

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on January 20, 2011, 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
Council member Andrew Ebel
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Charlie Pyle
Councilmember Weldon Williams, Jr.

Others present:

City Manager Terry Roberts, Assistant City Manager Kyle Dannhaus, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Administrative Assistant Tammy Cook, Chief Financial Officer Carolyn Miller, Debbie Gaffey, Fire Chief Ricky Boeker, Police Chief Rex Phelps, Public Works Director Doug Baker, Kim Hodde, Public Utilities Director Lowell Ogle, Community Services Director Wesley Brinkmeyer, Jamie Maurer, Lin Hartstack, Casey Redman, Pam Ruemke, Angela Hahn.

Citizens present:

Clint Kolby

Media Present:

Arthur Hahn, Brenham Banner Press; Frank Wagner, KWHI

- 1. Mayor Tate called the meeting to order**
- 2. Invocation and Pledges to the US and Texas Flags – City Manager Terry Roberts**
- 3. Citizen Comments**

There were no citizen comments

4. Statutory Consent Agenda

4-a. Minutes from the December 16, 2010 and January 6, 2011 Council Meetings and December 16, 2010 Joint Meeting with Washington County Commissioners Court

Mayor Tate advised that, due to technical difficulties, the minutes are not available so this item would be passed and they would move on to the work session.

WORK SESSION

5. Presentation and Discussion Related to Ralston Creek Erosion Issues

This item was presented by Public Works Director Doug Baker. He gave some background on this issue stating that the condition of the Ralston Creek's Drainage channel has been a problem at least since 1983. That's when O'Malley Engineers did a drainage study to determine what needed to be done to control the erosion that was occurring in the channel. The study focused on the section of the creek from Market Street to approximately 200 feet below Walnut Street. O'Malley determined that the excessive velocity of the water in the channel was causing the erosion and that a series of "drop structures" would reduce the velocity. In 1984 a series of "drop structures" were constructed in the channel, and we have not experienced any significant erosion problems along that portion of Ralston Creek since then.

Mr. Baker further stated that the portion of Ralston Creek below Walnut Street was relatively undeveloped at that time and there was no need to make improvements there. Today, however, the section of Ralston Creek below Walnut Street is completely developed, and we are experiencing the same problems that prompted the study in 1983. The bottom of the channel is getting deeper because of erosion, and as it does, the banks of the channel widen. When that happens, the banks get closer to back yard fences and the property owners call the city expecting us to do something about it. The street department has done something about it – many times, but it's a losing battle. The erosion continues in spite of our efforts to control it, and the abutting property is now fully developed to the extent that repairing the channel banks as we have done in the past is almost impossible.

Mr. Baker said that, in his opinion, it's time to consider a more permanent solution to the erosion problem. Considering the problem with access to the creek, he does not know what that solution might be. That's why he is recommending that the City engage the services of an engineering company to survey the creek and present us with some options that, if implemented, would eliminate the erosion problem.

Mr. Baker commented that Councilmember Williams had asked before about water on Jefferson Street; they are going to try to put in a partial lining to solve the problem to eliminate standing water and mosquitoes. Councilmember Williams commented that the water on Jefferson runs on off so it doesn't erode. He asked where the Ralston Creek water runs to. Mr. Baker replied that it runs behind Kruse Village and then between Krause Elementary and Brenham Christian Academy. Mr. Williams further commented that the water needs to be slowed down in Ralston Creek; the water from Jefferson Street doesn't come through there fast so it doesn't create the erosion problem.

Councilmember Ebel asked if the center line of the creek is the property line for all of that property. Upon Mr. Baker's affirmative response, Mr. Ebel asked if that is typical of creeks throughout Brenham. Again Mr. Baker's reply was affirmative. There was discussion of the process when the City has to go do some work out there since it is on private property.

Councilmember Goss asked for clarification of where Mr. Baker is talking about below Walnut Street. He also inquired if they could possibly look to the jail system for assistance in getting in there to clean out the vegetation since they can't get equipment in there to do it. Mr. Baker replied that they probably could but the vegetation is not the real problem. It is that there is no room on the banks of the creek to work.

Councilmember Pyle said that the \$19,500 cost seemed high and asked Mr. Baker if they had talked to any other engineering firms to get figures. Mr. Baker replied that they had not.

Mayor Tate announced that the Work Session was closed and they would move on to the regular agenda.

REGULAR AGENDA

6. Discuss and Possibly Act Upon an Ordinance on its First Reading Amending Chapter 12 of the City of Brenham's Code of Ordinances to Include Article VII. Prohibiting Smoking Paraphernalia and Smoking Products

Police Chief Rex Phelps presented this item. He advised that, in May of 2010, the National Drug Intelligence Center alerted law enforcement and public health officials to a substance potentially being abused that has significantly harmful side effects. The substance is made up of synthetic chemicals that are a danger to users and the substance is not categorized as a controlled substance under the federal or state guidelines. The substances are commonly referred to by many different labels and local law enforcement have started to see these dangerous products in the possession of community members and particularly with young people. There have been a number of local youth and young adults that have suffered harmful side effects needing medical attention.

Chief Phelps advised that many other cities of this region have already passed city ordinances prohibiting these substances. It is anticipated that there will be a state law forthcoming but, until it is passed, the cities do not feel that they can wait to pass ordinances regulating this type of substance.

A motion was made by Councilmember Herring and seconded by Councilmember Goss to approve the Ordinance on its first reading amending Chapter 12 of the City of Brenham's Code of Ordinances to include Article VII. Prohibiting Smoking Paraphernalia and Smoking Products

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 Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

7. Discuss and Possibly Act Upon an Agreement with First Southwest Asset Management, Inc., an Affiliate of First Southwest Company, for Arbitrage Rebate Compliance Services Regarding Outstanding Bond and Lease Obligations and Authorize the Mayor to Execute any Necessary Documentation

Chief Financial Officer Carolyn Miller presented this item. She advised that In December 2007, Council approved a contract with First Southwest Asset Management, Inc. (FSAM) for arbitrage rebate compliance services. Although that agreement automatically renews annually for an additional one (1) year term unless either party gives written notice of termination, FSAM has presented us with a revised agreement which includes a reduced fee schedule for the contract renewal period. As Colby Jackson, vice president with FSAM stated in his cover letter to her, "In the current economic environment, investment options and strategies have become less complex. This translates to a reduced level of difficulty in the rebate calculations and less time on our part to produce them. We believe that the City deserves to share in this benefit of the less time required; thus, we are passing the cost savings directly to you."

It is anticipated that the fees will be around \$12,000 for the proposed agreement. This is an increase due to the new debt issued in October 2010. Ms. Miller stated that there were some changes to the agreement that City Attorney had asked for and those had been done.

A motion was made by Councilmember Goss and seconded by Councilmember Pyle to approve the agreement with First Southwest Asset Management, Inc., an affiliate of First Southwest Company, for Arbitrage Rebate Compliance Services Regarding Outstanding Bond and Lease Obligations 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 Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

8. Discuss and Possibly Act Upon a Memo of Understanding with GovDeals, Inc. for the Sale of Surplus Assets and Inventory Via an Online Auction System and Authorize the Mayor to Execute any Necessary Documentation

Chief Financial Officer Carolyn Miller presented this item. She stated that, at the recent Texas Municipal League Conference, assistant City Manager, Kyle Dannhaus had the opportunity to visit the vendor booth for GovDeals, Inc. a company which provides services to various government agencies that allow them to sell surplus and confiscated items via the internet. In the past, the City has used Mark Switzer Auction Services in Sealy, Texas. Surplus assets or inventory had to be hauled to Bellville and if unsold, had to be hauled back to Brenham. In contrast, an online auction system would allow us to post photos along with a description of the item. Potential customers could come to the City of Brenham to view the items if desired.

Ms. Miller advised that many cities are going to this type of program. They researched other internet auction companies and, after checking references of several existing GovDeals, Inc. customers, they are recommending GovDeals for an internet auction site for the City. They are recommending the 7.5 percent commission structure, which is lower than what the City paid Switzer Auction. There is a minimum \$5.00 commission price but they are planning to bundle things so it would never be below that \$5.00 amount. Ms. Miller said they would also like for GovDeals to collect the proceeds electronically for the City. There is a 5 per cent fee for the electronic payment capture, which is standard.

Ms. Miller said they have visited the site and it is very easy to navigate. They plan to have two administrators, Adam Griffin who will help on the finance side and Kyle Branham from public utilities will help with the photos and descriptions because some of the obsolete inventory has to do with a lot of their project inventory items.

Councilmember Goss inquired about on-line auctions versus in-person; if you got more exposure, etc. Ms. Miller asked Adam Griffin to respond. Mr. Griffin said he had visited with a lady from Bastrop County about this. As an example, she said they had a dump truck to sell. She had someone local bidding on it and then she also had someone from California and someone from New York. The person from New York wound up getting it and Bastrop County got twice the money they had anticipated.

Councilmember Herring asked why they were recommending Option B2 instead of B1. The difference in the two is a shift in the amount of fees between the buyer and seller. Ms. Miller said that, with making the buyer's premium lower, they anticipate seeing more bid activity and maybe a higher net auction price. Also, a 5 percent buyer's premium is more common in this area than 7 ½ percent.

A motion was made by Councilmember Herring and seconded by Councilmember Ebel to approve the Memo of Understanding with GovDeals, Inc. for the sale of surplus assets and inventory via an on-line auction system using Pricing Option B1 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 Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon: 1) a Participation Agreement Authorizing the City of Brenham to Participate in the Texas Payment Card Consortium; and 2) a Cooperative Purchasing Agreement Between the City of Fort Worth, Texas and the City of Brenham and Authorize the Mayor to Execute any Necessary Documentation

This item was presented by Chief Financial Officer Carolyn Miller. She advised that, in August, 2010, they were notified by the Texas Comptroller of Public Accounts that the State of Texas had awarded the contract for Procurement and Corporate Travel Charge Card Services to Citibank and would be terminating the current contract with JPMorgan Chase (Chase) effective February 28, 2011. Subsequently, Barbara Maurer, our local relationship manager, called to let us know that if we desired to stay with Chase, we could join the Texas Payment Card Consortium anchored by the City of Fort Worth. The Texas Payment Card Consortium is a competitively bid commercial card contract, anchored by the City of Fort Worth, which has a piggyback clause allowing governments and not-for-profits to participate at their discretion. This Texas Payment Card Consortium contract began in 2007 and is a 3 year contract with 2 one-year renewals. The first renewal was exercised beginning August 31, 2010, and the contract will expire on August 31, 2012.

Ms. Miller further stated that, since implementing the Procurement Card program with the State of Texas and Chase in April of 2007, they have been pleased with the program, services and flexibility. They are recommending that the City of Brenham join the Texas Payment Card Consortium and approve the cooperative purchasing agreement with the City of Fort Worth. By approving these agreements, the City would incur no costs of changing procurement card providers. No further action is required on the part of our Purchasing or Accounting departments, and the enrollment process for new cards will not change. Our employees will keep their current card and card number and replacement cards will not be issued until the current ones expire or if they are lost or stolen.

Councilmember Goss stated that these were the pros to staying with JPMorgan Chase. Were there cons? Ms. Miller stated that she did not think there were. They are happy with the service they have received. If they change to Citibank, there only two or three representatives statewide to handle all of these cities and universities, while Chase has hundreds. They feel there would be a decline in services if they changed to Citibank.

Ms. Miller also stated that there is no cost to changing; it is just a matter of going through and signing all of the agreements. City Attorney Cary Bovey advised that is the same program they have previously had with Chase; it is just piggy-backed with the City of Fort Worth.

A motion was made by Councilmember Goss and seconded by Councilmember Pyle to approve 1) a Participation Agreement authorizing the City of Brenham to participate in the Texas Payment Card Consortium; and 2) a Cooperative Purchasing Agreement between the City of Fort Worth, Texas and the City of Brenham 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	Abstain
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon an Agreement Between the City of Brenham and Dr. Wilfred Dietrich for the Amphitheater Project in Hohlt Park and Authorize the Mayor to Execute any Necessary Documentation

City Manager Terry Roberts presented this item. He advised that the City Staff and City Attorney have been working to create an agreement with Dr. Dietrich that will ensure completion of the project through a developer's agreement. That agreement would allow Dr. Dietrich to construct an amphitheater project at a specific location in the park in accordance with a set of plans and specifications approved in advance by the City. Mr. Roberts said that the biggest advantage to the City of Brenham of having the Developer's Agreement is that, contained in the agreement, is the assurance that the amphitheatre, as approved by the city, will be built for the \$250,000. The restrooms are a separate issue, not part of the amphitheatre project per se, and the non-climate controlled facilities are being funded by the BCDC.

Mr. Roberts stated that Dr. Dietrich has opened an account at a local bank with the funds set aside specifically for the purpose of building the amphitheater project. They are just trying to make sure all of the financial security is there and they are fine-tuning the letter of credit.

There was general discussion on different aspects of the project.

A motion was made by Councilmember Goss and seconded by Councilmember Ebel to approve the Agreement between the City of Brenham and Dr. Wilfred Dietrich for the Amphitheater Project in Hohlt Park contingent upon the City Attorney approving the language related to the letter of credit 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 Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

11. Administrative/Elected Officials Report

- Mr. Roberts advised that Tammy had prepared a Calendar of Events to try to keep up with all of the activities and events coming up. He went over some of the events on the calendar.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jean Bellinger, TRMC
City Secretary

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