

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on August 27, 2015 beginning at 4:00 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 Roberts, Assistant City Manager Rex Phelps, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, ACM-Chief Financial Officer Carolyn Miller, Purchasing Supervisor Sara Parker, Director of Community Services Wende Ragonis, Crystal Locke, Andria Heiges, Fire Chief Ricky Boeker, Interim Police Chief Dant Lange, Public Works Director Dane Rau, ACM of Public Utilities Lowell Ogle, Development Services Manager Erik Smith and Angela Hahn

Citizens present:

Perry Thomas, Lee Gaskamp, Jim Washburn, Devin Baker and Angela Dalrymple

Media Present:

Arthur Hahn, Brenham Banner Press and Mary-Janet Reyes, KWHI

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

3. Citizens Comments

There were no citizen comments.

CONSENT AGENDA

4. Statutory Consent Agenda

4-a. Ordinance No. O-15-021 on Its Second Reading Amending the Official Zoning Map of the City of Brenham, from a Local Business/Residential Mixed Use (B-1) District to a Residential (R-1) District on 9.873 Acres of Land Out of the Phillip H. Coe Survey A-31 in Brenham, Washington County, Texas (Said Property Being Known as Timber Oaks Subdivision, Section III)

4-b. Ordinance No. O-15-022 on Its Second Reading Authorizing the Placement of Stop Signs on Bruce Street at Its Intersection with Ledbetter Lane and Woodson Lane

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve the Statutory Consent Agenda Item 4-a. and 4-b. as presented.

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

5. Proposed Tax Rate of \$0.4731 per \$100 Valuation for Fiscal Year Beginning October 1, 2015 and Ending September 30, 2016

Assistant City Manager-Chief Financial Officer Carolyn Miller presented this item. Miller advised that a property tax rate of \$0.4731 per \$100 valuation is proposed. Miller stated that of this rate, \$0.2950 will be for maintenance and operation and the balance of \$0.1781 is for debt service.

Miller explained that based on the certified taxable values of \$1,188,742,237 the effective tax rate is \$0.4632 and the rollback rate is \$0.4766 per \$100 valuation for the 2015 Tax Year.

Miller advised that as outlined in the Property Tax Code, the Council must hold two public hearings to receive citizen comments on the proposed property tax rate. Miller stated that at each hearing, the Council must announce the date, time, and place of the meeting at which they will vote on the tax rate.

Mayor Tate announced that the first reading of the Ordinance to adopt the tax rate will be during a Special Council meeting on Monday, September 14, 2015 at 8:00 a.m. at City Hall, located at 200 W. Vulcan Street. The second reading of the Ordinance and adoption of the tax rate is scheduled for a Regular Council meeting on Thursday, September 17, 2015 at 1:00 p.m. at City Hall, located at 200 W. Vulcan Street.

WORK SESSION

6. Presentation and Discussion on the Possible Creation of a Non-Profit Charitable Organization for the City of Brenham

Director of Community Services Wende Ragonis presented this item. Ragonis advised that Staff would like to form a 501(c)(3) non-profit Charitable Foundation to provide funding for quality of life enrichment for recreation, literacy and community philanthropy and development.

Ragonis explained that a City of Brenham Community Services Foundation would provide a 501(c)(3) tax identification number which could meet the requirements of certain donors and granting entities which the City of Brenham is not currently eligible. Ragonis stated these additional funding opportunities could be applied to large capital projects augmenting local governmental funds which would further enhance services provided to community residents. Ragonis advised the activities of the non-profit Foundation would be managed by a Council-appointed board of directors.

Ragonis explained that Staff has consulted with the City Attorney to determine the process for creation of the non-profit Charitable Foundation and filing an application for tax exempt status with the Internal Revenue Service (IRS). Ragonis stated the estimated cost for the creation of the Charitable Foundation and the application to the IRS including the attorney fees is approximately \$2,500 which includes the \$850 application fee to the IRS. Ragonis advised that if Council is agreeable to forming a 501(c)(3) Foundation, the City Attorney and staff will complete the necessary documentation including the certificate of formation and by-laws for the Foundation and present the documents at a future Council meeting.

Councilmember Barnes-Tilley asked if any other cities have a non-profit charitable organization. Ragonis stated that the City of New Braunfels has established the same non-profit organization. City Attorney Cary Bovey advised that this kind of organization is approved by state law. Council advised Ragonis to move forward in forming the Foundation.

7. Presentation and Discussion of Collection Station Capital Needs and Rates, Including Brush Rates, at the City of Brenham Citizen's Collection Station

Public Works Director Dane Rau presented this item. Rau advised that Staff has actively been evaluating the Citizen's Collection Station capital needs and usage over the last year. Rau stated the Collection Station serves our entire community related to non-compactible waste disposal, proper tire disposal, and most notably brush collection and mulching operations. Rau noted that this facility continues to grow in volume but remains the same size related to our facility setup. Rau explained that rates have been established in the past for all different classes of waste and how they are handled with a heavy emphasis on the operation and capital needs in order to keep this facility moving forward. Rau explained that in 2002 the Diamond Z Tub Grinder was purchased and provided a means of minimizing the bulky brush that was brought to our facility. Rau stated it also opened the door to market double ground mulch to residents and businesses throughout the region. Rau advised that this was a large commitment and was lease purchased at the time for 7 years with a price tag of \$350,000. Rau stated this grinder has been truly awesome for our community and our facility.

Rau explained that over the years the tub grinder has performed well and allowed the City to deal with large amounts of brush from local storms, city projects and the past droughts. Rau noted that with these conditions and the workload, the tub grinder will eventually need to be replaced and upgraded. Rau explained that when evaluating the capital needs at the Collection Station a replacement grinder topped the list. Rau stated that other items such as major ramp and driveway improvements, facility/fence improvements, drainage improvements, miscellaneous equipment replacements, and scale replacements were also considered and applied to the master list of capital needs in order to maintain the Collection Station operations. Rau advised that with this list, staff felt it was a good time to start looking at ways where excess working capital could be established in order to match the needs for planned capital items within this department. Rau noted that the average capital needs over a 10 year period is right at the \$115,000 per year range. Rau stated that currently the Collection Station operation has been operating at a deficit the last two years by roughly \$55,000 (without any capital). Rau explained that in the 5 year capital plan, Staff has the tub grinder scheduled to be replaced in 2017-18 at a price tag of \$650,000. Rau stated that even though this replacement will most likely be lease purchased in the future, this is a considerable amount to impact working capital and Staff would prefer to look at the usage and rates of the Collection Station to offset these capital needs from the customers who utilize this portion of the operations.

Rau reminded Council that in April of 2015, they approved an increase for commercial brush customers to \$7.50/ton, which would increase revenues by a projected \$33,000. Rau also stated that the disposal of used tires was also increased slightly. Rau stated that with capital needs averaging \$115,000 over the next 10 years, the City needs to look at other options in order to meet the future capital needs.

Rau explained that over the past several years, his department has been overloaded with brush and have seen decreased revenues from the resale of double ground mulch. Rau advised that this has caused a hardship on the facility and brush grinding operations. Rau stated that the facility has excess brush that continually fills up the Collection Station area with single ground mulch. Rau noted that his Staff has to give a lot of the single ground mulch away just to prevent a fire hazard from occurring and this has been a constant battle. Rau explained that his Staff would like to discuss with Council a couple options that would allow the Collection Station to meet its future capital needs by charging customers of both the City and County a nominal fee for those who utilize the services provided.

Rau noted that the City currently has an interlocal agreement with Washington County and changing the rates would affect the amount that they would have to pay. City Manager Terry Roberts suggested there be a discussion with the County on updating the interlocal agreement to account for capital needs. The Council asked that the ILA Task Force meet with the County, review the current agreement and update it as needed to compensate for capital needs at the Collection Station.

After further discussion with Council it was determined that the City should charge a flat \$5.00 per brush load to both City and County residents and increase non-compactible waste rate an additional \$10.00 per ton.

REGULAR AGENDA

8. Discuss and Possibly Act Upon Ordinance No. O-15-023 on its Second Reading for the Abandonment of Live Oak Street

This item was brought back to Council on the Regular Agenda due to City Attorney Cary Bovey making some minor changes in Section IV of the Ordinance.

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to approve Ordinance No. O-15-023 on its second reading for the abandonment of Live Oak 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

9. Discuss and Possibly Act Upon an Ordinance on its First Reading authorizing the Placement of a Stop Sign on Cantey Street at Its Intersection with U.S. Highway 290 West Frontage Road and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau advised that due to the recent extension of Cantey Street, a stop sign will be required at the intersection of Cantey Street and the U. S. Highway 290 West frontage road. Rau explained that in order to place the sign and enforce it in the future, an ordinance is needed for the stop sign. Rau noted that construction work is nearing completion and before traffic is allowed on the roadway, this ordinance will need to be passed and a stop sign will be need to be erected.

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to approve an Ordinance on its first reading authorizing the placement of a stop sign on Cantey Street at its intersection with U. S. Highway 290 Frontage Road 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

10. Discuss and Possibly Act Upon an Ordinance on its First Reading Amending the FY2014-15 Adopted Budget and Authorize the Mayor to Execute Any Necessary Documentation

Assistant City Manager-Chief Financial Officer Carolyn Miller presented this item. Miller explained the highlights of the amendment to the FY2014-15 budget included the following revenue increases: General Fund revenues for sale of property and library grant proceeds, City and County HOT taxes for increased collections, Debt Service Fund revenues for the proceeds of the 2015 GO Refunding Bonds, Sanitation Fund revenues for the sale of the Chappell Hill landfill property, and Donations Fund revenue for a contribution received for downtown improvements.

Miller advised that the General Fund expenditures are being increased due to unanticipated expenses from the repair of the Ralston Creek street crossing, a donation to the Volunteer Fire Department, expenses related to a state softball tournament and for library technology equipment purchased through a grant. Other expense increases include: payments associated with the 2015 GO Refunding Bonds, Wastewater Fund expenses related to utility plant repairs, purchase of software in the PD Law Enforcement Fund, Donations Fund expenditures related to the Wayfinding Signage Program and Police Department body cameras, and the purchase of fire trucks in the 2014 Capital Projects Fund which were originally budgeted in FY14 but not received until FY15. Miller advised that City and County Hotel Occupancy Tax Funds are being amended for additional expenditures approved by the HOT Board during the current fiscal year. Miller stated that expenditures are being decreased in the Streets and Drainage Fund due to the temporary freeze of the street reconstruction program.

Miller advised that other budget amendment items included transfers between funds, the largest of which, is the transfer of the sales proceeds from the Chappell Hill landfill property from the Sanitation Fund to the General Fund and then its subsequent allocation to the 2014 Capital Projects Fund to be used for the library and animal shelter construction projects and to the Equipment Fund to be used for the remodel of the Fire Station living quarters.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve an Ordinance on its first reading amending the FY2014-15 adopted budget 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

11. Discuss and Possibly Act Upon RFP No. 15-009 for Bank Depository Services and Authorize the Mayor to Execute Any Necessary Documentation

Assistant City Manager-Chief Financial Officer Carolyn Miller presented this item. Miller stated that in June, the City solicited proposals for bank depository services for a two year period in accordance with the City Charter. Miller stated that the Charter was amended in May 2015, and therefore the City will now be on a five (5) year cycle. Miller explained the City received three proposals for banking services, which included: Bank of Brenham, BBVA Compass and Brenham National Bank. Miller stated Linda Patterson, of Patterson & Associates, assisted with the RFP process and the analysis of bank depository service proposals.

Miller stated the purpose of this analysis was to find the most cost effective and efficient banking situation for the City which provided all the necessary services. Miller explained on a fee basis Bank of Brenham with its “no fee” proposal was without a doubt the best option. Miller stated the high interest rate of 1% (although set and not established as floor if rates should rise) gave the bank the best package available to the City. Miller stated Patterson & Associates recommended that the City award the banking services contract to Bank of Brenham.

A motion was made by Councilmember Goss and seconded by Councilmember Herring to Award RFP No. 15-009 for Bank Depository Services to Bank of Brenham for a period to begin September 1, 2015 and extend through August 31, 2020 with the condition that marketable securities will be pledged as collateral for demand deposits and authorize the Mayor to execute any necessary documentation.

Due to their being a conflict of interest with Mayor Tate, the Mayor Pro-Tem called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Abstain
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 the Acceptance of the Library Cooperation Grant offered by the Texas State Library and Archives Commission and funded by the Institute of Museum and Library Services in the Amount of \$8,800 for Five (5) Laptops with Accessories, and Ten (10) Licenses of GED Software for the Nancy Carol Roberts Memorial Library and Authorize the Mayor to Execute Any Necessary Documentation

Director of Community Services Wende Ragonis presented this item. Ragonis advised that The Texas State Library and Archives Commission (TSLAC) offered a competitive FY16 Library Cooperation Grant with funds from the Institute of Museum and Library Services (IMLS). Ragonis noted that this grant provides funding for programs that establish or enhance cooperative services among Texas library communities. Ragonis stated that Library staff met with Brenham ISD and Region 6 Adult Education representatives to discuss the benefit and impact of this grant opportunity. Ragonis advised that statistics from the Brenham Independent School District show an increase in the high school dropout rate from .4% in 2013 to 1.3% in 2014, and the 2010 census data reflects 5,400 people in Washington County under the age of 24 are without high school or GED credentials. Ragonis explained that the Library, as a provider of free and easy access to technology, is eager to fill this gap and expand educational opportunities in the community by developing a partnership with Brenham ISD and Region 6 Adult Education.

Ragonis advised that the Nancy Carol Roberts Memorial Library (NCRML) applied for the Texas State Library and Archives Commission grant. Ragonis stated that to meet the requirement of partnership development for the grant, a Memorandum of Understanding between Region 6 Adult Education and the Library was drafted. Ragonis noted that this document was been reviewed by the City Attorney.

Ragonis explained that the grant amount awarded to the NCRML was the Library Cooperation Grant in the amount of \$8,800. Ragonis advised that this is a reimbursement grant which would purchase new technology and GED software to be held and owned by the library. Ragonis stated that once notified of the award, Library staff collaborated with representatives of Brenham ISD and Region 6 Adult Education to determine which resources would best align with adult education needs.

Ragonis advised that those resources would include five laptops with accessories at an estimated cost of \$1,260 each for a total cost of \$6,300 and ten licenses of Aztec GED software at an estimated cost of \$250 for a total cost of \$2,500.

Councilmember Goss questioned the term of the software license. Ragonis stated that the license term is for one year. Ragonis noted that there is also a grant to purchase licenses as they expire and that the City is eligible to apply for the grant again.

A motion was made by Councilmember Williams and seconded by Councilmember Herring to approve the acceptance of the Library Cooperation Grant offered by the Texas State Library and Archives Commission and funded by the Institute of Museum and Library Services in the amount of \$8,800 for five (5) laptops with accessories, and ten (10) licenses of GED software for the Nancy Carol Roberts Memorial Library 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 Resolution No. R-15-021 In Support of Jefferson Square Housing, Ltd.'s Submission of an Application to the Texas Department of Housing and Community Affairs Requesting 2015 Low Income Housing Tax Credits for Jefferson Square Apartments

Assistant City Manager of General Government Rex Phelps presented this item. Phelps explained that Jefferson Square Housing, Ltd. has submitted a housing tax credits grant application to perform a \$1.2 million rehabilitation of the Jefferson Square Housing Apartments (housing for seniors) located at 801 W. Jefferson Street. Phelps noted that earlier this year Jeff Washburn of LCJ Management, Inc. requested the city council to support the grant application. Phelps advised that one of the grant requirements was for the city to assist with providing at least \$17,364 in financial support of the project. Phelps explained that this support will be made in the form of street improvements in front of and adjacent to the Jefferson Square Apartments. Phelps noted that this improvement will make a positive impact in the area and specifically to the rehabilitation project. Phelps stated the city recognizes the importance and encourages economic activity and affordable quality housing for seniors.

A motion was made by Councilmember Ebel and seconded by Councilmember Williams to approve Resolution No. R-15-021 in support of Jefferson Square Housing, Ltd.'s submission of an application to the Texas Department of Housing and Community Affairs requesting 2015 Low Income Housing Tax Credits for Jefferson Square Apartments

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:

- The next Council meeting will be Thursday, September 3rd at 1:00 p.m.
- There will be a special meeting on Monday, September 14th at 8:00 a.m. for adopting the budget and setting the tax rate. Staff is also adding insurance and risk management items to that agenda.
- The roofing material for the new library is on back order so the construction process has been held up the past few weeks.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC
City Secretary

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