

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on November 1, 2012 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Gloria Nix
Councilmember Mary E. Barnes-Tilley
Councilmember Andrew Ebel
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Weldon Williams, Jr.

Others present:

City Manager Terry Roberts, Assistant City Manager Kyle Dannhaus, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Jennifer Salsgiver, Fire Chief Ricky Boeker, Police Chief Rex Phelps, David Doelitsch, Chief Financial Officer Carolyn Miller, Stacy Hardy, Debbie Gaffey, Rhonda Kuehn, Susan Nienstedt, Janie Mehrens, Kathy Bell, Public Utilities Director Lowell Ogle, Public Works Director Dane Rau, Bobby Branham, Development Services Director Julie Fulgham, Doug Baker, Kevin Boggus, Tiwana Brown, Jonathan Phipps, Andria Heiges, and Dillon Miertschin

Citizens present:

Clint Kolby, Casey Acker, Bryan Field, Brad Leuschner, and Mike Baker.

Media Present:

Arthur Hahn, Brenham Banner Press; Frank Wagner, KWHI

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Councilmember Williams**

3. New Employees

Mayor Tate welcomed the following new employees:

Tiwanna Brown – Municipal Court
Jonathan Phipps – Police Department
Andria Heiges – Library
Dillon Miertschin – Sanitation Department

4. Special Recognition

➤ Recognition of the GFOA Certificate of Achievement for Excellence in Financial Reporting

Chief Financial Officer Carolyn Miller explained that for the fourth consecutive year, the City of Brenham was awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the City's Comprehensive Annual Financial Report (CAFR).

Miller recognized Accounting Manager Stacy Hardy and her team. Miller stated that the Finance Department has a great group of professionals who work diligently throughout the year.

5. Citizens Comments

There were no citizen comments.

CONSENT AGENDA

6. Statutory Consent Agenda

6-a. Minutes from the September 20, 2012; October 4, 2012; and October 18, 2012 Council Meetings

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to approve the Statutory Consent Agenda Item 6-a. Minutes from the September 20, 2012; October 4, 2012; and October 18, 2012 council meetings.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

PUBLIC HEARING

7. Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 35 Requested by MIC Group, LLC for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 7.170 Acres, More or Less, Being Located at 1801 Industrial Boulevard, Brenham, Texas, with Boundaries Further Described in Exhibit “A” of the Ordinance Creating Reinvestment Zone Number 35, and Designating This Property as Qualifying for Tax Phase-In

Mayor Tate opened the Public Hearing and introduced Economic Development Foundation’s Project Manager, Clint Kolby.

Kolby requested that Council consider a tax phase-in application from MIC Group, LLC in order to contribute to Brenham’s future economic development. Kolby explained that MIC Group, LLC is planning an expansion at their MIC-West facility off of Industrial Boulevard in the Southwest Industrial Park. Kolby stated that the expansion would create fifteen (15) new jobs and involve a two million one hundred thousand dollar (\$2,100,000) capital investment for new equipment. Kolby introduced MIC Group, LLC Chief Financial Officer Brad Leuschner and Vice President and General Manager Mike Baker.

Leuschner reiterated that the expansion would add fifteen (15) new jobs and include a two million one hundred thousand dollar (\$2,100,000) capital investment for new equipment. Leuschner stated that tax phase-in makes Brenham more attractive for this expansion than other MIC manufacturing locations.

There were no citizen comments made during the Public Hearing. Mayor Tate closed the Public Hearing.

REGULAR AGENDA

8. Discuss and Possibly Act Upon an Ordinance on Its First Reading for the Creation of Reinvestment Zone Number 35 Requested by MIC Group, LLC for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 7.170 Acres, More or Less, Being Located at 1801 Industrial Boulevard, Brenham, Texas, with Boundaries Further Described in Exhibit “A” of Said Ordinance, and Designating This Property as Qualifying for Tax Phase-In

Councilmember Barnes-Tilley asked if MIC would add fifteen (15) new employees or if these positions would just be maintained. Leuschner confirmed that this expansion would add fifteen (15) new employees.

Councilmember Herring asked if the new employees would be hired from the local market. Leuschner explained that MIC will hire locally as much as possible. Leuschner noted that about two (2) new employees from this expansion will come from the surrounding areas based on their current hiring average of eighty-five percent (85%) being hired from the local area and fifteen percent (15%) being hired outside of the local area.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve an ordinance on its first reading for the creation of Reinvestment Zone Number 35 requested by MIC Group, LLC for commercial-industrial tax phase-in incentive on a certain tract of land containing 7.170 acres, more or less, being located at 1801 Industrial Boulevard, Brenham, Texas, with boundaries further described in Exhibit “A” of said ordinance, and designating this property as qualifying for tax phase-in.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

Mayor Tate reminded the council that the ordinance would have one (1) more reading at the next meeting before it will go into effect.

9. Discuss and Possibly Act Upon the Award of a Contract for the Expansion of Water Service Related to the Improvement of Fire Protection at Valmont Industries, Inc. and Authorize the Mayor to Execute Any Necessary Documentation

Public Utilities Director Lowell Ogle explained that staff opened bids on October 25, 2012 regarding the Valmont Industries’ water system improvements. Ogle explained that these improvements will extend a twelve-inch (12”) water main from Industrial Boulevard to Valmont and install infrastructure within Valmont, which will include an eight-inch (8”) line with fire hydrants.

Ogle explained that the City contributed fifty-three thousand dollars (\$53,000) to extend water lines to Valmont Industries, Inc.’s property. He explained that this bid includes onsite water improvements, which Valmont is responsible for and the Salem Road water line extension, which the City is responsible for. Ogle reminded Council of the amendment to the Jones and Carter, Inc. agreement which added the Salem Road water line extension to this bid. Ogle stated that Kieschnick General Contractors was the low bidder and the bid was as follows:

Valmont Industries (Base bid)	\$ 267,643.70
Valmont Industries (Insurance)	1,500.00
City of Brenham (Salem Rd.)	<u>131,892.00</u>
TOTAL	\$ 401,035.70

Ogle noted that the low bid came in lower than the estimated amount and recommended that Council award the base bid and supplement bid to Kieschnick General Contractors in the amount of four hundred one thousand thirty-five dollars and seventy cents (\$401,035.70). Ogle advised the Council that the contract would be contingent upon Valmont signing a participation agreement.

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Nix to award a contract to Kieschnick General Contractor for the expansion of water service related to the improvement of fire protection at Valmont Industries, Inc. in the amount of four hundred one thousand thirty-five dollars and seventy cents (\$401,035.70) for the base bid and supplemental bid, contingent upon Valmont signing a participation agreement with the City, and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon the Purchase of a 2012 John Deere 310SK Backhoe with a Bucket Attachment for the City of Brenham’s Sanitation Department from the BuyBoard Local Government Purchasing Cooperative and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau asked for Council’s approval to buy a backhoe off of the BuyBoard Local Government Purchasing Cooperative and explained that this was a budgeted item.

A motion was made by Councilmember Williams and seconded by Councilmember Ebel to approve the purchase of a 2012 John Deere 310SK backhoe with a bucket attachment for seventy-six thousand five hundred dollars (\$76,500) for the City of Brenham’s Sanitation Department from the BuyBoard Local Government Purchasing Cooperative and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

11. Discuss and Possibly Act Upon Bid No. 13-002 for the Annual Contract Relating to Road Base Material for the City of Brenham’s Street Department and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau explained that the City sought bids for road base material and four (4) bid packets were sent out, but the only bid received was considerably higher than expected. Rau asked that the Council reject Bid No. 13-002 so that it can be rebid to try and get better pricing.

Councilmember Williams asked if all preparatory work is complete for the roads receiving the overlay. Rau explained that the preparatory overlay work is complete and any intersection work can be done before or after the overlay contract work.

Mayor Tate asked if all the roads that were worked on will receive an overlay. Rau specified that Lee Street and Burleson Street will receive an overlay by City staff and the other roads that were worked on will receive an overlay from the contractor. City Manager Terry Roberts clarified that staff will work on Burleson Street north of FM 577 and the contractor will take care of Burleson Street south of FM 577.

A motion was made by Councilmember Ebel and seconded by Mayor Pro Tem Nix to reject Bid No. 13-002 for the annual contract for road base material.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

12. Discuss and Possibly Act Upon the Renewal of the Contract with Callie Korth for Janitorial Services for Multiple City Buildings and Authorize the Mayor to Execute Any Necessary Documentation

Chief Financial Officer Carolyn Miller explained that Council awarded a bid to Callie Korth for janitorial services last year and the contract provides an option for a one (1) year extension. Miller noted that Korth has agreed to renew the contract at the same rates.

Miller advised the Council that purchasing services has got positive feedback from the directors who work in the buildings regarding the quality of janitorial services and the directors expressed a desire to continue this contract. Miller recommended that Council extend the contract for one (1) year for the amounts shown below:

<u>Building</u>	<u>Annual Price</u>
City Hall	\$ 39,519.96
Library	\$ 15,476.04
Police Building	\$ 33,279.95
Fire Station Offices	\$ 2,912.04
Communications	\$ 2,080.08
Aquatic Center	\$ 1,999.98

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Herring to exercise a one (1) year extension on the current contract with Callie Korth for janitorial services for multiple city buildings and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

13. Discuss and Possibly Act Upon a Resolution Authorizing the City Manager to Approve and Execute Certain Purchase Orders, Agreements, Contracts and Related Documents Regarding City Operations up to \$50,000.00

Chief Financial Officer Carolyn Miller reminded Council of a resolution they adopted in early 2008 which granted the City Manager authority to execute contracts up to \$25,000 which matched bid limits set by state purchasing laws. Miller advised the Council that in 2007 state purchasing laws changed and increased the bidding limit to \$50,000.

Miller recommended that Council consider increasing the City Manager's signing authority to fifty thousand dollars (\$50,000) for budgeted purchase orders, contracts, and agreements to coincide with state purchasing laws. Miller clarified that all purchases above \$50,000 would be brought to Council for approval.

Mayor Tate asked if this increase in expenditure would be for budgeted items only. Miller clarified that it would only be for items approved by Council in the annual budget.

Councilmember Herring asked if the state law changed since 2007 or if the City was catching up to the 2007 law change. Miller explained that the state law has not changed since 2007 so the City went halfway in 2008. Miller noted that a figure less than fifty thousand dollars (\$50,000) could be approved if Council was more comfortable with a lower amount.

Mayor Tate asked Miller to provide a list that displays what is purchased with this authority on a monthly or quarterly basis so Council is kept informed. Councilmember Herring suggested the second Council meeting of each month. Miller agreed to present this information under the Administrative Report agenda item at the second Council meeting of each month.

Councilmember Goss questioned City Manager Terry Roberts on his thoughts of removing the Council from the purchasing process on items under fifty thousand dollars (\$50,000).

Roberts explained that there is a gap between the twenty-five thousand dollars (\$25,000) approved by Council in 2008 and the fifty thousand dollars (\$50,000) permitted by state law, but purchases are predicated upon staying within the budget and what is authorized by Council. Roberts explained that items fifty thousand dollars (\$50,000) and above would be acted on by Council and executed by the Mayor while anything below twenty-five thousand dollars (\$25,000) is acted on by the City Manager administratively. Roberts explained that currently he cannot act on certain budgeted items, which do not require bidding, even if it was below the amount state law requires Council to act on. Roberts suggested closing the gap between the amount authorized by state law and Council regarding the City Manager's signing authority and emphasized that this is Council's decision.

Councilmember Goss asked if this will take out the bid process out of the equation. Miller explained that it will not affect the bid process. Mayor Tate explained that staff would still have to abide by the bid laws which allow them to buy items above fifty thousand dollars (\$50,000) from state contract.

Councilmember Herring asked Miller to prepare a list of examples below fifty thousand dollars (\$50,000) from the last few years. Miller explained that most of the items that would be listed are budgeted items bought from state contract. Miller added that the backhoe item on today's agenda formally would not be on Council's agenda because it was budgeted for and bought off of BuyBoard Local Government Purchasing Cooperative.

Roberts explained that staff will provide Council the written policy regarding what the City gets quotes and bids on, explaining that this policy applies to items under twenty-five thousand dollars (\$25,000).

Councilmember Herring stated that he wants the list to include items between twenty-five thousand dollars (\$25,000) and fifty thousand dollars (\$50,000) and asked Miller to add wording in the resolution that specifies that the signing authority is for budgeted items only.

Councilmember Goss voiced his objection to increase the City Manager's spending authority, stating that citizens want Council to oversee the budget and not monitoring spending goes against their wishes. Mayor Tate added that citizens expect capable staff to oversee the budget, which is what the City has.

City Attorney Cary Bovey suggested tabling the item instead of passing on the item.

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to table Item 13 so that staff can provide Council more information related to this item.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

14. Discuss and Possibly Act Upon Recommendation for Self-Insured Medical Funding Rates for Calendar Year 2013 for the Group Health Plan Effective January 1, 2013 and Authorize the Mayor to Execute any Necessary Documentation

Human Resources Manager Janie Mehrens presented the suggested self-insured medical funding rates for calendar year 2013. She noted that the rates require approval before open enrollment begins in a few weeks. She explained that during the budget process, staff recommended a ten percent (10%) increase across the board for contributions to the Self-Insurance Fund; however, the City ended the fiscal year with a substantial fund balance in that account. Therefore, Mehrens recommended a six percent (6.0%) increase across the board for City, employee, retiree, and COBRA contributions, which should result in an increase of one hundred twenty-eight thousand dollars (\$128,000) for the year. Mehrens noted that she will present the Stop Loss Coverage contracts at the first Council meeting in December.

A motion was made by Councilmember Barnes-Tilley and seconded by Mayor Pro Tem Nix to approve the self-insured medical funding rates of a six percent (6.0%) increase across the board for City, employee, retiree, and COBRA contributions for the group health plan effective January 1, 2013 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

15. Discuss and Possibly Act Upon the Re-Appointment of Various City of Brenham Advisory Board and/or Committee Members Whose Membership Terms were Extended by the City Council in 2011

City Secretary Jeana Bellinger explained that Council approved a board policy in 2011 that reorganizes city advisory boards and committees and creates three-year (3) terms for all boards except those whose terms are specifically mandated by state statute, which include: Brenham Community Development Corporation (BCDC), Board of Adjustment, Building Standards Commission (BSC), and Planning & Zoning (P&Z) Commission. Bellinger explained that the members on these boards agreed to continue serving and she specified that they will serve two-year (2) terms as required by state law so they just require reappointment.

Bellinger asked Council not to approve the BSC reappointments because of some legislative changes that will require an amendment to the City's ordinance. Bellinger explained that she and City Attorney Cary Bovey agreed that it would be best to clean that board up all at once. Bovey further explained that the City is operating under a 1987 ordinance, but a legislative change in either 1989 or 1991 dealt with the BSC and the City ordinance is not consistent with the amendments in the Local Government Code.

Councilmember Herring asked when the BSC reappointments will be brought to Council. Bellinger explained that she hopes to present it to Council in December and she is working with Bovey on the ordinance change.

Mayor Tate asked if Joe Al Picone and Dennis Mahlmann will served on the P&Z Commission until the end of the year. Councilmember Herring asked if Council should extend those terms until their successors are appointed. Bovey explained that the ordinance Council approved in 2011 enables members to serve until their successors are appointed.

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Nix to approve the reappointments of Atwood Kenjura, Darrell Blum, David Cone and Charles Moser to the Brenham Community Development Corporation Board; Malisa Hampton and Arlen Thielemann to the Board of Adjustments; and Nancy Low to the Planning & Zoning Commission.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Gloria Nix	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Weldon Williams	Yes

16. Administrative/Elected Officials Report

City Manager Terry Roberts reported on the following:

- TxDOT will only close the Highway 290 and Highway 36 intersection for hours at a time instead of days at a time for the Highway 290 Project.
- Brenham Independent School District (BISD) building a new elementary school on the old Alton elementary grounds. There is sufficient room to allow the road on water plant property to be a right-turn only exit onto Austin Street. BISD is working on traffic plans.
- Joint Council Meeting with the County on Interlocal Agreements (ILA) is scheduled December 13, 2012.
- Information packet will be ready next week for Councilmembers attending the Texas Municipal League (TML) annual conference.
- Hosting City of Huntsville for the Mayor's Bowl on Friday, November 2, 2012.
- Next Council meeting is scheduled for November 29, 2012.
- Recycling Center property update will be on the next agenda.
- Internal testing is underway for Brenham Police Department sergeant and lieutenant positions.

Special Projects Engineer Doug Baker reported on the following:

- AT&T moved their utility lines for the Westwood Project. Baker thanked Bluebonnet Electric Cooperative (BBEC) and BBEC employee Casey Acker for support with moving BBEC lines. Baker thanked Sudden Link for quickly moving a line that the project team had overlooked.

Public Utilities Director Lowell Ogle reported on the following:

- City sponsored a coloring contest as part of the Damage Awareness Prevention Program to raise children's awareness of the dangers of digging without knowing what is underground. Every Kruse Elementary participant in this pilot program received a ribbon and children were recognized in each grade.

Human Resources Manager Janie Mehrens reported on the following:

- Health Fair is scheduled for November 13-14, 2012.

Public Works Director Dane Rau reported on the following:

- Recycling Day is November 17, 2012 and the Recycling Center is passing out five hundred (500) recycling bids to the public.

Assistant City Manager Kyle Dannhaus reported on the following:

- Old Municipal Building demolition and abatement is complete. Additional asbestos was found and staff will update Council at the next Council meeting. The area is being paved to provide extra parking.

Police Chief Rex Phelps reported on the following:

- Animal Shelter Task Force meeting is scheduled for November 7, 2012.
- The Best Practices Assessment of the Brenham Police Department will begin on November 12-14, 2012. Council will hear more about this two (2) year process after accreditation.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC
City Secretary

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