

May 22, 2012

BEACH CITY COUNCIL

REGULAR MEETING MINUTES

The Beach City Council met for a Regular Meeting on Tuesday, May 22, 2012 at the Beach City Community Building. Those present were:

MAYOR: Billy Combs
MAYOR PRO TEM: Jackey Lasater
ALDERMAN: Paul Newman Douglas Walker Vaughn Bercaw
 Raymond Smith
CITY ATTORNEY: Daniel Jackson
CITY SECRETARY: Margaret Gainer

Mayor Combs called the meeting to order Tuesday, May 22, 2012 at 6:07. Mayor Combs offered prayer and led the Pledge of Allegiance to the United States and Texas Flags. He welcomed those attending the meeting.

I. Citizens Comments.

Former Mayor Standridge reported on how he and former Mayor Senac would be handling the City Audit.

II. Review and consider approval of the Minutes for the Regular Meeting April 24th, 2012.

Minutes for April 24th, 2012 were reviewed prior to the meeting.

MOTION made to approve the Minutes as presented and corrected.

MOTION: Walker SECONDED: Newman

Alderman Smith, Walker and Newman made corrections to the minutes. Alderman Smith Suggested that in the future, because we get these things electronically days in advance, to turn in our typo corrections. The Mayor agreed with that.

APPROVED: 5 - 0

III. Financial Consent Agenda

- A. Review and approve of the Financial Statements for month ending April 30th, 2012**
- B. Receive and review Investment rate/security update.**
- C. Review and approve Revenues and Expenditures for current Month.**

The Financial Consent Agenda was reviewed prior to the meeting.

MOTION made to approve the Financial Consent Agenda.

MOTION: Walker SECONDED: Newman

Alderman Walker stated that we have a lot of money in Tex Pool. Mayor Combs said, "we do", and several months ago we talked about the possibility of not investing in CD's, and possibly buying some real-estate so we did not re-invest it in a CD. In the meantime, TexPool gets approximately \$6,000.00 per month from Center Point Energy that is deposited in that account. We had a fair amount in our general fund so we just left it in TexPool. The current interest rate at TexPool is 0.07%. Alderman Walker said then we need to make a decision about the real-estate or get it into a CD.

APPROVED: 5 - 0

IV. Select a committee to research CD investments.

Mayor Combs stated that we have two CD's that will be maturing in July and two in August. We have two more that will be due one month after that. He went on to say what he would like to do is have two Council Members to agree to research this. Alderman Bercaw and Paul Newman volunteered to do it.

V. Hear committee update on possible real estate purchase.

Alderman Smith reported that the Committee has not made any progress and he would like to suggest in regards to No.4 we probably should invest. We need to take an amount of money out of TexPool and put it somewhere because even if we start working really hard on real-estate it's not going to happen quick.

VI. Hear committee update on city hurricane preparedness workshop and set a date for a Hurricane Preparedness Workshop.

Alderman Walker reported that he talked to Ryan Holzaepfel, Coordinator of Chambers County Emergency Management. Mr. Holzaepfel recommended the National Weather Service people in Dickinson. Alderman Walker contacted them and they are willing to send someone. They would like for us to give them a choice of two or three days that would be good for us and to make a presentation on Hurricane Preparedness. Alderman Walker said Tuesdays seem to work well and he thought the 12th, 14th and the 21st of June would work. He will send the dates to the Weather Service People and let them pick out a date, then, he will notify Council. After a discussion about publicizing the meeting, Alderman Walker said for communication we will use flyers, Mayor Combs CC List, and Mary Dunn's sign. Mayor Combs added the Baytown Sun.

VII. Discuss and consider making changes to city policies, procedures and rates for permitting.

Mayor Combs said the city is required by law to ensure OSSF are in compliance with TCEQ regulations. To do this we currently issue permits for new construction of homes and swimming pools. The only thing we inspect is the sewer system to insure that it is in compliance with TCEQ regulations. The city has two rates for issuing permits. We charge \$210.00 for a new Construction Permit; included is \$150.00 for the City Inspector for inspections, \$10.00 to TCEQ and \$50.00 for city overhead expenses.

The city charges \$50.00 for swimming pool permits all of which is paid to the inspector. We also charge \$50.00 when the electricity has been turned off for any changes that are being made, it has to have a permit to turn it back on. The only City Ordinance, pertaining to permits that the Mayor is aware of, is for power connection. The Mayor thinks we need to review guidelines as to what we issue permits for and what we don't. He also wants to review the rates we charge for the permits and whether we need an ordinance to that effect. City Attorney Jackson stated that a Committee should be formed. The first things the committee has to do is answer the questions, "Why are we issuing permits", "What are we trying to accomplish"? , "What is Our purpose?" Alderman Walker and Alderman Lasater volunteered to be on the Committee.

VIII. Executive Session Authorized by Chapter 551, Texas Government code, Section 551.071, Concerning the legal action in the city's efforts to overturn the Actions of TCEQ in the T&I Taylor rate case.

Executive Session not held.

IX. Update and possible action on T&I Taylor / TCEQ Case.

Mayor Combs stated that last month he reported to the Council that the City, TCEQ, T & I Taylor, had all come to an agreement on a substantial cut in the existing sewer rates, but there has been no direct response about this agreement from the Attorney General's Office, and as of today there has been no change. The Mayor spoke with a representative of the utility company about submitting a new rate application. They were not enthusiastic about this prospect and the Mayor asked for suggestions on a course of action. There was a discussion about the process and cost of a new rate application for both the City and T & I Taylor, and previous actions. Attorney Jackson suggested that our counsel talk with TCEQ's counsel. Mayor Combs suggested that Attorney Jackson contact Attorney Art Rodriquez to directly communicate with the AG counsel, BC Council members agreed.

X. Council workshop for fiscal year 2012/2013.

Mayor Combs presented a draft Beach City Budget - General Fund Fiscal Year 2012/2013, and Budget Comparison FY 2012-13 to FY 2011-12. The overall draft budget for revenue and expenditures were decreased from \$137,200.00 to \$108,130.00, a difference of \$29,070.00, Revenues were discussed, item by item. With the exception of Electrical Utility Franchise Fees, all other revenues are budgeted with no change or to decrease. The Utility Legal Fee Reimbursement budget decreased from \$30,000 to \$0, accounting for the major difference between last FY2011-12 and FY2012-13 budget. Next, budgeted expenditures were presented and discussed. Most expense items were presented with no change from FY2011-12. The largest expense change came from Other Legal Fees being reduced from \$32,000 to \$6,000. There was discussion about having the BCV Fire Department and EMS come to council and presenting their budgets.

XI. Council Updates; From the Mayor and County Commissioner.

May 22, 2012

Mayor Combs stated the he had no idea what TX-DOT was doing on FM 2354.
He also said that as of today, Verizon had not contacted the city about a permit.

XII. Council Member Comments.

None.

XIII. Adjourn

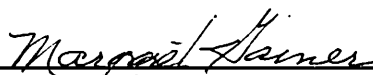
MOTION made to adjourn the May 22, 2012 Regular Meeting at 8:35 P.M.

MOTION: Smith

SECONDED: Bercaw


APPROVED: 5 – 0

ATTEST TO:



Margaret Gainer
City Secretary

APPROVE:



Billy Combs
Mayor