be based on the CPI water and sewer index. Regarding additional costs, Village Administrator Ferguson noted that the renewal amendment designates and assigns a full-time operator for Salado facilities, rather than sharing operators with other Jacobs' facilities and adds the so-called Stagecoach Lift Station to the inventory of lift stations to be operated and maintained. He advised the amendment removes the start-up cost recovery provision.

Jacobs' representative Paul Shropshire spoke of his firm's operations management experience with the Village and with many other facilities, basis of fees on cost indexes, and working as a partner with the Village.

Discussion addressed overtime rates and projected overtime as part of everyday operations and maintenance; clarification on what constitutes "out-of-scope" repairs and applicable fees; obligation for Jacobs to notify the Village in advance of any work exceeding \$1,000 in cost; wastewater service fees adequate to cover additional costs under renewal amendment; reasoning for 5-year term of agreement versus a 3-year term; and option to renew for 2 consecutive 5-year terms subject to Board of Aldermen approval.

Alderman Cole moved to approve the renewal amendment to the Village's wastewater maintenance and operations agreement, as presented, including the abovementioned additional clarifying language relating to out-of-scope repairs. Alderman Graham seconded. Motion carried on a vote of 4-1. Mayor Pro-tem Bell voted against.

### **Adjournment**

Alderman Graham moved to adjourn. Mayor Coggin called the meeting adjourned at 8:26 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 17<sup>th</sup> of March, 2022.



**APPROVED:**



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Michael Coggin, Mayor

**ATTEST:**



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Cara McPartland, City Secretary

