**MINUTES**

**FOR THE REGULAR MEETING OF THE**

**CITY COUNCIL OF THE CITY OF BANDERA**

**OCTOBER 1st, 2015**

**AT 6:00 PM IN THE MUNICIPAL BUILDING**

**AT 511 MAIN STREET, BANDERA, TX**

1. Meeting called to order by Mayor John Hegemier at 6:00 pm. Council members Glenn Clark, Suzanne Schauman, Sheila Pumphrey, Charlotte Browning, and Jim Hannah (arrived at 6:03 at beginning of item A) were present. City Administrator, Lamar Schulz, City Secretary, Karen Chesler, City Marshal, Will Dietrich, City Inspector, Mike Armstrong, Public Works Director, Roy Clayton and City Treasurer, Trinity Burnes were also present.
2. Invocation given by Martha Shoemaker & all stood for the Pledge of Allegiance.
3. Visitors to be heard – no one signed up and no one spoke.
4. Minutes of Previous Meeting

**Council member Suzanne Schauman made a motion to approve the Workshop Meeting minutes for August 18, 2015 at 9:00 am, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

**Council member Suzanne Schauman made a motion to approve the Workshop Meeting minutes for August 18, 2015 at 1:00 pm, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

**Council member Suzanne Schauman made a motion to approve the Regular meeting minutes for August 20, 2015 at 6:00 pm, seconded by Council Member Glenn Clark. All in favor none opposed. Motion carried.**

1. Discussion and Possible Action on the Following Topics:
2. Presentation of the FY 2013-2014 Audit results by a Representative from Neffendorf, Knopp, Doss & Company, P.C.

Keith Neffendorf stated Neffendorf, Knopp, Doss, & Company are out of Fredericksburg who did the audit for the City of Bandera. The report is done in accordance with the standards publicized Governmental Accounting and this report has been prepared with the Governmental Accounting Standards Board formally known as GASB. Starting with 2004 Fiscal Year audits for a governmental entity which include a city has to do two sets of financial statements. One set of financial statements is called the GASB Financial statements and these are done with all of the assets of the city including the fixed assets, appreciation and long term debt with a profit and loss just like a business. The second set is the governmental set and the basic records of the city records off the basis of adopting a budget and setting a tax rate. The auditors do a reconciliation between the two and he will briefly go over those. The big item on page 1 is the Independent Auditor’s Report as of the year ending September 30, 2014. In the last paragraph, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, this is the standard auditor clean record letter and unqualified opinion and what everyone wants. Readers of the financial statement have said they will get more out of this. The next page is the statement of net position which is a balance sheet for the city as a whole and done on the GASB 34 basis so it has all of the assets, depreciation, and long term debt. It is divided into two columns, governmental activities and General Operating Fund and Hotel/Motel Tax Fund. The business type activities are the water and sewer fund that comes up with a total. The city has a Bandera Economic Development Corporation that has a separate column. Please see the audit findings for additional information as Mr. Neffendorf quoted multiple numbers and stated the city is in a very good position for the General Fund. The next few pages show how the two different types of reports compare and how they get from one to the other report to satisfy the different types of reports that are required. The notes are listed on pages 21 through 25 but the notes he needs to point out to council are on page 26 are the deposits must comply with the Public Funds Investment Act. The deposits at the end of the year were either covered by FDIC deposits and or pledged securities as well as the Bandera Economic Development Corporation’s deposits. The report lists out the City’s temporary investments which were the CD’s as listed at the bottom of page 26 and were covered at the banks by the FDIC deposits or pledged securities. The Capital Asset Activities for the City for the year ending September 30, 2014 totaled $111,101. The next is the changes in the long-term liabilities were $1,089.079 for the city and $215,744 for EDC. The long-term debt for the city for 2015 through 2024 and the amounts for the bonds for each year are listed but the EDC has a separate listing of their debt services. The City of Bandera is a part of the Texas Municipal Retirement System (TMRS) and the page gives a plan description and distribution. The most recent actuarial valuation was December 31, 2013 where the actuarial value of assets was $1,723,270 and the accrued liability was $1,792,603 so the unfunded liability was $69,333 for a funded ratio of 96.1% and most cities are lower than that. In the future audits, the amount of $69,333 would have to be used in the audit. The other notes are just standard requirements disclosed by generally acceptable accounting schedules. Last year the budgeted revenue was $1,040,700 and the collected amount was $1,057,085 for a difference of $16,385. The budgeted expenditures were $1,261,939 and the actual were $982,657 for a difference of $279,282. Thus, the City of Bandera had a very favorable year. The next page is the Texas Municipal Retirement progress that is required to be included in the audit. They had multiple journal entries that needed to be made and no major compliance issues other than not having an Official Investments Officer but now Lamar Schulz is taking on those duties. Mr. Neffendorf stated no difficulties were encountered in the performance of the audit, no misstatements or uncorrected statements. The changes that did take place this last year were from Quickbooks to Incode. The recommendations they did make were the financial controls, inventory of fixed assets and supplies, expenditures/expenses, bank reconciliations, and Park Fee issues as listed in the detail on the report. Keith Neffendorf stated for a small city they have maintained a good Fund Balance. Keith Neffendorf stated they did appreciate the cooperation from the employees while they were here bugging them and having to pull all sorts of stuff for them. Mr. Neffendorf stated parts of the problems were not being able to pull information from Quickbooks. Jim Hannah stated he wants to thank the staff for working with Neffendorf.

1. Request for approval of the amount the City of Bandera will commit to funding CDBG Contract 7214020

Lamar Schulz stated council should have a little packet in the handout for an explanation of the grant. Lamar Schulz stated the grant has been in the works for four years and what has transpired was the bids for the grant came in higher than expected so additional funds are needed to get this project funded. The grant is for $212,000 but the city’s basic contribution for the city is $13,500 but the low bid came in at $301,810 which is $89,810 more than expected. An additional $76,060 is needed with the original amount of $13,750 for the project to happen. A total amount needed of $89,810 from the city is required. Lamar Schulz pointed out that the grant will still cover 70.24% of the total project and the city would only be responsible for the 29.76%. Lamar Schulz does not think the cost for the project will go down but the costs will only go up.

**Council member Glenn Clark made a motion to approve $89,810 for the City of Bandera to pay for CDBG Contract 7214020, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

1. Request to award the bid for construction of sewer improvements (CDBG Contract Number 7214020)

Lamar Schulz stated this is to award the bid for the contract. Brian Cope from Klein & Cope Engineering stated Monday, September 21 they received the bids but the lower bid of the two submitted was from Pronto Sandblasting & Coating. They have been doing utility work for San Antonio for a while and did a project here in Bandera about 8 or 9 years ago when the water lines were put in across Main Street. Pronto Sandblasting is familiar with working in Bandera. Brian Cope checked the references for the vendor as they are a specialty technology called pipe bursting. They replace the sewer lines inside the existing pipe and they pull out the old lines. They do not have to open up all of the roads. They will just have some point repairs to be dug up. Sheila Pumphrey asked if the pipes will be smaller. Brian Cope stated no they will be the same size and it is possible to have a bigger line. Pronto Sandblasting has the personnel, equipment and experience and they come highly recommend to the City of Bandera. Glenn Clark asked if this company had any OSHA infractions when they did the reference check. Brian Cope replied that is not one of the requirements but they did provide a statement that they were accident free for a hand full of years and have not defaulted on any projects. Brian Cope stated as part of the contract they need to keep the equipment away from the kids play to store the equipment. They will discuss this in the pre-contract meeting. Suzanne Schauman asked what the other amount of the bid received was. Brian Cope replied it was approximately $11,000 more than Pronto after they corrected a mathematical error.

**Council member Glenn Clark made a motion to approve Pronto Sandblasting the award for construction of sewer improvements (CDBG Contract Number 7214020), seconded by Council Member Charlotte Browning. All in favor none opposed. Motion carried.**

1. Request for approval of resolution for Cop Sync Network Subscription Service

John Hegemier stated this is a resolution to enter into an agreement with Cop Sync to obtain the software. Will Dietrich introduced Julie Prescott from Cop Sync. Julie Prescott handed council out a pamphlet about the Cop Sync software that the Marshal’s Department is going to get. Julie Prescott stated the inside of the pamphlet tells the whole story of how Cop sync came about. In August 2000, an officer lost his life during a traffic stop for a seatbelt violation. It was an officer out of Comal County, Officer Vetter. The investigation revealed the violator was a known threat to law enforcement. The founders of Cop sync, officers themselves, learned of this tragedy, decided never again and Cop sync was born. Today real-time interoperability and information sharing applications connect officers and agencies across the nation. The law enforcement system is for safety, for departments across the state. For the Marshal’s office, they share information in real time. Currently, they have over 761 law enforcement agencies and 12,000 officers on the Cop Sync system across Texas. Bandera County has not been on the system but now hopefully they can get them on the system now. What they are providing the Marshal’s Department with is software, hardware, which includes computers and ticket writers. The Cop Sync history is going to be included. The alerts come up as a BOLO which stands for “be on the lookout”. The system provides a card swipe so the officer can just swipe a driver’s license and any history comes up. The officer will be able to complete a report out on the road and not need to spend as much time in the office. They will just print out the reports at the office. Will Dietrich stated it will eliminate the need to do specific reports for the Marshal’s Department including the racial profiling. The Municipal Court will not need to key in the citations. This will help with the Department of Justice Grants to gather information. Julie Prescott stated the system will not allow the Officer to complete or finish out the ticket until all of the information has been submitted. Charlotte Browning asked if all of the counties around us have this system. Julie Prescott replied yes, Bandera was like a little island they did not have. So the Marshal’s Department is going to be able to get the information from all of the counties around them. Charlotte Browning asked if Bandera County has it. Julie Prescott replied no, your county does not have Cop Sync. Julie Prescott added they are offering some pretty deep discounts for the system. Martha Shoemaker stated does she understand the software integrates with the Incode software. Julie Prescott replied yes, ma’am. The following years the licensing fees will cost $4,700 which runs everything. Suzanne Schauman asked what does it cost the first year to get everyone up and running. Julie Prescott replied we got the total cost down to $20,000. Charlotte Browning asked how it works because the county does not have it. Julie Prescott stated they work independently and if the Sheriff’s Department was on it they would be able to share information. Suzanne Schauman stated they are closer to Medina and other counties. Charlotte Browning asked why the county is not on the system. Julie Prescott replied a lot of it comes down to cost. The system was more expensive. Patricia Moore asked if DPS troopers use the system. Julie Prescott stated they have all of the information under the Cop Sync system across the state. The officers here can see it. DPS is not really interested in sharing their information they have and they want to stay separate. DPS shares information between themselves. Glenn Clark stated when they were budgeting they were told they could be eligible for grants if they have this system. Julie Prescott stated anytime you have the Public Safety you become eligible for grants.

**Council member Suzanne Schauman made a motion to approve the resolution for purchasing hardware and software for Cop Sync Network Subscription Services, seconded by Council Member Glenn Clark. In favor were Glenn Clark, Suzanne Schauman, Jim Hannah, and Charlotte Browning. Opposed was Sheila Pumphrey. Motion carried.**

1. Request for new Solid Waste Collection and Disposal Fees (Ordinance) for request of Public Hearing and advertising

Lamar Schulz stated council was handed three pages in the packet about the garbage rates. In the past, the increases in the garbage rates have not been passed on to the customers and some services have subsidized others. The last time the 6% was passed on was in 2011. However, the 4.7375% for 2012, 5.54% for 2013, 3.17% for 2014 and 3% for 2015 have not been included but the percentages have been included in the new rates. John Hegemier stated Mr. Schulz is asking to advertise and post for a Public Hearing. Lamar Schulz replied yes, it does require an ordinance change so council needs to have a Public Hearing. Suzanne Schauman asked if the increase has gone up 16 percent. Lamar Schulz replied yes right now we are paying more than we are collecting for the garbage service. Charlotte Browning asked if we can do it a little at a time. Lamar Schulz replied that is what we should have been doing but we had not been. Charlotte Browning asked if they can divide it up over a few months.

**Council member Suzanne Schauman made a motion to approve the new Solid Waste Collection and Disposal Fees ordinance to request a Public Hearing and advertisement, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. City Park Concerns, operations and rental fees with possible changes. Rental of all or sections of the park and what items the City provides to the person or entity renting the park. What items to bill when an event is completed and City personnel have to be used to get the park back into pre-event readiness. (Like Bandera County requires on the rental of Mansfield Park)

John Hegemier stated Genie Strickland called him and asked him to table this item until she is able to be here. Glenn Clark stated he would ask council to allow him until the next Regular meeting to discuss this and it might be a good subject for a workshop.

**Council member Glenn Clark made a motion to table this item for the City Park concerns, operations and rental fees with possible changes until a workshop can be set, seconded by Council Member Sheila Pumphrey. All in favor none opposed. Motion carried.**

1. Resolution from EDC to dedicate “Kelly’s Coffee” mural to the City of Bandera

Martha Shoemaker stated EDC funded the first mural of many to come. The EDC wants to dedicate the mural to the city via the resolution. Mr. Dave Burell was the driving force behind the mural. EDC is dedicating the mural to the city whereas, the EDC will provide for an annual maintenance to be paid, as needed, to the City for maintenance and upkeep of the mural. In return, the EDC ask the City be responsible for any liabilities that might occur through the property insurance. EDC entered into an agreement with the landowner that he will not be responsible for any accidents that occur. Martha Shoemaker thanked council.

**Council member Sheila Pumphrey made a motion to approve the resolution from EDC to dedicate “Kelly’s Coffee” mural to the City of Bandera, seconded by Council Member Charlotte Browning. All in favor none opposed. Motion carried.**

1. EDC’s recommends approval of Glenn Clark’s application to become a member of the Board of Bandera Economic Development Corporation

**Council member Sheila Pumphrey made a motion to approve EDC’s recommendation to approve Glenn Clark’s application to become a member of the Board of Bandera Economic Development Corporation, seconded by Council Member Charlotte Browning. All in favor none opposed. Glenn Clark abstained. Motion carried.**

1. Adjourn - **Council member Glenn Clark made a motion to adjourn at 7:07 PM, seconded by Council Member Suzanne Schauman. All in favor none opposed. Motion carried.**

Attest:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Karen Chesler John Hegemier

City Secretary Mayor