



# THE CITY OF BANDERA

511 MAIN ST. P. O. BOX 896 BANDERA, TEXAS 78003-0896

## MINUTES FOR THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF BANDERA

JANUARY 5, 2017, 6:00 PM  
IN THE MUNICIPAL BUILDING AT  
511 MAIN STREET, BANDERA, TEXAS

- I. **Call to order.** The meeting was called to order at 6:00 pm by Mayor Suzanne Schauman. Mayor Pro Tem Rebeca Gibson and Councilmembers Glenn Clark and Toni Kunz were in attendance. Councilmember Sheila Pumphrey was absent. City Treasurer Rose Garr, Municipal Court Judge Michael Towers, City Marshal Will Dietrich, and Acting City Secretary Diana Edwards were also in attendance.
- II. **Invocation and Pledge of Allegiance.** The invocation was given by Marshal Dietrich and all stood for the Pledge of Allegiance.
- III. **Visitors to be heard.** Mayor Schauman called on the following visitors to be heard:  
  
Lynne Palmer, 1403 Oak Street, Bandera. She addressed the council about possibly filling Councilmember Sheila Pumphrey's position on the Council.  
  
Jim Hannah, 124 Rugh Hill, Bandera. He congratulated Justin Knight on winning the vacant seat on the Council.
- IV. **Approval of Minutes from meetings held on December 15, 2016.**  
  
Councilmember Toni Kunz made a motion to approve the minutes from the Public Hearing held on December 15, 2016, with a second from Mayor Pro Tem Rebeca Gibson. All in favor, none opposed. Motion to approve minutes passed.  
  
Councilmember Toni Kunz made a motion to approve the minutes from the regular meeting held on December 15, 2016, with a second from Mayor Pro Tem Rebeca Gibson. All in favor, none opposed. Motion to approve minutes passed.
- V. **Consideration, discussion and possible action on the following items:**
  - a. Canvass of the votes from the December 20, 2016 Run-off Election for City Councilmember; presentation of Certificate of Election and Oath of Office to newly elected City Councilmember Justin Knight.

Mayor Schauman reported the following results from the run-off election held in December. Early voting results: Jim Hannah – 14, Justin Knight – 35; Election night results: Jim Hannah – 18, Justin Knight – 14; Total of 81 ballots cast: Jim Hannah – 32, Justin Knight – 49. Mayor Pro Tem Gibson made a motion to approve the canvass of the votes, with a second from Councilmember Kunz. All in favor, none opposed.

Mayor Schauman asked newly elected Councilmember Justin Knight to move to the front of the room so that Judge Michael Towers could administer the Oath of Office. Following the swearing in, Judge Towers congratulated Mr. Knight on the election.

- b. Approve EDC Budget Amendment of \$32,500 for 2016-2017 to Stewardship Strategies.

EDC Director Art Crawford stated that the EDC voted to employ a consulting firm to help navigate some things that they're going through right now. It is an administrative item so no public hearings are required, just a full vote of the EDC which was done at their last meeting and a budget adjustment by the City Council.

Mayor Pro Tem Gibson made a motion to approve the EDC budget adjustment, with a second from Councilmember Clark. Mayor Schauman asked if there was any discussion and Ms. Gibson asked a question about looking into a state grant for what the EDC is doing. Mr. Crawford responded that he had spoken with Margaret Hardin of Langford Community Management Services and she said that all those grants must be written through the city. The EDC cannot ask for a grant, but can fund a project, after which the city can decide about applying for a grant.

Mayor Schauman asked if there was any further discussion, to which there was no response. All in favor, none opposed. Motion to approve EDC budget amendment passed.

- c. Change name of the Utility Account to “Pooled Cash Account.”

Mayor Schauman asked City Treasurer Rose Garr to explain the reason for changing the name of the account. Ms. Garr stated that the utility bank account is actually being used as the pooled cash account and all the money from the different entities, except for grants and the skate park, go into the pooled cash account and the name cannot be changed without Council approval. Discussion followed on the history of the accounts, how they function, and how Incode tracks each fund.

Councilmember Kunz made a motion to change the Utility Account to the Pooled Cash Account per recommendation of the treasurer, with a second from Mayor Pro Tem Gibson. There being no further discussion, the Mayor asked if all were in favor. All in favor, none opposed. Motion passed.

- d. Create official email accounts for City Councilmembers and designate email addresses for each council position at \$145 per year, per council position.

Mayor Schauman stated that at the last meeting, it was suggested that councilmembers be designated city email accounts so that they are not using personal email accounts for council business. The idea of designating five email accounts, which will pass on to the next member when a seat vacates was discussed. Mayor Pro Tem Rebeca Gibson stated that she thought it seemed odd to set it up that way. No motion was made so this item dies.

- e. Remove Lamar Schulz from the Skate Park Trust Account and add Suzanne Schauman as signer.

Mayor Schauman reported that this is just another city bank account that needs to be updated. Councilmember Toni Kunz made a motion to remove Lamar Schulz from the Skate Park Trust

account and add Suzanne Schauman as signer. Councilmember seconded the motion. Mayor Schauman asked for further discussion, and Ms. Gibson asked if Mr. Schulz was on the account because he was City Administrator at that time and if that was why Mayor Schauman would be added to the account. The Mayor responded that until we have someone on staff as a signer on that account, we are unable to get information on that account. Mr. Clark commented that he understood the account was set up with two city signatures and two skate park group signatures. He asked if the bank said anything about that because he thought this issue had already been addressed. Mayor Schauman responded that the bank said until "one of us" is a signer on that account, we are unable to find out legally who is on the account.

- f. Request by Judge Eino Zapata for reimbursement of expenses for the Texas Municipal Courts Education Center seminar in San Antonio. Establish a per diem rate for Judge's training.

Mayor Schauman next discussed Judge Zapata's attendance at the judge's seminar in San Antonio. He is not asking for lodging and he has already paid the tuition. He is a contract employee for the city, this training is required, and he is asking for mileage and compensation for being away from his practice. He has registered for the training scheduled for January 9-11. Discussion followed on the actual request, which is a total of two full work days, plus travel time. Mayor Schauman said the compensation is in addition to mileage and tuition reimbursement. Judge Zapata requested \$250 per day and there was additional discussion about per diem rates, but Judge Towers clarified that what he and Judge Zapata are looking for is compensation for the time that they would be doing something else. They are both contract employees, and the city contracts with them for their time, and so the request is not really per diem but compensation for the time it takes to attend the training. Mayor Schauman stated that this communication was done through the municipal court's office and there was further discussion about the request. Councilmember Toni Kunz made a motion to reimburse Judge Eino Zapata for two days, for a total of \$500, plus mileage and meals, but after more discussion about meals being provided by the seminar, she reworded her motion to approve reimbursement to Judge Zapata for the Texas Municipal Court Education seminar in San Antonio at a rate of \$250 for two days, totaling \$500, plus registration fee of \$50, and actual mileage of \$.54 per mile. Mayor Pro Tem Rebeca Gibson seconded the motion and Mayor Schauman asked if there was any further discussion. Ms. Gibson stated that the city should look at the continuing education requirements so that funding can be considered in the budget. Judge Towers agreed, and went on to discuss the JP training and what is required by the municipal court standards organization. Mayor Schauman stated that the city would have had this expense no matter who we would have had as a judge. There being no further discussion, the Mayor asked if all were in favor. All in favor, none opposed. Motion passed.

- g. Presentation by Margaret Hardin with Langford Community Management Services to establish a timeline for the 2016-2017 TxCDBG contract.

Margaret Hardin explained the different grants and applications the city currently has underway. The city made application in 2015, which was a 2015-2016 application, and funded in the year 2016, so that is the 2016 contract to drill a well that began on September 15, 2016. LCMS was hired to do the administration of that project. Every time the city does a grant, we must go through the RFP (request for proposal) process. For the 2016 contract, an environmental assessment must be done, however, no site has been established. When the application was written, the well was considered to go out on 3240 but through discussions, that's probably not where it's going to go. At some point, the council is going to have to decide where to go with that project.

Moving on, this week a RFQ (request for qualifications) was sent out for an engineer. There is no engineer on board yet to do the actual work, the design plans, specifications and construction

supervision. Those RFQs are due to the city by January 16 and that decision will need to be made at the meeting on January 19. Ms. Hardin stated that it is important to have an engineer in January because she must do a four-month conference call with the city, the state, and the engineer. January is the fourth month, so we're in the early stages of moving forward with making those decisions, and once the engineer is on board, we'll need to determine exactly how to proceed.

Mayor Pro Tem Gibson asked Ms. Hardin what the state is expecting. Ms. Hardin responded that she will lead the discussion, and they go over the contract, the budget that was established, and the project that was established. Other things to discuss will include if the plan is still to do the same thing in the same place, the six-month threshold, and the 12-month threshold. Those are things that need to be met in order to stay in compliance with the program. Ms. Hardin went on to discuss threshold requirements and milestones. There will be another resolution for the council to consider on the 19<sup>th</sup> for signatories. There are typically four people authorized as signatories so there is always someone available to sign contractual documents and drawdowns. Costs must be incurred; the state will not just put money into the bank account.

Ms. Gibson asked to go back to the issue about the site. Mayor Schauman said that Dave Mauk recommended that the city drill parallel wells to the existing wells, going into the Middle Trinity rather than the Lower Trinity. Ms. Gibson wanted to make sure Mr. Mauk was still being consulted and the relationship was ongoing. Mayor Schauman confirmed.

- h. Adopt a resolution authorizing the submission of a Texas Community Development Block Grant Program Application to the Texas Department of Agriculture for the Community Development Fund; and authorizing the Mayor to act as the City's Executive Officer and Authorized Representative in all matters pertaining to the city's participation in that program.

Mayor Schauman asked Council if they had read the resolution and then she read the resolution in its entirety for the visitors attending the meeting. Mayor Pro Tem Rebeca Gibson made a motion to approve the resolution, which was seconded by Councilmember Toni Kunz. The Mayor asked if there was any further discussion. Margaret Hardin clarified that the words "water and sewer" appear on the resolution and that wording can be changed if Council chooses to do so. After discussion, it was decided that the resolution would be adopted as read. All in favor, none opposed. Mayor Schauman signed the resolution.

- i. Consider recommendation by the Planning and Zoning Commission to fill a vacancy with a city resident candidate.

P&Z member Robert Koimn stated that the P&Z Commission is recommending that city resident candidate Jim Hannah be appointed to the Commission. The Mayor commented that there was enthusiastic reception at the meeting on January 3, 2017 for Mr. Hannah's appointment and it is now up to council. Councilmember Clark asked about recent advertisements, and response to the ad was minimal. Rilla Stevens said that she had applied for P&Z, but that the application was withdrawn. Discussion followed and there was some confusion about what actually happened with Ms. Stevens' application. Councilmember Toni Kunz asked if she could make a motion to again advertise for the position. From the audience, former City Administrator Mike Garr stated that the city ran two consecutive ads in the Bandera Bulletin for P&Z and EDC in November. The application is also on the City's website. Mayor Schauman suggested that Councilmember Kunz make her request to publish an ad under Requests and Announcements, and asked Council about this specific recommendation. There was no response, so this item dies for lack of a motion.

## **VI. Requests and announcements.**

Councilmember Toni Kunz requested that the city advertise for the open P&Z city position to include alternates. Mayor Schauman stated that she thought the ad should run in both local papers. Discussion followed on the vacant positions that need to be filled. Mayor Pro Tem Gibson said that the ad needs to be really clear about the requirements for those positions.

Next, Mayor Schauman requested that a date be set to start looking at filling the positions of City Administrator and Public Works Director. Mayor Pro Tem Gibson said that she thought it was on the agenda tonight. Councilmember Kunz stated that she thought it would be discussed at Saturday's workshop. Discussion followed on the broad scope of the workshop scheduled for January 7, 2017 and it was decided that this priority would be addressed then.

**VII. Executive Session.** Pursuant to Section 551.074 of the Texas Government Code, the City of Bandera will consult in closed session regarding Personnel Matters:

- a. City Secretary Position.
- b. City Treasurer Working Hours.

Mayor Schauman explained the process of going into Executive Session, that no decisions would be made in the meeting room and voting would take place in open session. The Mayor read the Texas Government Code section regarding consultation in closed session regarding personnel matters: Item (a) the City Secretary's position and item (b) the City Treasurer's work hours. The Mayor stated that item (a) would be discussed in closed session and she asked City Treasurer Rose Garr if she wanted to do item (b) in open session or closed session. Ms. Garr responded that she wanted to discuss item (b) in open session. The Mayor and City Council recessed into Executive Session at 6:52 pm.

**VIII. Reconvene in Open Session.** Following the Executive Session, the City of Bandera will reconvene in open session to consider, discuss and take the necessary action to:

- a. Appoint a City Secretary, establish an hourly pay rate for City Secretary and add City Secretary as signer for City accounts.
- b. City Treasurer Working Hours.

Following the Executive Session, the City of Bandera reconvened in open session to consider, discuss and take the necessary action to appoint a City Secretary, establish an hourly pay rate for the City Secretary and add the City Secretary as signer for city accounts. Councilmember Toni Kunz made a motion to hire Jill Shelton as City Secretary at a pay rate of \$17 per hour, and at the start date of her position which will be established, add her as a signer to the city accounts. Mayor Pro Tem Rebeca Gibson seconded the motion. Treasurer Rose Garr suggested that the language include "city bank accounts" and Ms. Kunz amended her motion to state "city bank accounts." Mayor Schauman thanked both candidates for coming in to interview and Councilmember Kunz stated that it was not an easy decision.

The next item for discussion was (b) City Treasurer Working Hours. Mayor Schauman stated that this discussion was simply to establish an answer to a council question of who approves the Treasurer's overtime. Mayor Pro Tem Gibson commented that when the Treasurer was appointed, there was a 10-hour per week cap on the overtime. The Mayor said those overtime hours were approved at the May 23, 2016 meeting. Councilmember Glenn Clark stated that the personnel handbook indicates that all overtime will be pre-approved and since the Treasurer reports directly to Council, how do they know what hours to approve. Councilmember Clark asked where the minutes say "with a cap on overtime at 10 hours per week" does that mean that it was approved up to 10 hours per week as necessary. Mayor Pro Tem Gibson said it was not a required 10 hours per week. Discussion followed on how long this

overtime cap is supposed to be in place, if re-evaluation was needed, if it was expected that work will continue to be 50 hours or more per week, and how compensation is handled, time off or money.

Ms. Garr gave the following background. When she was hired for contract labor, she was told it would be for a couple of months. Not long after, it was discovered that the city was two years behind in its accounting and the eight bank accounts were more than a year and a half behind on reconciliations. In addition, there is a suspense account that needs clean up. When Ms. Garr became Interim Treasurer, these items were further discussed and the auditors would not consider giving a date to come in until the bank reconciliations for 2014-2015 were complete and that required overtime. Ms. Garr went on to discuss deadlines that must be met, the Bank of America bond, the auditor's report, bank reconciliations that still need to be done. Councilmember Kunz asked Ms. Garr if she thought it would be beneficial to consider hiring someone to come in and assist part-time. Ms. Garr responded that Randy Hollar has been assisting with getting the accounting records posted correctly. Ms. Kunz asked Ms. Garr to project out how much time it might take to get us where we need to be by the January 19th council meeting.

Ms. Garr went on to discuss the 2015-2016 budget and where the auditors are on the 2014-2015 budget. Discussion followed on who the Treasurer is reporting to currently day to day, and that is the Mayor. Coding, reporting, and overtime costs was also discussed. City residents Rilla Stevens and Lynne Palmer commented from the audience.

Ms. Kunz stated for the record that if it sounded like she was trying to get rid of Rose, that is not the case. She was just asking if we need more help. The other thing that Ms. Kunz asked was if Ms. Garr thought that the extra 10 hours would be sufficient for the next three months. Mayor Schauman brought out the September 19, 2016 minutes, which had not been transcribed, so Council has not seen that draft yet, and she discussed the \$15,000 which was specified strictly for overtime in the 2016-2017 budget. At this point, Ms. Kunz requested that Ms. Garr come to the January 19<sup>th</sup> meeting with how much overtime has been paid up to date and a projection for the next three months. Ms. Kunz would like to know if this has been paid in the form of time and a half or time off. She again stated that she is not unhappy with what Rose has been doing, but this is just a discussion.

Ms. Garr then talked about the special meeting of September 19, 2016 and the additional funds that were budgeted. Mayor Schauman stated that money is not the issue, this discussion is about protocol. There was further discussion about how much overtime over 10 hours is being worked by the Treasurer on a weekly basis, deadlines that need to be met, W-2s, administrative reports. Ms. Kunz asked Ms. Garr to bring an outline of these deadlines to the January 19 meeting. Discussion continued. Councilmember Glenn Clark stated that the initial question was not to question the number of hours that the Treasurer was working or her work ethic. The discussion was simply to establish protocol.

- IX. Motion to Adjourn.** Mayor Pro Tem Rebeca Gibson made a motion to adjourn. Everybody seconded. Meeting adjourned at 8:07 pm.



Diana Edwards  
Acting City Secretary