

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on January 9, 2014 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 Andrew Ebel
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Mary E. Barnes-Tilley
Councilmember Weldon Williams, Jr.

Members absent:

None.

Others present:

City Manager Terry K. Roberts, Assistant City Manager Kyle Dannhaus, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Amanda Klehm, Chief Financial Officer Carolyn Miller, Stacy Hardy, Wende Ragonis, Cyndi Longhofer, Susan Nienstedt, Fire Chief Ricky Boeker, Police Chief Rex Phelps, Todd Jacobs, Development Services Director Julie Fulgham, Public Works Director Dane Rau, Public Utilities Director Lowell Ogle, Dane Bybee, Alton Sommerfield, Ande Bostain, Kevin Bogus, Stephen Draehn, and Grant Lischka

Citizens present:

Page Michel, Clint Kolby, Mr. Rothermehl, Perry Thomas, Richard Edwards, Sallie Blackie-Sengle, John Knapp and Tay Knapp

Media Present:

Arthur Hahn and Caitlin Hahn, Brenham Banner Press; Frank Wagner, KWHI

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

- 3. 3-a. Service Recognitions**
- Christopher S. Kokemor – Water Construction – 5 years
 - Gary Marburger – Gas Department – 15 years
 - Donald Bolenbarr – Electric Department – 25 years

- 3-b. New Employees**
- Ashley Burns – Police Department
 - Jean Luera – Police Department
 - Heather Sowders – Police Department

4. Citizens Comments

There were no citizen comments.

CONSENT AGENDA

5. Statutory Consent Agenda

5-a. Minutes from the December 5, 2013 and December 19, 2013 Regular City Council Meetings

5-b. Discuss and Possibly Act Upon Ordinance No. O-14-001 on Its Second Reading Amending the FY2012-13 Adopted Budget

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Herrings to approve the Statutory Consent Agenda Items 5-a. and 5-b. as read.

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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

PUBLIC HEARING

6. Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 37 Requested by PPE, LLC and GSL Constructors Ltd. for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 4.929 Acres, More or Less, Being Located at 3201 South Blue Bell Road, Brenham, Texas

Project Manager with the Brenham Economic Development Foundation Clint Kolby presented this item. Kolby stated PPE, LLC and GSL Constructors Ltd. will create 22 jobs in the first year and create approximately 60 jobs over a five year period. Kolby explained the pay scale will be approximately \$46,000 per year, which is above average. Kolby stated the building costs will be \$3.3 million with a total capital investment of \$11.3 million. Kolby explained the capital machinery and equipment cost will be \$3.7 million with a total cost over 5 years of \$8.3 million.

Councilmember Barnes-Tilley stated it is impressive that they chose to bring their business to Brenham. Councilmember Herring questioned if this has been presented to the County. Kolby stated it is scheduled to be presented to the County on January 28th. Councilmember Herring questioned if the tax phase-in locked Brenham into a contract with PPE and GSL as their business location. Kolby explained the location is tentative, pending the approval of the tax phase-in.

Councilmember Goss questioned how closely monitored the businesses are whom receive the tax phase-in. Kolby explained tax phase-in is based on jobs created and their level is based on their jobs and capital created each year. Councilmember Goss stated it shows that PPE will receive 90% for all 5 years and questioned how Kolby determined this. Kolby stated they can adjust the schedule if PPE and GSL does not perform as their numbers in their application are stated. Kolby explained as per their application, they are qualified for Level 5 abatement, which is 90% for all 5 years based on their capital investments and job creation each year. City Attorney Cary Bovey stated if they meet the standards agreed upon each year, they will stay at Level 5, but if their performance falls, then the level of tax phase-in benefit will be reduced accordingly.

City Manager Terry Roberts stated PPE and GSL will be located adjacent to Advanced Data Storage in the Brenham Business Center. Mayor Pro Tem Nix questioned if their company puts forth emission. Kolby explained they put forth very little. Kolby stated most emissions are filtered out during production and most is treated within the facility.

REGULAR AGENDA

- 7. Discuss and Possibly Act Upon an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 37 Requested by PPE, LLC and GSL Constructors Ltd. for Commercial-Industrial Tax Phase-In Incentive on a Certain Tract of Land Containing 4.929 Acres, More or Less, Being Located at 3201 South Blue Bell Road, Brenham, Texas, with Boundaries Further Described in Exhibit “A” of Said Ordinance, and Designating This Property as Qualifying for Tax Phase-In**

Project Manager with the Brenham Economic Development Foundation Clint Kolby presented this item.

A motion was made by Councilmember Williams and seconded by Councilmember Ebel to approve an Ordinance on its first reading for the creation of Reinvestment Zone Number 37 requested by PPE, LLC and GSL Constructors, Ltd. for Commercial-Industrial Tax Phase-In Incentive on a certain tract of land containing 4.929 acres, more or less, being located at 3201 South Blue Bell Road, 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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

- 8. Discuss and Possibly Act Upon a Proposal for Architectural Services for the Future Brenham Pet Adoption and Animal Care Facility and Authorize the Mayor to Execute Any Necessary Documentation**

Police Chief Rex Phelps presented this item. Phelps stated Richard Edwards with Edwards and Associates was present at the meeting to answer any questions they may have. Phelps stated it has been determined the existing animal shelter needs to be replaced to meet community and mandated demands. Phelps explained funding commitments have been made and fundraising efforts have begun. Phelps stated the location has been determined; therefore, the project’s next phase is to consider the attached architectural services proposal. Phelps explained Edwards Associates has assisted the Animal Shelter Task Force from the beginning of this project initiative. Phelps explained they have given numerous presentations and design examples at no cost thus far.

Councilmember Goss questioned the fees that are being charged to design the Animal Shelter facility. Phelps stated Edwards and Associates will receive 6% of the total construction cost, which is approximately \$86,000.

Councilmember Barnes-Tilley stated in the proposal it states that it will be 5-6 months before they go out for bids and questioned if this was correct. Richard Edwards stated based on how well the planning goes with the group, they will keep coming back with proposals until they get an approval to move forward. Edwards stated the process could go quicker, but could also be slower depending on approvals.

City Manager Roberts stated they will be bringing back figures on how to pay for the building in a month or so. Phelps stated on December 27th, an anonymous donor forwarded \$500,000 to the City as well as another sizable donation was made by a donor to help with costs of the new building. Phelps introduced the Animal Task Force members that were present at the meeting: Sallie Blackie-Sengle, John Knapp and Tay Knapp.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Ebel to approve a proposal for Architectural for the future Brenham Pet Adoption and Animal Care Facility to Edwards and Associates provided in their proposal 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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon Resolution No. R-14-001 Providing for the Approval of an Advanced Funding Agreement with TxDOT for the Installation of a Traffic Signal on U.S. Highway 290 Business at Chappell Hill Street

City Engineer Grant Lischka presented this item. Lischka explained Staff has received the Advanced Funding Agreement (AFA) from TxDOT for the construction of the signal light at the intersection of Chappell Hill Street and South Market Street. Lischka stated the executed AFA will allow the City to submit final plans to TxDOT for the signal construction and proceed with the project.

Councilmember Williams questioned what the largest component of the signal light. Lischka explained the 4 poles and massive arms for signal as well as the electronic components of the signal lights would be the majority of the cost, which is estimated at \$225,000 range. City Manager Roberts explained TxDOT is allowing the City to do the engineering work with Jones & Carter and Staff is currently at 90-95% completion on the plans.

Councilmember Barnes-Tilley questioned if they signal will go in after the project is complete. Lischka stated yes, the signal and road would be open at the same time.

Councilmember Goss questioned if the City will be reimbursed for the signal. Lischka stated no, the City is responsible for the costs. Councilmember Goss questioned why the need for the Advanced Funding Agreement with TxDOT. Lischka stated it is a requirement by TxDOT.

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to approve Resolution No. R-14-001 providing for the approval of an Advanced Funding Agreement with TxDOT for the installation of a traffic signal on U.S. Highway 290 Business at Chappell Hill Street.

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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending Chapter 24, Taxation, Article II, Hotel Occupancy Tax, of the Code of Ordinances of the City of Brenham

City Secretary Jeana Bellinger presented this item. Bellinger stated in February 2013 the Chairman of the HOT Board, Jean Shoup (Antique Rose Emporium), appointed a special committee to review the hotel occupancy tax ordinance and collection procedures to ensure the City was in compliance with current state laws. Bellinger stated the Committee members included: Al Patel (Holiday Inn Express) and James Lopez (The Brenham House). Bellinger explained after several meetings and a lot of discussion, the Committee presented the final recommended changes to the HOT Board at their November 20, 2013 meeting for their final review and approval. Bellinger stated the HOT board approved the revised Ordinance and requested that she present the new Ordinance to the City Council for adoption.

Bellinger explained that many of the changes are simply to reflect what is outlined in Chapter 351 of the Tax Code; however there are a few revisions that will affect how the City Secretary's office collects the tax and the application of penalties and interest on late payments. Bellinger explained a brief outline of the changes, which are listed below:

- Section 24-21, Definitions: Amended for better clarity and/or to mirror state law.
- Section 24-23, Collection: Added stronger language related to the collection provisions to coincide with state law by allowing past due collection remedies such as audits, assessing attorney's fees and charging late payment penalties.
- Section 24-24, Reports: Amended when tax payments are due when how to handle when a due date falls on a city-observed holiday or week-end.

- Section 24-25, Rules and regulations: Amended for better clarity and/or to mirror state law.
- Section 24-26, Violations; penalties: Increased misdemeanor fine amount, as allowed by law. Added language to allow for a minimum late fee of five dollars (\$5.00). Amended penalty language to allow for the collection of ten percent (10%) interest and a twenty-five dollar (\$25.00) administrative fee on all late payments received after the thirty-first (31st) day.
- Section 24-27 Collection procedures on Purchase of Hotel: New section added to mirror state law.

Bellinger explained the significant changes to the ordinance are in Sections 24-24 and 24-26. Bellinger requested the Committee review these provisions carefully in order to address some of the issues her office deals with on a monthly basis when collecting hotel occupancy tax. Bellinger explained some of those issues were due dates falling on city-observed holidays or weekends and calculating/assessing late fees and penalties for small hoteliers. Bellinger stated once the new Ordinance is approved by the Council, her office will notify all of the hoteliers, in writing, of the new payment guidelines and penalty procedures.

Mayor Pro Tem Nix questioned if we were close to being caught up. Bellinger stated we are 98%, but getting close to being caught up.

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Nix to approve an Ordinance on its first reading amending Chapter 24, Taxation, Article II, Hotel Occupancy Tax, of the Code of Ordinances of the City of Brenham.

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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

11. Discuss and Possibly Act Upon Resolution No. R-14-002 Providing for the Approval of the Bylaws of the Brenham-Washington County Hotel Occupancy Tax Board

City Secretary Jeana Bellinger presented this item. Bellinger stated a red-lined version of the Resolution with clarification changes has been laid around the Dias for Council review. Bellinger stated in February 2013 the Chairman of the HOT Board, Jean Shoup (Antique Rose Emporium), appointed a special committee to review the 2010 HOT Board bylaws. Bellinger stated the Committee members included: Bob Cottle (Pleasant Hill Winery) and Keith Hankins (Ant Street Inn).

Bellinger explained after several meetings and a lot of discussion, the Committee presented the final recommended changes to the HOT Board at their November 20, 2013 meeting for their final review and approval. Bellinger explained the HOT board approved the revised bylaws and requested that she present them to the City Council and Commissioners Court for adoption.

Bellinger stated County Commissioner Kirk Hanath is the County liaison for the HOT Board, he attended all of the meetings and has reviewed the changes being recommended. Bellinger explained that she will coordinate with him on getting the updated bylaws on an upcoming Commissioners Court agenda for their approval.

Mayor Pro Tem Nix stated Item D doesn't list all things the money can be used for and questioned if this should be clarified. City Attorney Bovey stated anything permitted by State Law applies, but does not have to be listed.

A motion was made by Mayor Pro Tem Nix and seconded by Councilmember Barnes-Tilley to Approve Resolution No. R-14-002 providing for the approval of the bylaws of the Brenham-Washington County Hotel Occupancy Tax Board as revised.

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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

12. Discuss and Possibly Act Upon Change Order No. 1 (Reconciliation), and Authorize Final Payment to M&C Fonseca Construction Co. for the 2013 Water System Improvements and Authorize the Mayor to Execute Any Necessary Documentation

Public Utilities Director Lowell Ogle presented this item. Ogle stated M&C Fonseca Construction Co. has completed the installation of 2,560 feet of 6" PVC, 225 feet of 6" polyethylene, and 410 feet of 8" water lines along Allison and Walnut streets to replace existing AC water lines. Ogle explained the project consisted of several connections to existing water lines of various sizes, fire hydrant installation, service connections, asphalt pavement repair, and related appurtenances to replace the existing lines. Ogle stated during the project, Staff identified a few items that needed to be added, which included an additional fire hydrant, some additional footage and tie-ins at Ryan and Market, some added valves, along with some miscellaneous small items. Ogle stated these changes are included in the reconciliation Change Order No. 1 in the amount of \$17,396.00, which is included in the final payment of \$85,853.50. Ogle explained the project will be within budgeted funds.

A motion was made by Councilmember Herring and seconded by Councilmember Williams to approve Change Order No. 1 in the amount of \$17,396.00 and approve final payment to M&C Construction Co. in the amount of \$85,853.50 for the 2013 Water System Improvements 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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

13. Discuss and Possibly Act Upon a Recommendation for an Appointment to the City of Brenham's Airport Advisory Board

City Manager Terry Roberts presented this item. Roberts stated at the December 5th Council meeting, Staff had not received any requests for appointments from citizens interested in serving on the Airport Advisory Board. Roberts explained since that meeting, the City Secretary's office has received two (2) requests. Roberts explained after careful review of the requests received, it is the recommendation of the Mayor and City Manager that Dr. Michele Bright be appointed to serve on the Board.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve the appointment of Dr. Michele Bright to the City of Brenham's Airport Advisory Board.

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 Andrew Ebel	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Mary E. Barnes-Tilley	Yes
Councilmember Weldon Williams	Yes

14. Administrative/Elected Officials Report

City Manager Terry Roberts reported on the following:

- There is a handout laid around the Dias with several events in January. Please fill out the Event Checklist and return to Paula.
- Fire Department Appreciation Dinner is Thursday, January 16 at Fireman's Training Center.
- The Chamber Banquet is January 30th.
- The City of Brenham Holiday Party is January 31st at Fireman's Training Center.
- Senior Housing Project is coming to town and there will be a Resolution of Support on the January 23rd Council agenda.
- Renovations of the Library are still being discussed and a formal presentation will be at an upcoming Council meeting for recommendations.
- Annual Reports coming soon!
- The Fire Department is currently fully staffed.
- The Police Department has one vacancy from being fully staffed. They have 3 officers that just finished their training and 1 officer currently in training.

Administrative Services Manager Wende Ragonis reported on the following:

- Library was closed to the public while the new library system was integrated. There were 53,000 circulation items put into the new system and it went smoothly.
- The new system allows patrons to find items in the catalog easier and will provide them with a receipt stated money saved by not buying the book, the due date and other information.
- Staff re-shelved and merged genres as well as updated online database and services for easier location of books for patrons.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC
City Secretary