

**BEACH CITY COUNCIL**

**REGULAR MEETING MINUTES**

The Beach City Council met for a Regular Meeting July 29<sup>th</sup>, 2010 at the Beach City Community Building. Those present were:

MAYOR: Billy Combs

MAYOR PRO TEM: Jackey Lasater

ALDERMAN: Ray Smith      Douglas Walker      Vaughn Bercaw  
Rita Standridge - Absent

CITY ATTORNEY: Daniel Jackson

CITY SECRETARY: Margaret Gainer

Mayor Combs called the meeting to order at 7:03 P.M. Tuesday July 29<sup>th</sup>, 2010. He asked every one to stand then offered prayer and led the Pledge of Allegiance to the U.S. Flag and then the Texas Flag.

**I. Citizen Comments.**

No comments.

**II. Review and consider approval of the Regular Meeting Minutes of June 22<sup>nd</sup>, 2010.**

Minutes reviewed by Council prior to the meeting. The Mayor stated that he had corrected some clerical errors on Item X page 3; and Item XI page 4. Several other clerical errors were corrected.

MOTION made to accept the Minutes as corrected.

MOTION: Walker

SECONDED: Lasater

APPROVED: 4 0

**III. Review and consider approval of the Statement of Revenues and Expenditures for 12 months ending June 30, 2010.**

Mayor Combs explained the financial reports for the month of June. The Quick Book system is up an running. He went on to say that we really don't have any other assets other than our liquid assets, our CD's and our Prosperity Bank Operating Account. Looking at the Balance Sheet at the end of Fiscal Year June 30<sup>th</sup> 2010 we had \$80,874.66 in our operating account (Prosperity Bank \$293.61 and TexPool \$80,581.05). We had in the TexPool account \$86,322.59, an interest bearing account, which is liquid, that we can transfer out of, to cover our expenses. Also listed are the CD's that we have for a total of \$519,359.06 for a combined amount of \$600,233.72. We do not have any current liabilities or long time liabilities. Alderman Bercaw asked if there was a way to include the CD's expiration date and the percentage of interest on the Balance Sheet. The Mayor said he didn't think he could on this report, but he could come up with one.

Alderman Walker asked about some of the line items in the 2009/2010 budget that were over budget. He didn't think it was allowed to move from one budget area to another budget area. Mayor Combs said he asked that question when he first became Mayor and was told that he could move the items as long as that line item didn't go over 100%.

MOTION made t o amend the Budget by moving money out of Account #3900, Community Enhancement Projects into Accounts:

		# 2100 for	\$1,697.58	Secretary
Community Enhancement		2300	287.00	City Council
Projects:	\$5,000.00	3000	52.76	Membership Dues
Less	<u>&lt;4,194.39&gt;</u>	3100	17.86	Office Supplies
	\$ 805.61	3200	<u>2,139.19</u>	Election
			\$4,194.39	

MOTION: Walker    SECONDED: Smith    APPROVED 4 – 0

MOTION made to approve the Financial Statement ending June 30<sup>th</sup>, 2010 as corrected.

MOTION: Walker    SECOMDED: Lasater    APPROVED: 4 - 0

**A. TexPool rate review**

The current TexPool rate is, as of July 18<sup>th</sup>, 2010, 0.2172%.

**CD rate/security review and update**

Mayor Combs said we had two CD's renewed . Prosperity Bank CD renewed at three quarters of a present for 6 months. A State Farm renewed at 1.50% for 12 months.

**IV. Review and consider approval of Revenues and Expenditures for current Month.**

The Proposed Expenditure was reviewed prior to the meeting.

Mayor Combs explained his expenses that were added tonight.

MOTION made to accept the current month Expenditures as presented.

MOTION: Walker    SECONDED: Bercaw    APPROVED: 4 - 0

**V. Hear presentation on benefits of TML Risk Pool.**

Mayor Combs introduced Linda Morvant, Field Services Representative with TML Intergovernmental Risk Pool. She explained the insurance program that Beach City has with them and answered questions from Council and the City Attorney. Mayor Combs thanked her for coming.

**VI. Review and act upon correction of date error in the final Plat of Southwind Estates.**

Mayor Combs stated that earlier this plat was approved by City Council and signed by Mayor Persiani; the Final Plat of Southwind Estates. At that time they had asked for an easement that had been running through the plat to be

abandoned, and had requested that easement to run along the property line that had been accepted by the Power Owner and every thing was fine except unknown to the Developer, at the time, they were still pumping products through the old line that was supposed to be abandoned. Technically that right-of-way, because they were still pumping products through it had not truly been abandoned. It has now been abandoned, that pipe has been cut and terminated. The Surveyor wants us to reapprove this plan with the correct date on it so that it was approved after the right-of-way truly abandoned. Council reviewed the Plat. Alderman Smith asked if the pipe was removed. The Mayor said personally he don't know. Alderman Smith said before he put his name on it he would want that clarified.

MOTION made that the drawing be notated that if the line is existing and abandoned be located on that drawing or that a note mentioning that the line has been removed totally be mentioned on the drawing. If line is still there dot it in.

MOTION: Smith                      SECONDED: Walker

Discussion: Attorney Jackson asked Alderman Smith if he wanted it recorded as a right-of-way, you want it noted that it still exists, though abandoned.

Attorney Jackson and Alderman Smith discussed their reasoning about what should be on the plat.      Question Called                      APPROVED: 4 - 0

**VII. Review and adopt Ordinance No. 2010-2 to suspend the Rate Increase Requested by CenterPoint Energy.**

Ordinance No 2010-2 was reviewed by Council prior to the meeting.

Mayor Combs said CenterPoint Energy has submitted to us a base rate increase approximately \$76,000,000. Their last rate increase was in 2006 and at that point they were suppose to come back this year and redo the grate. As he understands it, that is based on 11 ¼% return on equity. He went on to say what he has planned is for Council to adopt an ordinance to suspend the rates for 90 days, which we can do, by law. What this Ordinance does is suspend the current rate for 90 days beyond what would be their effective date.

MOTION made to suspend the rate increase for 90 days.

MOTION: Walker                      SECONDED: Lasater

Alderman Walker amended his motion to read: Whereas, On June 30<sup>th</sup> 2010, CenterPoint Energy Houston Electric, LLC ("CenterPoint Electric") filed a Statement of Intent and Application for Authority to Change Rates ("New Rates") within the City of Beach City ("City") seeking electric rate increases totaling \$94 million per year which impact Beach City. Alderman Lasater approved the amendment.      Question Called                      APPROVED:4 - 0

**VIII. Review and act upon Resolution No. 2010-3 to join Coalition of Cities in the CenterPoint Energy Rate Case Proceeding.**

Mayor Combs as Alderman Walker pointed out, we were invited by the City of Houston to go us and visit them. The Mayor doesn't know what Cities have

joined Houston, but probably about a half dozen Cities while they were there. He recommended that Council adopt Resolution No. 2010-3, to join in the coalition that is headed by the City of Houston. There is no financial obligation by Beach City.

MOTION made to adopt Resolution No. 2010-3 that we join in a Coalition of Cities, including the City of Houston.

MOTION: Walker

SECONDED: Smith

Discussion: Alderman Bercaw asked if fees are paid by the rate payers.

Mayor Combs said that the legal fees, both pro and con, are ultimately paid by the residents.

Question called

APPROVED: 4 - 0

**IX. Discussion and possible action on audit for CenterPoint franchise payment calculation.**

Alderman Walker and Alderman Lasater have been working on that. Alderman Lasater stated that they are still compiling their data as they have made their way through all the streets. Mayor Combs told Mr. Greenley, CenterPoint Service Area Director that he had given the City data on 2008/2009. He asked him if he could furnish us with 2005, which was the base year and also 2006 and 2007 data. The Mayor asked him if he could send the information on an excel spreadsheet. Mr. Greenley said he would supply the data needed.

**X. Review and possible action on TX-DOT plans for Hwy 99 from US Hwy 146 to Fisher Rd.**

Mayor Combs thanked everyone that attended the meeting held in Baytown. In summary their plan calls for a beltway type construction with toll center lanes and three side streets, much like the Beltway 8 structure. Starting from the Fred Hartman Bridge continuing all the way from an overpass over Fisher road. It would not impede anyone current access to Beach City. If the tolls go up now it would be North of Fisher Road. After input from Alderman Walker and Alderman Smith, Mayor Combs said his concerns is really not so much the future plans because those plans are subject to change. It is the existing right-of-way at Fisher Road and Highway 99. The people at the meeting expressed their concerns about the safety issues there. Attorney Jackson has drafted a Resolution to ask Tex-Dot and the Grand Parkway Association for some help on getting that intersection corrected. Mayor Combs read Resolution No. 2010-4.

MOTION made to pass Resolution No. 2010-4.

MOTION: Smith

SECONDED: Bercaw

Discussion: Attorney Jackson asked if Alderman Smith wanted to add to the Motion, "To be forwarded to Tex Dot and the Grand Parkway. Alderman Smith said, "So Amended".

Question Called

APPROVED: 4 - 0

**XI. Discussion and possible action on funding of Burn Ban signs.**

Information not complete.

**XII. Discussion and possible action for after-hour's emergency contact for the City.**

Mayor said basically what he would like to see done is get a message or something on the machine that gives someone a night number or contact. He gave examples. He's open for suggestions. After a lengthy discussion no action was taken.

**XIII. Review application of T&I Taylor's Rate Increase Request, adopt Ordinance NO. 2010-3 to Suspend the Rate Increase and set date for hearing.**

Mayor Combs said we have received, July 22, 2010 officially, the actual application from T & I Taylor. They did what we requested, they broke out the utilities that are not within the corporate City limits of Beach City. They submitted their rate increase. Still based upon a blanket cost, it says in the memo that their actual rate, if they broke it out for the City, would be higher than those they had originally requested, however they were going to seek the original request. We did receive from one their customers that they had actually tried to implement their rate increase immediately. We did respond and let them know they cannot do that and they would have to wait for the statutory time limits before they adjusted their rates. We have 60 days to have a hearing. After the hearing, we will make our decision and then we can either approve the rate, deny the rate or we could set another rate that we find is appropriate. Regardless of which we rule, either party has an appeal right to TCEQ. He went on to say we have Ordinance No. 2010-3, this is a 60 day request, we received it on July 19<sup>th</sup>, 2010, rate increase can take place 60 days after that, we can suspend the rate for 90 days and then the rate increase would take effect December 31<sup>st</sup>, 2010. He then read Ordinance No. 2010-3.

MOTION made to accept Ordinance #2010-3 as read.

MOTION: Smith

SECONDED: Walker

APPROVED: 4 - 0

Public Hearing for T&I Taylor was set up for September 7<sup>th</sup>, 2010 at the Beach City Community Building at 7:00 P.M.

**XIV. Review and act upon request for final acceptance of roads and ditches in Barrow Ranch, Section Three.**

Moved to next month.

**XV. Council Member Comments.**

1. Alderman Smith asked Pres. of Fire Dept., Tracy Lippe and Fire Chief Robert Campise, if they were receiving any payback on calls. They said no. He said there was someone where he works would be glad to help them get started.

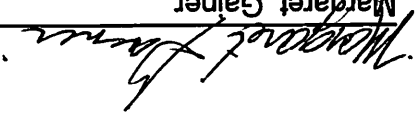
2. Alderman Smith said he would like to center stripes on Lawrence Drive and Point Barrow.

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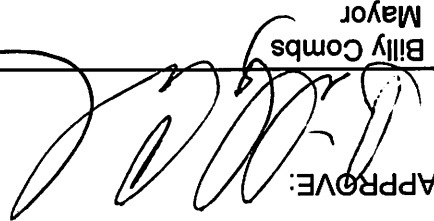
**XVI. Adjourn**

Mayor Combs adjourned the meeting at 9:50 P.M. Thursday, July 29<sup>th</sup>, 2010.

ATTEST TO:

  
Margaret Gainer  
City Secretary

APPROVE:

  
Billy Combs  
Mayor