

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on Thursday, September 1, 2022 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members Present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Clint Kolby
Councilmember Shannan Canales
Councilmember Leah Cook
Councilmember Atwood Kenjura
Councilmember Adonna Saunders
Councilmember Albert Wright

Members Absent:

None

City of Brenham Staff present:

City Manager Carolyn Miller, City Attorney Cary Bovey, City Secretary Jeana Bellinger, General Manager of Public Utilities Debbie Gaffey, Director of Public Works Dane Rau, Director of Development Services Stephanie Doland, Director of Economic Development Susan Cates, Director of Finance Stacy Hardy, Human Resources Director Susan Nienstedt, Tourism and Marketing Director Jennifer Eckermann, Strategic Budget Officer Tim McRoberts, Cynthia Longhofer, Jennifer Hill, Casey Redman, Kyle Branham, Debora Pinto, JoAnne Hynes, Stephen Draehn, and Shawn Bolenbarr.

Citizens/Others Present:

Carol Muegge, Sue Hewitt, Ann Kazee, Brenda Schultz, Jean Shoup, Brandon Roznovsky, Mike Brannon, Linda Thomas, Cindy Nash, Cherry Fratus, Blake Brannon, Lowell Ogle, and Joni Daniel.

Media Present:

Jason May, Brenham Banner-Press; and Josh Blaschke, KWHI

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Councilmember Albert Wright**

3. Service Recognitions

- Dane Rau, Public Works Department – 20 Years

4. Proclamation

- Washington County READ

5. Citizens Comments

No citizen comments were heard.

CONSENT AGENDA

6. Statutory Consent Agenda

- 6-a. Approve the Minutes from the July 26, 2022 Workshop Meeting and the August 4, 2022 and August 18, 2022 Regular City Council Meetings**
- 6-b. Approve Ordinance No. O-22-017 on Its Second Reading Amending the FY2021-22 Adopted Budget**
- 6-c. Approve a Payment to Brazos River Authority in the Amount of \$437,712.00 for the City of Brenham's Raw Water Supply and Authorize the Mayor to Execute Any Necessary Documentation**

A motion was made by Councilmember Wright and seconded by Councilmember Saunders to approve the Statutory Consent Agenda Items 6.a. thru 6.c. as presented.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

WORK SESSION – DEPARTMENT UPDATE

7. Discussion and Update on the City of Brenham’s Street Improvement Projects for 2022

Director of Public Works Dane Rau provided the City Council with an update on various street improvement projects. Rau stated that the Street Department maintains over 102 miles of streets within the city limits. Rau explained that in the FY22-23 budget the City Council allocated \$620,000 for street improvements and with the budget the Street Department was able to complete 2.15 miles of streets (14 streets) totaling \$5.8 Million. Rau stated that improvements to Bob Street, Campbell Street and Matilda Street were not completed due to inflation costs of materials that would have made these projects exceed the FY22 budget amount; however, he plans to start on these streets in the fall, as soon as the new budget year begins.

Rau advised that the Onyx Sealing project will start in the fall on Spinn, LJ, Hillside, Clearspring and Robinhood streets (1.7 miles).

REGULAR SESSION

8. Submission of, Discussion, and Possible Action Regarding the No-New Revenue Tax Rate, Voter-Approval Tax Rate, and Proposed Tax Rate of \$0.4737 per \$100 Valuation for the 2022 Tax Year, and Take Record Vote on Proposed Tax Rate and Meeting Dates for Final Adoption of Tax Rate

Strategic Budget Officer Tim McRoberts presented this item. McRoberts explained that the City began the process to adopt its FY 2022-23 tax rate on August 4, 2022, by proposing a maximum tax rate of \$0.4940; however, an anomaly in the tax rate calculation for a prior year “unused increment” portion of the tax rate was discovered. McRoberts stated that due to the unforeseen changes this caused to the current year voter- approval tax rate, the City felt it best to restart our tax rate process and propose a new, lower tax rate.

McRoberts explained that the maintenance & operations (M&O) property tax rate will be lowered to \$0.3297 per \$100 valuation; and the interest and sinking (I&S) rate will remain \$0.1440 per \$100 valuation. Therefore, the City is proposing to adopt a total tax rate (M&O and I&S) of \$0.4737 for FY2022-23.

The proposed rate is less than the Voter-Approval rate, adjusted for unused increment rate, of \$0.4738, so no election will be necessary. However, the proposed rate is higher than the No-New Revenue Rate of \$0.3966 which requires the City to hold a public hearing before the tax rate is adopted.

McRoberts presented the Council with the following on the proposed tax rate:

<u>Proposed Property Tax Rate</u>			
	<u>M&O</u>	<u>I&S</u>	<u>Total</u>
Current FY21-22	\$ 0.3500	\$ 0.1441	\$ 0.4940
Proposed Tax Rate FY22-23	\$ 0.3297	\$ 0.1440	\$ 0.4737
Proposed Increase/(Decrease)	\$ (0.0203)	\$	\$ (0.0203)

A motion was made by Mayor Pro Tem Kolby and seconded by Councilmember Canales that the action taken by record vote of the City Council on the proposed tax rate and associated meeting dates as described in Item 9 of the Agenda for the Regular Meeting of the City Council held on August 4, 2022 be repealed and rescinded; and that a property tax rate of \$0.4737 per \$100 valuation be considered by the governing body on the agendas of the September 12, 2022 and September 15, 2022 Brenham City Council Meetings.

Mayor Tate called for a record vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

9. Discuss and Possibly Act Upon an Ordinance on Its First Reading to Grant a Non-Exclusive Franchise to Skoot-N-Hauler, LLC to Operate a Roll-Off Container Service for Residents, Businesses and Industries Inside Brenham City Limits

Legal and Legislative Services Manager Karen Stack presented this item. Stack stated that as mandated in Section 11-70 of the Code of Ordinances, providers of roll-off service in the City limits must obtain a franchise agreement from the City.

Stack advised that the City was recently contacted by Skoot-N-Hauler, a local company, about a roll-off franchise from the City. The ordinance being presented provides Skoot-N-Hauler the authority to collect demolition/construction debris and/or solid waste from commercial, residential, and industrial sites using roll-off containers and/or commercial containers. A non-exclusive franchise fee of five percent (5%) of gross revenue will be paid to the City monthly. The initial term of this agreement is from execution to September 30, 2023. Thereafter, it will automatically renew every year for a one-year term beginning October 1.

A motion was made by Councilmember Saunders and seconded by Councilmember Wright to approve an Ordinance on its first reading to grant a non-exclusive franchise to Skoot-N-Hauler, LLC to operate a roll-off container service for residents, businesses and industries inside Brenham city limits.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

10. Discuss and Possibly Act Upon Resolution No. R-22-027 Authorizing Participation in the Texas Department of Transportation Highway Bridge Project Related to the Federal Funding of Off-System Bridge Projects for Improvements to the Pecan Street Bridge Over Hog Branch

Public Works Director Dane Rau presented this item. Rau advised that in February of 2022 the City was notified by TxDOT that the crossing on Pecan Street at Hog Branch was part of the Highway Bridge Project list and eligible for federal funding. Every four years, TxDOT selects certain off-system bridges through this program and works with the local entity to bring these bridges and crosses up to standards.

Rau stated that under this partnership the City's match would be ten percent (10%) of the cost which is estimated to be \$49,000. Rau explained that by adopting this resolution, it will authorize the city to issue a check to TxDOT in 2023-2024 in the amount of \$49,000 and all engineering, construction, and inspections will be responsibility of TxDOT.

A motion was made by Councilmember Kenjura and seconded by Councilmember Saunders to approve Resolution No. R-22-027 authorizing participation in the Texas Department of Transportation Highway Bridge Project related to the Federal funding of off-system bridge projects for improvements to the Pecan Street Bridge over Hog Branch.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

11. Discuss and Possibly Act Upon Payment to the Brenham Heritage Museum, Inc. Related to Parking Lot Repairs and Improvements and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau stated that the Heritage Museum was flooded in both 2016 and 2017 and in order to assist them with the revitalization, drainage and ADA access the City agreed to assist with the costs associated with the parking lot, the accessibility ramp and drainage.

Rau stated that originally the estimated costs of the parking lot and drainage repairs were estimated at \$57,000 and ADA ramps were estimated between \$8,000-\$10,000. Rau explained that in reviewing e-mails from previous City Manager, James Fisher, the City agreed to reimburse the Museum a total of \$67,000 for this project. Rau stated that the work has been completed at a total cost of \$79,068.47.

In reviewing the receipts submitted by the Museum, it is staff's recommendation to reimburse the Museum for actual construction costs of \$65,255.19 which does not include some other overhead items.

A motion was made by Councilmember Canales and seconded by Councilmember Cook to approve a payment to the Brenham Heritage Museum, Inc., in the amount of \$65,255.19, for parking lot repairs and improvements and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

12. Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Rate Tariff Schedule for the City of Brenham Sanitation Rates

Public Works Director Dane Rau presented this item. Rau stated that in April of 2022, Brannon Industrial Group, aka *BVR Waste and Recycling* notified the City about proposed rate increases that would be targeted for October per contract guidelines; however, in July the City received another update from BVR asking for the City Council to consider an overall 15% increase across the board on many areas within the Sanitation Rate Tariffs.

Rau advised that staff met with BVR along with our Utility Sub-Committee to assess the options that BVR presented. Rau explained that BVR provided information on the following price increases their business has seen in the past year:

- 40%-60% increase in commodity prices (trucks, containers, carts)
- Labor rates having to be increased in order to fill CDL driver positions
- Landfill tipping fees increasing \$2.00 per ton beginning October 1, 2022
- Diesel prices rising from \$2.31/gallon to \$4.60/gallon.

Rau stated that while no one wants to raise rates or pay higher rates, staff feels that in order to operate effectively and to maintain a partnership with BVR the City needs to be understanding of inflation costs now affecting them. Rau advised Council that staff has compared these rates to other cities that operate within the same guidelines, and our rates are very comparable and in many instances below the rates offered by other providers.

A motion was made by Councilmember Saunders and seconded by Councilmember Kenjura to approve an Ordinance on its first reading amending the Rate Tariff Schedule for the City of Brenham Sanitation Rates.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

13. Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Rate Tariff Schedule for the City of Brenham Water Rates

General Manager of Public Utilities Debbie Gaffey presented this item. Gaffey explained that for FY23, a 5.5 percent increase in water rates is required due to increases in supply costs, most significantly for water treatment chemicals. Gaffey stated that water treatment chemicals, which account for 16 percent of the \$3.8 million Water Fund operating budget, have increased forty percent (\$40%) on a budget-to-budget basis. Gaffey explained that cost drivers include supply chain shortages, particularly on chemical ingredients sourced in Russia and higher shipping costs. The City purchases surface water from Brazos River Authority (BRA) and BRA has increased purchase water rates over 5.5 percent and plans on raising future rates 5 to 6 percent annually. Due to these reasons, a water rate increase is needed to sustain the financial viability of the Water Fund.

The monthly impact on water users will be as follows:

	<u>5,000-Gal</u>	<u>10,000-Gal</u>
Current Residential	\$29.85	\$52.60
New Residential	\$31.49	\$55.49
	<u>50,000-Gal</u>	<u>200,000-Gal</u>
Current Commercial	\$222.88	\$875.38
New Commercial	\$235.09	923.59

A motion was made by Councilmember Kenjura and seconded by Mayor Pro Tem Kolby to approve an Ordinance on its first reading amending the Rate Tariff Schedule for the City of Brenham Water Rates.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

14. Discuss and Possibly Act Upon a Ground Space Lease Agreement Between the City of Brenham and BrightStar Aviation Management, LLC for Hangar Space at the Brenham Municipal Airport and Authorize the Mayor to Execute Any Necessary Documentation

Director of Development Services Stephanie Doland presented this item. Doland advised that Patrick and Deanna Murray sold their 3,600 square feet (60'x60') box hangar at 3311 Aviation Way; therefore, a new ground space lease agreement needs to be executed with BrightStar Aviation Management, LLC (Michele Bright). Dr. Bright's total lease space will be 8,000 square feet. The lease agreement is the City's standard ground-space lease for \$0.10 cents per square foot and the lease rate may increase up to \$0.02 per square foot in a five-year period as the prevailing rates change. The initial annual rental rate will be \$880.

Doland also advised Council that staff has identified some necessary changes to the standard lease agreement and recommends the following changes be made to Dr. Bright's lease as well as all subsequent lease agreements in the future:

1. Add to Article 2, Obligations of Lessee, a section entitled "Assignment, Transfer and Subletting".
2. Remove language related to the Airport Advisory Board from Article 3, Section 4.

A motion was made by Councilmember Canales and seconded by Councilmember Saunders to approve a Ground Space Lease Agreement between the City of Brenham and BrightStar Aviation Management, LLC for hangar space at the Brenham Municipal Airport and also approve modifications, as presented, to future ground space lease agreements and authorize the Mayor to execute any necessary documentation.

Mayor Pro Tem called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Absent
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

15. Discuss and Possibly Act Upon an Ordinance on Its First Reading Adopting a City of Brenham Public Infrastructure Design Manual

Director of Development Services Stephanie Doland presented this item. Doland advised that in 2021 the City of Brenham entered into an agreement with LSPS Solutions, LLC to complete the re-write of the City's Public Infrastructure Design Manual. On February 21, 2022 during the Council retreat at Morris Hall a presentation was given concerning adoption of a new Public Infrastructure Design Manual.

Doland stated that on August 18, 2022 a second work session was conducted to provide a summary of the proposed PIDM and changes to the manual since the work session in February. Since the meeting staff has received no citizen comments concerning the proposed PIDM; therefore, staff is recommending approval of the PIDM.

A motion was made by Councilmember Canales and seconded by Mayor Pro Tem Kolby to approve an Ordinance on its first reading adopting a City of Brenham Public Infrastructure Design Manual.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

16. Discuss and Possibly Act Upon the Renewal with Texas Municipal League Intergovernmental Risk Pool for General Liability, Law Enforcement Liability, Public Officials Liability, Mobile Equipment, Airport Liability, Property, Auto Liability and Physical Damage, Crime, and Workers' Compensation Coverage for the City of Brenham for Fiscal Year 2022-23 and Authorize the Mayor to Execute Any Necessary Documentation

Director of Human Resources and Risk Management Susan Nienstedt presented this item. Nienstedt explained that as a member of the TML Intergovernmental Risk Pool (TMLIRP) the City benefits from the Pool being able to provide a stable source of risk financing and competitive rates. In the past five years, we have encountered unprecedented events, such as hurricanes, winter storms, and the COVID-19 pandemic which continue to impact cities across the state. TMLIRP is able to use its financial strength to help moderate rate changes resulting from claims and cost pressures.

Nienstedt advised that the renewal rates for FY2022-23 will have an overall budget increase of \$54,042; however, the City will receive a \$9,840.00 (2%) discount for early payment.

A motion was made by Mayor Pro Tem Kolby and seconded by Councilmember Saunders to approve the renewal with Texas Municipal League Intergovernmental Risk Pool for General Liability, Law Enforcement Liability, Public Officials Liability, Mobile Equipment, Airport Liability, Property, Auto Liability and Physical Damage, Crime, and Workers' Compensation coverage for the City of Brenham for Fiscal Year 2022-23 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

17. Discuss and Possibly Act Upon an Engagement Letter for Legal Services Between the City of Brenham and Bovey & Cochran, PLLC Related to City Attorney, General Counseling and Municipal Court Prosecution Services and Authorize the Mayor to Execute Any Necessary Documentation

City Manager Carolyn Miller presented this item. Miller stated that in July, the City Attorney requested that the City consider an increase in his firm's, Bovey & Cochran, PLLC, hourly billing rate from \$145.00 to \$165.00. Currently Bovey & Cochran provide legal services for City Attorney, General Counseling, and Municipal Court Prosecution for the City. The current rate of \$145.00 per hour was approved by City Council in 2018. The engagement letter being presented for Council's consideration includes a new hourly rate of \$165.00 effective with the October 2022 invoice and a similar increase to \$185.00 per hour effective October 1, 2024.

A motion was made by Councilmember Kenjura and seconded by Councilmember Cook to approve an Engagement Letter for Legal Services between the City of Brenham and Bovey & Cochran, PLLC related to City Attorney, General Counseling and Municipal Court Prosecution Services and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Atwood Kenjura	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

18. Administrative/Elected Officials Report

City Manager Carolyn Miller updated the City Council on the following:

- Monday, September 5th City offices will be closed in celebration of Labor Day

Council adjourned into Executive Session at 2:19 p.m.

EXECUTIVE SESSION

19. Section 551.086 – Texas Government Code – Utility Competitive Matters – City of Brenham Gas Utility System – Gas Supply and Transportation Arrangements and Agreements, and Associated Matters

Executive Session adjourned at 3:10 p.m.

RE-OPEN REGULAR SESSION

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor



Jeana Bellinger, TRMC, CMC
City Secretary