

COUNTY OF CHAMBERS
STATE OF TEXAS

City of Beach City – City Council Meeting Minutes

The City Council of the City of Beach City, Texas met in a **Regular Session** on **March 27, 2018** at the Beach City Community Building, 12723 FM 2354 Beach City, TX. 77523

Members Present: Mayor Billy Combs (presiding), Alderman Doug Walker, Alderman Dana Colquitt, Alderman Ray Smith and Alderman Paul Newman

Members Absent: Mayor Pro Tem Jackey Lasater

Staff Present: City Secretary Evonne Donnelly

Legal Counsel Present: City Attorney Daniel Jackson

1. Call to order and announcement of quorum

On Tuesday, March 27, 2018 Mayor Combs called the Regular Session Meeting to order at 6:02 P.M.

2. Invocation and Pledge of Allegiance

Mayor Combs offered prayer. Alderman Newman led the Pledge of Allegiance to the United States and Texas flags.

3. Public Comments (Limited to five minutes per person)

None

4. Hear report and update from Chambers County Commissioner, Rusty Senac

Jindal Steel Works (JSW) will be hiring approximately five-hundred new employees and could be investing an estimated \$500 million-dollars into the Chambers County steel mill located on FM 1405.

AmeriPort has announced a new building that will be approximately 220,000 square feet, with an estimated \$10 million-dollar investment for a company in the polymer industry.

Covestro will add competitive siding to their polymer's unit; if this happens the capital investment could be comparable to JSW's \$500 million-dollar investment.

5. Hear report and update from Beach City Volunteer Fire Department (BCVFD)

Chief McDonald met with John Kline with Trans-Global Services (TGS) to discuss modifying the Mutual Aide agreement and changing the entity name on said agreement.

Work has begun to run the waterline under the railroad tracks on TX 99, close to Fisher Road.

This will make it several minutes faster for the tank trucks to fill up and return to a fire.

There are some new prospective members for the BCVFD.

To date there has been only one bid received for the BCVFD expansion project. Chambers County has not opened the bid and has extended the bidding until next week. This expansion will add a training room, kitchen, climatized gear room and a shop area to the existing structure.

6. Approval of Minutes for Regular Meeting of February 27th, 2018

There were some slight changes to the minutes that were emailed to Council for their review. The corrected minutes are before Council.

Motion to approve

Motion: Newman

Second: Walker

Approved: 4-0

7. Financial Consent Agenda (All financial consent agenda items are considered routine by Council and will be enacted by one motion. A Councilmember may request an item to be removed and considered separately.)

(a) Review and approve the Financial Statements for previous month

(b) Review and approve Investment Update

(c) Review and approve Expenditures for the current month

Motion to approve

Motion: Newman

Second: Colquitt

Approved: 4-0

Discussion: An updated Expenditures is before Council revealing the check numbers. There were a few clean-up items on the Investment Report however, nothing changes the numbers that were already sent to Council.

8. Discuss and possible action on TexPool, TexPool Prime and CD Investments

This was discussed last month and there was a request for more information on TexPool Prime. Secretary Donnelly recently sent information to Council via email.

TexPool and TexPool Prime are not FDIC insured. Mayor Combs noted that quite a few government entities invest in these pools.

The City's auditor, Albert Garcia with Start, Garcia and Stanley (SGS), recommended TexasTERM as a way for the City to invest in CD's. The rate for a twelve (12) month CD with TexasTERM is 2.15%. A fifteen (15) month CD rate is showing 2.45%.

After it was mentioned that the City has approximately \$205,000 from a maturing CD's to invest elsewhere, Alderman Smith questioned the amount the City could invest at one time. Secretary Donnelly added that per the City's Public Funds Investment Policy (PFIP) it states the length of time the City shall invest in a CD, not the amount invested. Alderman Newman added that it has been the Council's practice to invest less than \$200,000 in one investment.

Mayor Combs reviewed with Council, a CD that matured at approximately \$103,000 and another CD matured earlier this month at approximately \$102,000, for a total of \$205,000.

A total of \$205,000 was wired into the existing TexPool account, via two different wires. At the beginning of April, the State Farm Bank (SFB) CD matures at approximately \$104,000.

Mayor Combs recommends diversifying and moving \$100,000 to TexPool Prime and \$200,000 to TexasTERM for one-year. Council concurred with this recommendation.

Alderman Smith questioned the early withdrawal penalties with TexasTERM. Secretary Donnelly will have to inquire what the penalty fee would be.

Mayor Combs questioned if Alderman Smith had any criteria for the investments and if he wants to wait until next month to move forward on the TexasTERM CD investment to which the

Honorable Alderman Smith replied, "if the rest of Council is not interested in early withdrawal or penalty fees, let's move on." Alderman Walker would like to see a monthly tally of the TexPool account(s) vs. the CD accounts. Mayor Combs referred to the Investment Report as a way to review the monthly interest yield.

Motion to invest approximately \$200,000 into TexasTERM and approximately \$100,000 into TexPool Prime

Motion: Walker

Second: Newman

Approved: 4-0

9. Consider and approve a Resolution for Council to invest in TexPool Prime

Mayor Combs addressed Council with his concerns that almost everyone on Council is a signor on the investments accounts since it only takes one signature to conduct a transaction. The TexPool account, and now TexPool Prime, are liquid accounts. The existing Resolution of Authorized Representatives that has been used on previous CD's states, that the individuals whose signatures appear in this Resolution are Authorized Representatives and each authorized to transmit funds, withdraw, etc. Mayor Combs would like the record to show his concerns with the wording of this Resolution.

Attorney Jackson suggested that Council change the verbiage to read: That any three (3) of the individuals together, whose signatures appear in this Resolution, are Authorized Representatives of the Participant, etc.

Motion to approve the Resolution as amended by our esteemed attorney

Motion: Newman

Second: Colquitt

Approved: 4-0

Recess Regular Meeting at: 7:11 P.M.

Reconvene Regular Meeting at: 7:19 P.M.

10. Discussion and possible action on State Farm Bank (SFB) CD #393 maturing April 6, 2018

Discussed during Item 8.

11. Discussion and possible action on the Public Utility Commission of Texas 2018 Consumer Price Index (CPI) Adjustment to Municipal Telecommunications Right-Of-Way Access Line Rates

Last year (2017) was the first year that Council approved a rate increase. Currently Council must act on the new 2018 rate increase if, they do not want to allow the increase.

Should Council decide to accept the increase, it is 1.0237% on top of the base rate. The rate will increase Residential rates from \$2.05 to \$2.08.

Alderman Walker suggests that Council take no action.

Motion to take no action

Motion: Walker

Second: Newman

Approved: 4-0

12. Select committee to review, applications and interview applicants for the Assistant Secretary position

Assistant Secretary Bercaw will retire this year.

Mayor Combs would like two committee members who have some experience interviewing and hiring employees. Alderman Smith and Alderman Walker volunteered to serve on this committee.

The Committee and Secretary Donnelly meet Monday, April 2nd to review the resumes.

13. *This item was tabled during last month's meeting:* Hear and consider request from Beach City resident, Brice Fuselier, to purchase an Ocean Drive easement from the City

Mr. Fuselier was not in attendance.

Members of Council have seen the property in question and are ready to offer their suggestions. Alderman Walker is concerned with setting a dangerous precedence.

Motion to turn down the request to sell the Beach City Right-of-Way to Brice Fuselier

Motion: Walker

Second: Colquitt

Approved: 4-0

Discussion: Alderman Smith would like the record to show that he has reservations about declining this request, since the property in question has no potential value to the City.

Alderman Smith also questioned if it would be possible to do a twenty-five-year lease or a lease of some sort. Mayor Combs stated that Council has been opposed to leasing the City's easements in the past. Alderman Newman prefers a clean cut, selling as opposed to leasing the easement(s), if that were to be the case.

14. Discussion and possible action on adopting an application for the permitting of Outdoor Signs

Items 14 and 15 have been combined for discussion.

This application has a few minor changes from the one emailed to Council.

Secretary Donnelly added fees for Council to review to the application: \$40 for the City, per sign application and \$60 for the inspector, per sign application.

The penalty fee will be removed from this application.

The City will need to employ/contract an inspector for code enforcement. A code inspector can write a ticket to anyone who is in violation of City code(s).

Per Alderman Newman, in the COBC Document #02 – Permitting for all Permanent Outdoor Signs in Accordance with Ordinance 2017-06 remove the Violation Penalty Fee section.

Alderman Newman questioned if the fee of \$40 would be appropriate for the amount of work that goes into processing permits in this office. Secretary Donnelly is not certain that it will be enough but doesn't want to overcharge for this either. All feel the fees are a good place to start.

Motion to approve outdoor sign permit application as presented with the penalty fee removed in the lower section including the COBC Document #02 – Permitting for all Permanent Outdoor Signs in Accordance with Ordinance 2017-06 with the stipulation the Violation Penalty Fee section referencing a \$225 penalty fee is removed

Motion: Newman

Second: Colquitt

Approved: 4-0

15. Discussion and possible action on Policies and Procedures for permanent Outdoor Signs and code enforcement, per Ordinance 2017-06

Items 14 and 15 have been combined for discussion.

16. Discussion and possible action on Policies & Procedures (P&P) for a Disaster Management Plan

A few changes were made to this document from its original form that was sent to Council via email.

On page one under Chain of Command for Beach City Emergency to Evacuate or Stay in Place, change Chain of Command to Order of Command. Remove item three, County Judge, in this same category.

Motion to accept Disaster Management Plan as presented

Motion: Walker

Second: Smith

Approved: 4-0

17. Discussion and possible action on updating the Office Policies and Procedures manual

Some minor changes were made to this document:

- a). Removing where the passwords and other sensitive information is kept.
- b). Changing the location of some items, due to the flood office items were relocated.

Motion to approve the revision to the Office Policies and Procedures

Motion: Newman

Second: Colquitt

Approved: 4-0

18. Discussion and possible action on purchasing identification badges for Council and City staff

Alderman Colquitt asked this to be revisited. It would be a good thing for Council and staff to each have a badge in the event of a City emergency and/or disaster.

Motion to approve identification badges for Council and all City staff

Motion: Colquitt

Second: Smith

Approved: 4-0

19. Discussion and possible action on moving the May Council meeting date due to Primary Election Run-Off's

Beach City's Council meeting is held the fourth Tuesday of each month, barring any holiday interference.

Currently, there is a primary election run-off in May and Chambers County has held the Beach City Community Building on the fourth Tuesday for this reason. Secretary Donnelly has presented a few dates in May for Council to consider moving the Council meeting to.

Chief Pat McDonald asked if the County is combining the Cove and Beach City voting facility for this run-off. Secretary Donnelly will call the County Clerk's office to verify if this building will indeed be used May 22nd for election purposes.

20. Update & discussion on insurance coverage, deductible amount, and replacement of office items from water damage due to Hurricane Harvey on August 27, 2017

The City received a second check from Texas Municipal League Intergovernmental Risk Pool (TMLIRP) which leaves a balance of \$1,151.30 that has not been spent. The A/C unit in the office needs to be replaced and we still have to order shelving for the storage closet. The balance should mostly cover these two purchases.

21. Update and discussion on non-compliance to City ordinances regarding On-Site Sewage Facilities (OSSF's)

None

22. Report and update from the Mayor

1. A big thank you for the support.
2. Comcast coverage to extend throughout Beach City is a real possibility. Comcast is laying fiber lines in RWJ Subdivision, still waiting to hear the final verdict.
3. The county is making two signs for McKinney Road and FM 1405 at FM 2354. This is regarding the eighteen-wheeler issue discussed last month where the big trucks are looking for JSW at McKinney and FM 2354 instead of McKinney and FM 1405.
4. Permit update on the table for Council.
5. Pastor Sam Hughes passed away.
6. Congressman Babin is in town.
7. Chambers County Drainage Project: First priority is Hackberry Creek, a small amount of money has been approved by Chambers County to clear brush overgrowth, etc.
8. Chambers County Youth Project Show is May 5th, 2018.

23. Council Comments

None

24. Adjourn

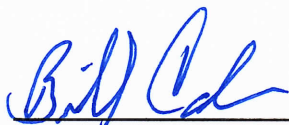
Motion to adjourn at 8:24 P.M.

Motion: Smith

Second: Newman

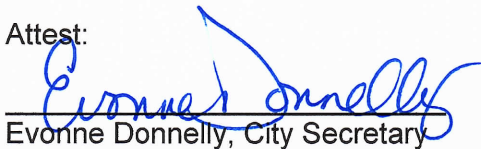
Approved: 4-0

Minutes Approved: April 24, 2018



Billy Combs, Mayor

Attest:



Evonne Donnelly, City Secretary

