

BEACH CITY COUNCIL

REGULAR MEETING MINUTES

The Beach City Council met for a Regular Meeting June 22nd, 2010 at the Beach City Community Building. Those present were:

MAYOR: Billy Combs

MAYOR PRO TEM: Jackey Lasater

ALDERMAN: Rita Standridge Ray Smith Doug Walker Vaughn Bercaw

CITY ATTORNEY: Daniel Jackson

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

Mayor Combs called the meeting to order at 7:05 P.M. Tuesday June 22nd, 2010. He asked everyone to stand and had Rev. Sam Hughes give the prayer. The Mayor led the Pledge of Allegiance to the U.S. Flag.

I. Public Hearing for comments regarding the FY 2010/2011 Budget.

Mayor Combs asked for any comments or questions regarding the 2010/2011 Budget. No comments or questions so he closed the Public Hearing.

II. Citizen Comments.

No Citizen Comments

III. Review and consider approval of the Regular Meeting minutes of May 25, 2010 and the Budget Work Shop of June 2, 2010.

Minutes reviewed prior to the Meeting.

MOTION made that the minutes of May 25th, 2010 Regular Meeting and the Budget Workshop of June 2nd, 2010 be approved. Mayor Combs referred to a clerical question on page 3, Item IX. It should read MOTION made to object to the, etc. Motion made to read that the Minutes of May 25th, 2010 Regular Meeting and the Budget Workshop of June 2nd, 2010 be approved as amended.

MOTION: Standridge

SECONDED: Smith

APPROVED: 5 - 0

IV. Review and consider approval of the Statement of Revenues and Expenditures for 11 months ending May 31st, 2010.

The Statement of Revenues and Expenditures were reviewed by Council prior to the meeting.

MOTION made to accept as shown.

MOTION: Walker

SECONDED: Standridge

Discussion: Alderman Smith asked if this report was for eleven months. He went on to say we just did something that has the potential of costing over \$600.00 \$1,000.00. Maybe we should set aside something from the 2009/2010 budget to pay for this sign effort. Mayor Combs said he thinks we would have to amend the budget going into

the next year. Question Called.

APPROVED: 5 - 0

- A. **TexPool rate review** – nothing to report
- B. **CD rate/security review and update** – Nothing to report

V. Review and consider approval of Revenues and Expenditures for current Month.

The City Secretary explained the Amended Expenditure Authorization. Temp. Secretary Marilyn Harrison explained the high cost of the May Election.

MOTION made to approve as stated.

MOTION: Standridge

SECONDED: Bercaw

APPROVED: 5 - 0

VI. Review and consider approval of 2010/2011 Budget.

MOTION made to approve as presented.

MOTION: Standridge

SECONDED: Lasater

APPROVED: 5 - 0

VII. Review and act upon Beach City Emergency Management Plan.

Mayor Combs stated that he and Alderman Lasater had attended an Emergency Management Plan work shop a couple of weeks ago, put on by the County at Whites Park in Anahuac. It was very informative. Chambers County has updated the Emergency Management Plan. As he understands, historically the City has always accepted and adopted the County Emergency Plan. Former Mayor Jim Standridge said that for at least 12 or 15 years the City had it's own Emergency Plan. Mayor Combs said if we prefer to have our own plan and work on it, probably take the old one out and work with it. He went on to say that if we want to have our own plan. Council should understand what it is and we know who to work with so that if something comes through here, we can respond... Under the County Plan the Mayor Pro Tem is the coordinator. Alderman Standridge said since it is Hurricane season and we haven't come up with a volunteer to be our local coordinator, she suggest that we go with the County Plan this year and discuss it again when there is a little bit more lea-way on the timing.

MOTION made to go with the County Plan for this year and Council discuss it again when there is more lea-way on the timing.

MOTION: Standridge

SECONDED: Smith

APPROVED: 5 - 0

Discussion: Alderman Bercaw asked if we could use the County Plan to supplement the Beach City Plan. Mayor Combs said absolutely, as a matter of fact they do ask if we want to make any limits, changes, additions or whatever.

MOTION made for an amendment to read: to accept the County Plan for this year and later on look into amending the County plan as our own.

MOTION: Lasater

SECONDED: Smith

APPROVED: 5 -

0

VIII. Review and act upon CenterPoint Energy proposed franchise payment calculation.

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The Mayor introduced Steven Greenley, P.E., Service Area Director, Baytown/Humble Service Centers that operates and maintains all the electrical construction out here. He introduced Carlton Porter also a Service Area Manager, out of the same office.

Mr. Greenley passed out information to the Council and Mayor. It is something that they are working on that brought some interaction from the City. Mayor Combs asked him to bring the Council up to speed about the meeting they had last week. He stated, just to reset the initial time frame that every year the way franchise payments that are received by the City for the use of their right-of-ways. Every year on April 1st they give information about the next year's payment structure to the City. Payments start July 1st. They gave the City the form for the new payment on April 1st and later on in May they received a notice from the City that there were questions and concerns about that payment and that kicked off the discussion that we had. Last Tuesday Mr. Greenley and Mr. Porter met with members of the City Council to discuss the details behind how they calculate the payment. Mr. Greenley reported that they did look at the more than 200 Residential accounts that the City gave them. They looked at 34 of those accounts and found every one of those residential buildings was lined up appropriately in their system. From that, the residential perspective, they feel that they have everything captured. The processes are working right. Over those years the increases from 2005 to 2009 Residential kilowatt hour and subsequent payment growth is about 5%. Mr. Greenley gave a report on the Commercial accounts. Between 2005 and 2009 there was a 25% decrease in the Commercial rate class. Mayor Combs asked if we go ahead and start this new rate, do our study and if we do find something can we come back and adjust the rate. Mr. Greenley said yes, within the phrasing of the franchise document you have the right to come in and talk to them.

MOTION made to accept the franchise fee from CenterPoint as proposed.

MOTION: Smith.

Alderman Walker said he would like to add, "CenterPoint Energy would make available for us which houses are approved in Beach City so we can go back and compare it with the actual boundaries.

MOTION amended to accept CenterPoint Energy proposal franchise payment calculation with the caveat that Center Point provide us with the detailed, itemized data per Residence that we can audit.

MOTION: Smith

SECONDED: Walker

APPROVED: 5 - 0

IX. Review and act upon TEXPOOL Resolution Amending Authorized Representatives.

Per the Special Called Meeting, Council opted to add all Council Members to the Bank Signatures. A Resolution is needed to do this.

MOTION made to accept Resolution No2010-2; a Resolution amending Authorized Representatives to transact business with TexPool Participant Services.

MOTION: Walker

SECONDED: Bercaw

APPROVED 5 - 0

X. Executive Session – Authorized by Chapter 551, Texas Government code, Section 551.071, concerning Personnel issues regarding City Attorney.

Mayor Combs asked Council if they wanted to use the Executive Session, if not, he would move on to Item XI. No comments. Mayor Combs waived item X.

XI. Possible action resulting from Executive Session.

Mayor Combs said that the action is: within our budget we approved a slight increase for our Attorneys' contract fee. He said for the record that we have a very good deal with our Attorney and we appreciate him very much.

MOTION made to increase our esteemed Attorneys' salary to the budgeted amount agreed upon at the 2010/2011 Budget Workshop in the amount of \$4,000.00 yearly.

MOTION: Smith

SECONDED: Lasater

APPROVED: Standridge
Bercaw, Smith, Lasater
Abstain: Walker

XII. Discussion and possible action on newspaper article requesting funding of Burn Ban signs.

Mayor Combs said he believes about a year or so ago Council approved a certain amount of funding for some burn ban signs. For various reasons the project never got done. He asked if anyone wanted to speak from the public on this item.

Jay Hammes, Secretary of the Fire Department came forward. Mayor Combs asked if she was the one carrying the ball, actually getting it done. She reported that she had gotten the information and handed it over to Mayor Persiani. He was suppose to read over it and present it to Council and if they approved it she would be in touch with Tex-Dot because you can only put up signs that they allow to be put up. Mayor Combs said he was going to let Council speak for themselves. Provided they want to continue to pick up where we left off, are you prepared to run with it and get the job done?

MOTION made that somebody finalize an exact scope of accurate cost and present it to Council for approval.

MOTION: Smith

SECONDED: Lasater

APPROVED: 5 - 0

XIII. Discussion and possible action for after hour's emergency contact for the City.

This Item tabled.

XIV. Discussion and possible action on water rate hearing request from T & I Taylor.

Mayor Combs started by saying T & I Taylor has not requested a rate hearing increase. They have acknowledged that they did error in applying to TCEQ for a rate increase for the facilities that are located within the Corporate Limits of Beach City. They have informally requested a rate increase in the City. He also believes the City needs to notify them that they need to formally request that increase with the City of Beach City, including only the facilities that are located within Beach City. Once we get that we will have 90 days to actually hear their rate increase. No one present wanted to speak on the issue. Alderman Walker said he thinks T & I Taylor should come here and justify the reason for a rate increase. Alderman Standridge said she thinks if our Attorney tells us it is proper to do it that way we should ask them to re-file that application. When she went through it, it said none of the entities that they were requesting the rate increase was in an incorporated area. Attorney Jackson said they wrote a letter indicating that they were incorrect in filing. He went on to say first they file their increase so the City has the material to study and investigate. Then there is an actual hearing before the City Council in which they present their side of the rate

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increase. They also have a right, once we come to a conclusion of what the rate should be, to appeal that decision. Alderman Standridge asked what else do we have to do. Mayor Combs said, as the Attorney pointed out to him earlier, that we should at least notify them that we do not accept what they gave us as a formal application. We do want them to submit a formal application to us for a rate increase and then our clock will start running once we get that application. He added that the rate payers have a right to appeal as well as the person applying for the rate increase. Mayor Combs said, by consensus, he would like to instruct the City Attorney to notify T & I Taylor that we will entertain an application for a rate increase.

XV. Recognition of service rendered by Beach City employee.

Mayor Combs recognized City Secretary Margaret Gainer who has been with the City twenty-five years. He then read a Proclamation from the Mayor of Beach City, Texas. Refreshments were served for those present.

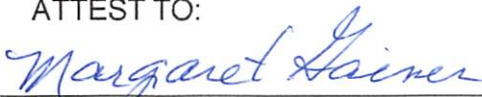
XVI. Council Member Comments.

1. Alderman Lasater said he got to watch our Fire Department in action last week. He thought it was his house when he first saw it but it was the neighbor's storage building. He said he appreciates the fire department. He commented it was a pretty tight ship and how professionally they worked together.

XVII. Adjourn

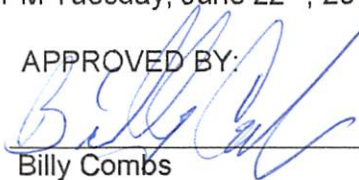
MOTION made to adjourn the meeting at 8:10 PM Tuesday, June 22nd, 2010.

ATTEST TO:



Margaret Gainer
City Secretary

APPROVED BY:



Billy Combs
Mayor