

BEACH CITY COUNCIL
REGULAR MEETING MINUTES

The Beach City Council met for a Regular Meeting January 19th, 2011 at the Beach City Community Building. Those present were:

MAYOR: Billy Combs

MAYOR PROTEM: Jackey Lasater

ALDERMAN: Rita Standridge
Douglas Walker

Vaughn Bercaw

Ray Smith

ATTORNEY: Daniel Jackson

CITY SECRETARY: Margaret Gainer ASSISTANT SECRETARY: Marilyn K. Harrison

Mayor Combs called the meeting to order at 6:03 P.M. Tuesday January 19th, 2011.

He offered prayer and Alderman Standridge led the Allegiance to the United States.

Alderman Bercaw led the Allegiance to the Texas Flag.

I. Citizen Comments.

Mary Chapman thanked Mayor Combs for helping them down at Barrow Ranch on the stop signs and working with them on their scooters.

II. Review and consider approval of the Regular Meeting minutes of December 21st, 2010.

Alderman Standridge made a correction to the minutes on page 2, Item 4 in the MOTION. Approved read 4 – 3 corrected to read 4 – 0.

MOTION made to approve the Minutes as written and corrected.

MOTION: Standridge SECONDED: Lasater APPROVED: 5 - 0

III. Financial Consent Agenda;

A. Review and approve of the Financial Statements for month ending December 31st, 2010.

The Financial Statements were reviewed prior to the meeting.

Mayor Combs stated that in the month of December the City received two payments from CenterPoint Energy in the amount of \$5,741.54 each.

Mayor Combs said next month we are going to see an income from the SECO Grant in the amount of \$23,030.00. He asked if we need to revise the Budget to do that or do we wait until the end of the year. After a discussion the consensus was that council did not feel we needed to amend the budget.

B. Receive and review Investment rate/security update.

On the Estimated CD Account Balances document, Mayor Combs called Councils attention to the Prosperity Bank CD # 610010402 in the amount of 98,863.99 was 6 days past the date of Maturity. He actually rolled it into a Prosperity General Fund Account when it matured in the amount of \$99,050.88.

C. Approve new CD investment.

After reviewing and discussing the Current Bank CD Rates Alderman Smith voiced his opinion of not going with the 24 to 30 month CD. Alderman Walker reported that everything he has heard says that the inflation market will stay flat for the next one to two years. He favors the 18 month rate. Mayor Combs recommends that we take \$40,000.00 out of TexPool and put \$140, 000.00 into CD's; probably get one over \$90,000.00 so we get that 1.61% rate, split the rest of it in smaller CD's at the 1.51% rate. Mayor Combs said he doesn't disagree with going to 18 months but he is starting to get a little nervous about putting all our money in Capital Bank.

MOTION made to put \$100,000.00 in Capital Bank for 18 months at 1.61% and then we put 2 \$20,000.00 in Capital Bank for 18 months at 1.51%.

MOTION: Smith SECONDED: Walker

Discussion: Alderman Standridge asked what would be the total amount we are going to have at Capital Bank with the money we already have there. She wanted to be sure that we were not going over the FDIC limit. After further discussion the Mayor recommended that they could put \$100,000.00 with Capital Bank for 18 months and 2 \$20,000.00 with Barbers Hill Bank for 24 months if the FDIC is capped to \$250,000.00.

MOTION made that if the FDIC protection is capped at \$500,000.00 then we are going to invest \$100,000.00 @ 1.61% for 18 months in Capital Bank and purchase 2 \$20,000.00 @ 1.51% for 18 months at Capital Bank. If the cap is at \$250,000.00 we purchase a \$100,000.00 CD from Capital Bank @1.61% for 18 months and two \$20,000.00 CD's at Barbers Hill Bank @ 1.50% for 24 months.

MOTION: Smith SECONDED: Lasater APPROVED: 5-0

D. Approve City's funding of one table for upcoming WCCCC Awards Banquet.

The Mayor explained that what has been done in the past is that a table of 8 be purchased by the City for \$280.00 to accommodate 1 Mayor, 5 Council Members and 2 seats for the quest of honor and their guest. The spouses of the Mayor and Council Members will pay \$35.00 each for their ticket if they attend.

E. Review and approve Revenues and Expenditures for current Month.

The Mayor pointed out the Expenditure check numbers and the actual checks that the numbers are slightly different. The Mayor also noted that the check on the Expenditure for Hobson Air Conditioning for \$23,030.00 that does not have a check number at this time, is asking the Council to approve it for when the SECO check comes in, we can pay the bill.

MOTION made to accept the Financial Consent Agenda with the exception of Item C which has already been approved.

MOTION: Walker SECONDED: Lasater APPROVED: 5-0

IV. May 14th City Election

A. Review and act upon Interlocal Agreement with Barbers Hill Independent School District.

We have received the Interlocal Agreement from Barbers Hill for the May 14th, 2011 election. Three Aldermen will be elected at this election.

MOTION made to adopt an Interlocal Agreement with Barbers Hill Independent School District in conduct to the May City Council Election for Beach City.

MOTION: Standridge SECONDED: Walker APPROVED: 5-0

B. Election Committee

MOTION made that Assistant Secretary Marilyn K. Harrison be made to be the Election Committee.

MOTION: Standridge SECONDED: Lasater APPROVED: 5-0

C. Alterative Paper Ballots

Assistant Secretary Harrison checked on this with the S.O.S office and was told that we could use paper ballots but we would still have to use a voting machine, due to the fact that Chambers County Population exceeds the Population allowed.

V. Authorize Order of Election and Notice of Election for May 14th 2011.

Secretary Gainer had the Order of Election and the Notice of Election at this meeting and Mayor Combs read them to the Council.

MOTION made to approve the Authorize Order of Election and Notice of Election for May 14, 2011.

MOTION: Lasater SECONDED: Walker APPROVED: 5-0

VI. Adopt Resolution 2011-1 Amending Financial Investment Policy.

Mayor Combs said that the revisions made to the Financial Investment Policy at last month's meeting which added language to the policy needed to be approved by a Resolution. One sentence was added on page 2 in the paragraph named "Liquidity" and reads "The City will make best efforts to maintain within its operating funds sufficient funds to accommodate or equal at a minimum three (3) months average expenditures". Alderman Smith wanted to change the spelling of the word "equeal" to "equal" on page two (2) of the Policy, in the section "Liquidity".

MOTION made to approve Resolution 2011-1, Amending Financial Investment Policy.

MOTION: Walker, SECONDED: Bercaw APPROVED: 5 - 0

VII. Discussion and possible action on City's Janitorial Service.

This was brought up due to our budget being tight, if we even needed this service the day of The City Council Meetings. Assistant Secretary Harrison explained the duties of this job. It was explained that Mr. Conrad comes in cleans floors if needed, set up table and chairs for the Council Meeting and

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cleans the table and chairs, from residents using the building during the weekend, and then comes back and takes them down.
No action taken.

VIII. Council Updates;

A. SECO Grant

The work on the grant has been completed. We received the invoice in December from the Sub-Contractor and forwarded it on to the State for payment. We will receive a check from the State soon for the payment to the Sub-Contractor. For that reason we will consider it tonight on the Expenditure Authorization.

B. CenterPoint Energy Rate Increase Request

There is a hearing in Austin tomorrow, although Mayor Pro-Tem Lasater and Mayor Combs will not be able to attend due to changing the City Council to tonight. The Mayor will update the Council when he receives any information.

C. Internet America Service Upgrade

Nothing to report.

D. Hwy 99 & Fisher Road Intersection

Commissioner Senac was present to give the Council an update on the deceleration lane turning on to Fisher Rd. from Hwy.99. Mayor Combs said he and Commissioner Senac had a conversation and he asked that the County join with the City in trying to get that expedited. It was the Commissioner's and the Mayor's understanding that it has been approved but not funded. Commissioner Senac met with Cory Taylor about the Deceleration lane on Hwy. 99 at the Beach City exit. Mr. Taylor told him that Judge Silvia and Randy Redman, Dept. of Transportation, pulled Traffic Reports and no accidents had been reported at that location. Commissioner Senac said it will cost \$150,000.00 to get a deceleration lane put in.

E. Center Point franchise audit

Mayor Pro Tem Lasater reported on the audit saying that he and Alderman Walker have been working on this audit for a while now and still have a few items that they need to work on.

F. Comcast Cable

Mayor Combs reported that he talked with Comcast last week and they have mapped out the City. Hopefully in 60 days we will know exactly. Based on the map there are 24 or 25 customers in the Barrow Ranch area and couple of customers in RWJ Airpark. They only have lines that service cable around Barrow Ranch. Previous providers have abandoned cable lines throughout the City. Mayor Combs asked them to look into that to see if they could expand their service further into Beach City. He feels they don't see this as a big market.

G. McCollum Park Road

Commissioner Senac reported on the construction at McCollum Park. He reported that FEMA has come up with \$836,000.00 and things are really getting done but there are some things that he would like to see done. He said the park has been a visual problem for us in the past. They want it to be a family Park that family's can use. There is a deputy living in the park now and they plan to have him continue to

live there. Some suggestions the Commissioner had was to get the area to input on what Beach City would like to do with the park to keep it a safe and a family park. Also, maybe to keep the fence up so they can lock it at night, all parking will be outside the park. Commissioner Senac talked to Don Brandon about developing a plan and talking to some people. Mr. Brandon says this should be done before we get too far along. Commissioner Senac said that the debris in the water, along the bank and in the park is bad and would like to see if we could get volunteers to help clean it up.

H. T&I Taylor Hearing

Mayor Combs said the T&I Taylor hearing for a TCEQ Rate Request for Residents outside of Beach City is scheduled for February 24, 2011. The Mayor assumed that it meant the rate payers living in Beach City were included. A Lady at TCEQ notified him that as of last week that T&I Taylor has not filed an appeal to appeal the City's decision. T&I Taylor have 90 days to appeal. We do not have a standing in that hearing so we cannot participate in it. TCEQ told Mayor Combs that probably they will go through the rate hearing and whatever rate is determined for the remainder of their customers, that they will probably come back to Beach City and ask us to accept that rate. The Mayor said that this is all he has to report on, but if anyone wants to go to this hearing on February 24, 2011 they are more than welcome to go.

I. Reggie Nalley, (City Inspector)

Mr. Nalley was present and reported to Council what his job consist of. He explained that he is the On-Site Sewer Inspector for TCEQ and the City of Beach City. He explained that he is the Designated Representative for the State of Texas. He explained that all the new homes or new septic systems being put in our area has to put in an application and designed by an Engineer and then submitted to the City of Beach City Office. Once this is done, he goes out to the site and checks his calculations with the drawing provided in the application. If everything is correct he then gives an Authorization to Construct and temporary light service. Once the sewer system is installed, he then checks to be sure that the system was put in according to the State law. At this point if he approves this installation he authorizes permanent electricity. He also comes in when the City has OSSF problems and makes sure the problems are taken care of.

IX. Council Member Comments.

Mayor Pro-Tem Lasater said that he had someone ask him if we would or could get some recycling containers for papers. The Mayor suggested that he use the one at the Collection Center on Lawrence Dr.


Alderman Smith would like to recognize the suggestion of starting the Meeting at 6:00 P.M. and finishing at 8:30 P.M. He said that this is a good thing.

X. Adjourn

Mayor Combs adjourned the meeting at 8:30 P.M. on January 19, 2011.

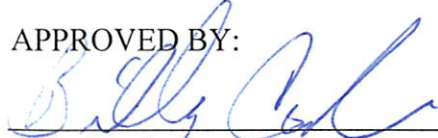
January 19th 2011

ATTEST TO:



Margaret Gainer
Secretary

APPROVED BY:



Billy Combs
Mayor