

COUNTY OF CHAMBERS
STATE OF TEXAS

City of Beach City – City Council Regular Meeting Minutes

The City Council of the City of Beach City, Texas met in a **Regular Session on October 23, 2018** at the Beach City Community Building, 12723 FM 2354 Beach City, TX. 77523

Members Present: Mayor Billy Combs (presiding), Mayor Pro Tem Jackey Lasater, Alderman Doug Walker, Alderman Dana Colquitt and Alderman Paul Newman

Members Arriving Late: Alderman Smith arrived at 6:13 P.M.

Members Leaving Early: Alderman Walker left the meeting at 7:07 P.M.

Staff Present: City Secretary Evonne Donnelly

Legal Counsel Present: City Attorney Daniel Jackson

1. Call to order and announcement of quorum

On Tuesday, October 23, 2018 Mayor Combs called the Regular Session Meeting to order at 6:04 P.M.

2. Invocation and Pledge of Allegiance

Mayor Combs offered prayer. Mayor Pro Tem Lasater led the Pledge of Allegiance to the United States and Texas flags.

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

Lou and Mona Cognata spoke on the new 132-acre subdivision they are building on Lawrence Road in the back of RWJ, north of the runway. The Cognata's recently addressed drainage issues with Chambers County Commissioners Court.

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

The RWJ drainage improvements are still waiting final approval from NRG via a drainage easement agreement.

Chambers County spent approximately \$50 million dollars on clean-up after Hurricane Ike. Texas Department of Emergency Management (TDEM) and the federal government has de-obligated \$40 million dollars of this money. After an audit was conducted, an additional \$1 million dollars was removed from the balance owed, bringing the total to \$9 million dollars. The Federal Emergency Management Agency (FEMA) representative approved the clean-up process along the way. A process that included removing Boliver Island structures, massive debris, etc. brought into Chambers County by the severe winds and storm surge Ike produced. Congressman Babin introduced legislation, that passed, assisting governmental entities approved for FEMA funds (prior to monies being spent) assuring the entity would not be obligated for repayment of such funds. Covestro has committed to a \$1.7 billion dollar expansion of their facilities in Chambers County.

JSW Steel USA will add a \$500 million dollar melt plant. This plant will accept the scrap metal from all areas of the U.S. that is currently going overseas.
There will be a new Dollar Store on the westside of FM 2354 around RWJ.
Tri-Cities Beach Grocery will reopen soon and they will have gas pumps.
There is a new Mobile gas station at the FM 2354 and FM 3180 intersection.

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

The slab has been poured and the steel is on the ground for the new addition.

6. Approve Minutes for Regular Meeting of September 25th, 2018

Motion to approve

Motion: Newman

Second: Colquitt

Approved: 4-0

7. Discuss and approve transferring \$2,000 from the General Fund Miscellaneous Account to the Fallen Heroes Memorial (FHM) account, for maintenance

This was discussed last month.

It has been determined that the yearly maintenance cost will be approximately \$2,000 per year. Mayor Combs emailed a newsletter to his distribution list letting the community know that the FHM is accepting donations. This information will also be added to the Facebook page to the City's website.

Motion to approve

Motion: Newman

Second: Walker

Approved: 4-0

8. 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: Walker

Second: Newman

Approved: 4-0

9. Discuss and consider transferring investment funds to Certificate of Deposit(s)

Last year the City's auditor recommended TexasTERM's CD account.

Mayor Combs' recommendation is to move \$250,000 out of TexPool and put it into a CD with TexasTERM. This can be broken down by putting \$150,000 into an 18-month CD and \$100,000 into a 24-month CD. The current TexasTERM interest rates are: 12-months at 2.65%, 18-months at 2.90% and 24-months at 3.05%. Mayor Combs added that the interest rate would double by making the transfer.

Also, there are three CD's maturing in 2019; March, April and June.

Motion to transfer \$250,000 out of TexPool into CD's of \$150,000 into the 18-month term for TexasTERM and \$100,000 into 24-month term of TexasTERM

Motion: Newman

Second: Lasater

Approved: 5-0

10. Discuss and consider revisions to the Public Funds Investment Policy (PFIP)

Last month Mayor Combs asked for two Aldermen to work with him on this committee. Alderman Smith and Alderman Newman met with the Mayor last week to discuss additional security on the investment and checking accounts. During the September Council meeting one of the residents gave Council information on different tools that available for additional account security. Alderman Newman updated Council on the topics discussed at the meeting.

Checking account: Four of the five members of Council and the Mayor can sign on this account. There are several options to secure this account.

a). limit the number of approved signors to 2 (two).

b). Positive Pay is a system where you send in your bank ledger and the bank will review each check written and reconcile it prior to depositing the check(s). Positive Pay costs \$50 per month, \$600 per year.

c). Currently, Secretary Donnelly informally monitors the accounts once a week, this could be formalized to a greater frequency.

Alderman Newman feels the greater risk is to the investment accounts rather than the checking account due to the quantity of money that is kept in the checking account.

CD's: There are four Councilmembers and the Mayor listed as signors on the CD's. The City has three CD's and a TexPool account. Mayor Combs is the only person that has access to the online TexPool account.

Modify the PFIP to include: any and all transfers or withdrawals must be approved by City Council prior to transfers or withdrawals.

Modify the procedures by using the City of McKinney's Internal Control guidelines.

Council discussed the pros and cons of Positive Pay. Alderman Smith would like the committee to reconvene and discuss various options.

Motion to approve the amendments to Investment Policy as were outlined

Motion: Walker

Second: Colquitt

Approved: 5-0

11. Discuss and consider implementing Positive Pay for the City's General Fund – Checking Account

Mayor Combs reviewed the details of Positive Pay as discussed in Item 10.

There was discussion amongst Council on how this would protect the checking account.

No action taken.

12. Consider and approve a Resolution adopting Chambers County's 2017 Hazard Mitigation Plan (HAZMAP)

This resolution has been presented to each entity within Chambers County.

Motion to approve the Resolution

Motion: Newman

Second: Colquitt

Approved: 4-0

13. EXECUTIVE SESSION: The City Council will now hold a closed executive meeting pursuant to the provision of Chapter 551, Texas Government Code:

(a) Section 551.074 Texas Government Code concerning a service contract for Code Enforcement Services

RECESS: 7:20 P.M.

RECONVENE: 7:42 P.M.

14. Discussion and possible action regarding Code Enforcement Services

No discussion or motion was made.

15. Discuss and consider surplus office items, equipment for office removal

The City has several broken/non-working items to remove from the office.

1. Scan Snap scanner
2. Computer keyboard

Motion to declare the aforementioned scanner and keyboard as trash to be disposed of

Motion: Newman

Second: Colquitt

Approved: 4-0

16. Discuss and consider an alternate date for the December meeting

The fourth Tuesday of December 2018 is Christmas Day. Council agreed to move the Council meeting to the third Tuesday of the month, December 18th.

Motion to approve

Motion: Lasater

Second: Newman

Approved: 4-0

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

None

18. Report and update from the Mayor

1. GBF held their open house on October 6th with approximately thirty people in attendance
2. Mayor Combs noted that the City has grown by 20% in the last eight plus years and the fund balance has increased by 30%. The Mayor hopes Council continues the good work.

19. Council Comments

Mayor Pro Tem Lasater reminisced of the 2010 election when he ran against Mayor Combs. Alderman Colquitt is still working on the wooden captain's chair. Alderman Newman questioned the size of the new real estate sign Claire Sinclair has erected on FM 2354.

20. Adjourn

Council adjourned at 7:42 P.M.

Minutes Approved: November 27, 2018



Jackey Lasater, Mayor

Attest:



Evonne Donnelly, City Secretary

