

Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
December 15, 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.*

Mayor Michael Coggin 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, and Aldermen Paul Cox, John Cole, D. Jasen Graham, and Jason Howard attended in person.

Staff Present: Village Administrator Don Ferguson, Assistant Village Administrator Stacey Ybarra, and City Secretary Cara McPartland.

1. Citizens Communications

Amber Dankert spoke of Legacy Salado's commitment to bring joy and happiness to the Village of Salado and recalled past Sirena Fest proceeds sent to Communities Foundation of Texas. In 2021, after much hard work and last-minute planning, Ms. Dankert said that she and Theresa Howard were able to donate \$9,258. After rebranding as Sirena's Creekside Carnival in 2022 and establishing Legacy Salado as a 501(c)(3) non-profit with the mission of enhancing the Village through the preservation, conservation, maintenance, and improvement of public spaces, Ms. Dankert said \$18,705 in donations were raised to purchase a swing set and memorial bench for the All-Abilities Playground Project. She gave special thanks to Alderman Jason Howard for his tireless work, excellent guidance, diligence, and dedication to increasing and improving Salado's parks. Ms. Dankert announced that tonight she is presenting the Village with a check for \$30,000 made possible through generous community support. She noted that this donation will be used to purchase the Friendship Spinner element of the Pace Park All-Abilities Playground. She calculated that to date Legacy Salado has donated \$100,857 toward the project, with almost half of that amount donated in the last year alone. She encouraged the Village to continue its fundraising efforts to get the playground built as soon as possible. Ms. Dankert presented the \$30,000 check to Alderman Howard and noted his integral volunteer service.

Bell County Tax Assessor-Collector Shay Luedeke presented the Village with a check for \$2,712.26, which represents the Village's census-based allocation of funds collected by Bell County on vehicle registrations that must be spent on school crossing guard or programs related to health, nutrition, and child safety. Mayor Coggin thanked Mr. Luedeke for his presentation. Mayor Pro-tem Bell and Mr. Luedeke discussed allocation of funds to cities versus unincorporated areas and established that funds to unincorporated areas go into Bell County's general fund.

Alderman Cole and Mr. Luedeke briefly discussed the increase in number of vehicle registrations each year.

2. Consent Agenda

- A. Approval of minutes of the Special Board of Aldermen meeting of November 30, 2022.
- B. Approval of the minutes of the Special Board of Aldermen meeting (Executive Session) of November 30, 2022.
- C. Approval of November 2022 Financial Reports for the Village of Salado.
- D. Approval of the engagement letter for Armstrong, Vaughan & Associates, P.C. to prepare the Village of Salado Financial Statements for the year ended September 30, 2022.

Discussion addressed allocation/transfer of funds to the All-Abilities Playground Fund, scope of the annual audit, and associated costs for preparation of financial statements.

Mayor Pro-tem Bell moved to approve the Consent Agenda, as presented. Alderman Graham 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. Village Administrator's Report

- Salado Christmas Stroll

Village Administrator Ferguson reported 3 of the 4 event nights experienced large crowds; reported increase in business over last year; after-action meeting; and a proposal to discuss possible closure of the Main Street Bridge during Stroll next year due to an incident Saturday night involving a vehicle and a stroller. He also spoke on a disturbance at a local bar that was handled by Salado Police Department with TxDPS assistance. He said positive feedback was received on the event, which was well-attended and enjoyed good weather.

- Special Event Permit Ordinance

Village Administrator Ferguson reported a draft ordinance is being finalized regulating the use of public property for special events. He cited public parking, street closures, event-related trash, restroom facilities, and emergency planning as issues addressed in the draft ordinance, which in large part seeks to share information with limited regulation. He said copies of the draft ordinance will be distributed to Board of Aldermen members and large event coordinators next week to gather input. He anticipated bringing the finalized draft to the Board on January 19, 2023.

- Sales and Mixed Beverage Tax Collections

Village Administrator Ferguson reported the sales tax check for December 2022, representing October collections, totaled \$61,888, up 2.9 percent over the same period last year; fiscal year-to-date collections totaled \$197,277, up 12 percent over the same period last year; calendar year to date collections totaled \$789,962, up 14 percent from the last calendar year; December 2022 mixed beverage tax check totaled \$3,422; year to date mixed beverage tax collections totaled \$28,416.89, up 2.68 percent from the same period last year. He noted that the State has changed the reporting schedule for Mixed Beverage Tax collections from quarterly to monthly.

Discussion addressed estimated funds needed to start playground construction and ongoing updates; prior discussions of Main Street Bridge night closures during Stroll; lighting for Stroll; and impact of possible bridge closure(s) on businesses; and efforts to resolve repair/replacement issues with non-functioning streetlights.

5. Presentations

- A. Presentation from Nextlink Internet regarding a community wireless internet service proposal for the Village of Salado. (*Nathan Waltman, Nextlink Internet*)

Village Administrator Ferguson advised that this item will be rescheduled in January or February, as Mr. Waltman could not be present at tonight's meeting. There was brief discussion of countywide/local broadband service. He encouraged residents to check their address on the FCC's broadband map and provide feedback, in order to maximize the benefits of federal tax dollars allocated for high-speed internet. Village Administrator Ferguson stated information will be posted on the Village's website and social media directing residents to the FCC map. Editor Tim Fleischer stated there will also be information in the Village Voice weekly newspaper.

- B. Presentation of Hotel Occupancy Tax grant performance report for the 2022 Salado Art Fair. (*Amanda Organ, Salado Chamber of Commerce*)

Mayor Coggin introduced Ms. Organ, who thanked the Board for its grant of \$2,250 which went toward various advertising and marketing expenses such as print media, billboards, and social media. She said the event brought in 22 overnight guests. Mayor Coggin thanked Ms. Organ for her concise documentation of expenditures.

6. Public Hearing and Possible Action

Hold a public hearing and consider possible action regarding an ordinance of the Village of Salado, Texas zoning approximately 39.139 acres located northwest of the intersection of FM 2484 and Interstate 35 in Salado, Bell County, Texas as local Retail (LR); providing for the following: severability; effective date and proper notice and meeting. (*Village of Salado, Applicant*)

Village Administrator Ferguson explained the Village has an obligation to initiate zoning of the recently annexed property proposed to be zoned LR and includes such uses as a Quick Trip Travel Center, several restaurants, a car wash, retail shops, and an assisted living facility. He noted that public hearing notices were published, and notification letters were sent to property owners within

200 feet of the subject property. He advised that the Planning & Zoning Commission held a public hearing and unanimously recommended approval of the proposed zoning at its December 13th meeting.

Discussion addressed lack of public comments received on the proposed zoning; Quick Trip representative David Meyer's comments on the possible timeframe for project bidding (6-week bid window) and QT store construction start/completion dates; and properly permitted on-site wastewater system.

Mayor Coggin opened the public hearing at 7:12 p.m.

Tim Fleischer expressed concerns that LR zoning may be too restrictive and said senior living facilities might need to have more than 2 stories. He felt that Regional Retail would allow for buildings taller than 2 stories, which he said is fitting for that part of Interstate 35. Village Administrator Ferguson advised that there is a variance process that includes public notification, if necessary. Mr. Fleischer said variances are "a roll of the dice." He noted two hotels built on IH-35 that were built before the Village of Salado incorporated. He said that when LR zoning was adopted for the Comprehensive Plan, it was geared toward smaller retail, not convenience stores with lots of gas pumps, senior living centers, or stores/hotels that may be 3 or more stories tall. He said LR was specifically geared for Salado to control Main Street and should not apply to interstate frontage properties, which should look more like Regional Retail. He felt Regional Retail would allow the development to thrive.

Amity Road resident Thomas Jarmon asked Mr. Meyer how many gas pumps QT will have. Mr. Meyers replied there will be 8 double-sided pumps for a total of 16 fueling positions, with 4 or 5 diesel bays located at the back of the store.

Hearing no further comments, Mayor Coggin closed the public hearing at 7:15 p.m.

Discussion addressed the differences between Local and Regional Retail zoning districts; the developer's lack of interest in buildings beyond two stories; zoning intent stated in the development agreement between QT and the Village; more cautious approach of less lenient LR zoning as the area redevelops in future years; and ability of future owners to request zoning change(s) if uses change over time.

Alderman Cole moved to approve the ordinance zoning approximately 39.139 acres located northwest of the intersection of FM 2484 and Interstate 35 in Salado, Bell County, Texas as Local Retail (LR), as presented. Mayor Pro-tem Bell seconded. Motion carried on a vote of 5-0.

7. Discussion and Possible Action

- A. Discuss and consider possible action regarding a proposed Construction/Final Plat and Construction Plans for Stinnett Mill Estates Phase II, a residential development located on Stinnett Mill Road, in the E-T-J of the Village of Salado, Bell County, Texas. (*Village Administrator*)

Village Administrator Ferguson advised that the applicant requested this item be continued to a later date.

- B. Discuss and consider possible action regarding a letter of intent relating to the proposed acquisition of the wastewater utility system owned and operated by Pampa Investment Group, LP by the Village of Salado. (*Mayor Michael Coggin*)

Mayor Coggin spoke on Pampa Investment Group's offer for the Village to take over operations and maintenance of the wastewater treatment plant that serves the previously annexed and zoned 39.139-acre tract (*see Agenda Item 6*). He advised the subject property includes the wastewater treatment plant, the pipelines that are installed or will be installed in construction of the development, one completed lift station, one lift station planned for construction, and the inspected and operational 50,000 gallon per day wastewater treatment membrane plant. He said there are a lot of details to be worked out beyond the letter of intent.

Village Administrator Ferguson highlighted the TCEQ application, review, and approval process. He said a proposed agreement for acquisition of the wastewater system will have to be developed and publicly vetted prior to the Board taking any action. He stressed that the letter of intent is a first step in the negotiation process to bring an acquisition agreement to the Board at a future date. He said many issues need to be examined, including the Certificate of Convenience and Necessity (CCN) and portions of the subject property that are located within the City of Belton's city limits or extraterritorial jurisdiction (ETJ). He noted that there are some adjacent property owners who would like to be served by the wastewater system, but would need to be annexed inside city limits to receive such service. He pointed out the Village's need to look long-term, as the plant is only partially built out and acquisition would involve future capital expenditures toward enhancing the plant up to its maximum capacity. He stressed that those costs would ideally be paid from impact fees, *not* bond funding.

Mayor Coggin said the developer has proposed the Village pay \$100,000 initially, with subsequent payments to come from user service/impact fees. Village Administrator Ferguson noted that the Board of Aldermen would be presented with a payment schedule included in the agreement for consideration. Mayor Coggin said the City of Belton is fighting to not release any of the subject property inside its city limits to the Village of Salado. He stated the Village of Salado could be in competition with the City of Belton, but noted the developer has indicated a preference for dealing with the Village of Salado. Village Administrator Ferguson said the City of Belton has publicly denied water/sewer service to the subject property due to its location within the CCN of Salado Water Supply Corporation and within the CCN secured by the developer. He noted that while the City of Belton denied full services, it has also relinquished platting authority to Bell County. Mayor Coggin summarized the risk to the Village as follows: \$100,000 initial expenditure; remainder of payments to come from users; transfer of TCEQ compliance from the developer to the Village; and assumption of maintenance of the system by the Village. Mayor Coggin felt this is a fantastic opportunity for the Village to expand its wastewater treatment system capacity to be paid for by future impact/user fees.

Discussion addressed the scope and nature of the letter of intent as a non-binding document; need for detailed presentations to the public and elected officials prior to entering into any agreements;

possible future allocation(s) of grant funding; estimates of potential revenue from the currently dormant plant based on intended uses and projected water usage; other upcoming developments that may be requesting wastewater service in the future; specific points in the letter of intent related to payment and termination; and the letter of intent as a declaration of interest to pursue this proposed acquisition.

Alderman Graham moved to proceed with sending the letter of intent, as presented. Alderman Cole seconded.

Discussion addressed the need for a detailed plan, the Village’s \$100,000 initial payment, and remaining operation/maintenance payments that would come from revenue from the subject wastewater system (*not* from existing wastewater customers).

Mayor Coggin called for a vote as follows: Alderman Cox, aye; Mayor Pro-tem Bell, aye; Alderman Cole, aye; Alderman Graham, aye; and Alderman Howard, aye. Motion carried on a vote of 5-0.

Adjournment

Mayor Coggin wished everyone a Merry Christmas and safe holiday. Alderman Cox moved to adjourn. Mayor Coggin called the meeting adjourned at 7:40 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 5th of January, 2023.

APPROVED:



Michael Coggin, Mayor

ATTEST:



Cara McPartland, City Secretary

