

Brenham City Council Minutes

A special meeting of the Brenham City Council was held on Monday, July 24, 2023 beginning at 8:30 a.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members Present:

Mayor Atwood C. Kenjura
Mayor Pro Tem Clint Kolby
Councilmember Shannan Canales
Councilmember Leah Cook
Councilmember Dr. Paul F. LaRoche, III
Councilmember Adonna Saunders
Councilmember Albert Wright

Members Absent:

None

City of Brenham Staff present:

City Manager Carolyn Miller, City Secretary/Director of Administrative Services Jeana Bellinger, General Manager of Public Utilities Debby Gaffey, Assistant General Manager of Public Utilities Alton Sommerfield, Director of Water/Wastewater Bobby Keene, Director of Finance Stacy Hardy, Strategic Budget Officer Tim McRoberts, Budget Analyst Jessica Perez, Director of HR and Risk Management Susan Nienstedt, Director of Tourism and Marketing Jennifer Eckermann, Fire Chief Roger Williams, Police Chief Ron Parker, Asst. Police Chief Lloyd Powell, Development Services Director Stephanie Doland, Economic & Community Development Director Teresa Rosales, Kyle Branham, Melinda Gordon, Christi Korth, Casey Redman, Tammy Jaster, Stephen Draehn, Brian Smith, Jerry Saldivar, Josh Daniels and Daniel McCracken

Citizens/Others Present:

None

Media Present:

None

1. Call Meeting to Order

REGULAR SESSION

2. Discuss and Possibly Act Upon the Renewal with Texas Municipal League Intergovernmental Risk Pool for the City of Brenham's General Liability, Law Enforcement Liability, Public Officials Liability, Mobile Equipment, Airport Liability, Property, Auto Liability and Physical Damage, Crime, and Theft and Worker's Compensation Coverage for the City of Brenham for the Fiscal Year 2023-2024 and Authorize the Mayor to Execute Any Necessary Documentation

Director of HR 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 mission statement of the Pool which is to provide stable source of risk financing and rates. Local, state, national and global conditions, such as inflation, supply chain issues, natural disasters, and reinsurance costs impact rates. Despite claims and cost pressures, TMLIRP is able to provide comparable rates to the commercial insurance market and their competitors.

Nienstedt stated that the City's liability coverage includes general liability, law enforcement liability, errors and omissions, as well as automobile and aviation liability insurance while the property coverage includes real and personal property, mobile equipment, crime and cybersecurity liability coverage. Nienstedt advised that the total cost for all coverages would be \$578,482 with is an increase of \$65,295 from last year.

A motion was made by Mayor Pro Tem Kolby and seconded by Councilmember Wright to approve the renewal with Texas Municipal League Intergovernmental Risk Pool for the City of Brenham's General Liability, Law Enforcement Liability, Public Officials Liability, Mobile Equipment, Airport Liability, Property, Auto Liability and Physical Damage, Crime, and Theft and Worker's Compensation Coverage for the City of Brenham for the Fiscal Year 2023-2024 and authorize the Mayor to execute any necessary documentation.

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

Mayor Atwood C. Kenjura	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Dr. Paul F. LaRoche, III	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

3. Discuss and Possibly Act Upon Resolution No. R-23-029 Related to the Creation of an Employee Benefit Trust for the City of Brenham and Authorize the Mayor to Execute Any Necessary Documentation

Director of HR and Risk Management Susan Nienstedt presented this item. Nienstedt stated that the City engaged HUB International, as our benefit consultant to analyze and competitively bid our employee health benefit plans. During the RFP process, it was brought to our attention that Texas Insurance Code, Section 222.002 (c)(5) allows an insurance provider to forego the payment of premium taxes of 1.75% by a municipality if they establish a benefit trust.

Nienstedt explained that the City anticipates using this trust to collect medical premiums from payroll deductions and city contributions for group medical insurance and in turn pay the medical vendors the appropriate monthly premiums. Once established, the benefit trust can be used to lessen the financial impact of future premium increases to provide valuable health and wellness benefits.

A motion was made by Councilmember LaRoche and seconded by Councilmember Saunders to approve Resolution No. R-23-029 related to the creation of an employee benefit trust for the City of Brenham.

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

Mayor Atwood C. Kenjura	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Dr. Paul F. LaRoche, III	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

4. Discuss and Possibly Act Upon the Appointment of the Local Rabies Control Authority for the City of Brenham and Authorize the Mayor to Execute Any Necessary Documentation

City Secretary and Director of Administrative Services Jeana Bellinger presented this item. Bellinger explained that in accordance with Sec. 826.017 of the Local Government Code, the governing body of each municipality and county must designate someone to act as the Local Rabies Control Authority (LRCA).

Bellinger explained that since March, Animal Services Manager Megan Gray has been acting as the LRCA and performing all the duties LRCA and, if approved, her appointment will officially designate her the LRCA as mandated in State law.

A motion was made by Councilmember Canales and seconded by Councilmember Saunders to appoint Megan Gray, Animal Services Manager, as the Local Rabies Control Authority for the City of Brenham and authorize the Mayor to execute any necessary documentation.

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

Mayor Atwood C. Kenjura	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Dr. Paul F. LaRoche, III	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

5. Discuss and Possibly Act Upon a Contract Between the City of Brenham and AJR Media Group Related to Advertising for the City of Brenham's Tourism and Marketing Department and Authorize the Mayor to Execute Any Necessary Documentation

Director of Tourism and Marketing Jennifer Eckermann presented this item. Eckermann explained that AJR Media Group represents the state travel publications that are part of the Visit Brenham marketing plan and includes the following digital products:

- Texas State Travel Guide
- Texas Highways Magazine
- Texas Events Calendar
- TexasHighways.com
- TourTexas.com (destination content plan)
- TourTexas.com banners

A motion was made by Councilmember Saunders and seconded by Councilmember Wright to approve a contract between the City of Brenham and AJR Media Group related to advertising for the City of Brenham's Tourism and Marketing Department and authorize the Mayor to execute any necessary documentation.

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

Mayor Atwood C. Kenjura	Yes
Mayor Pro Tem Clint Kolby	Yes
Councilmember Shannan Canales	Yes
Councilmember Leah Cook	Yes
Councilmember Dr. Paul F. LaRoche, III	Yes
Councilmember Adonna Saunders	Yes
Councilmember Albert Wright	Yes

WORK SESSION

6. FY2023-24 Proposed Budget Discussions

- a. Utility Funds
- b. General Fund
- c. Special Revenue Funds

Strategic Budget Officer Tim McRoberts advised City Council that in accordance with the Texas Local Government Code and the Charter of the City of Brenham, the proposed budget for the fiscal year beginning October 1, 2023 and ending September 30, 2024 is balanced. The FY2023-24 Proposed Budget takes into consideration the direction and priorities of City Council and management staff, as addressed in prior years' strategic planning sessions and the Council Five-Year Planning workshops held in May. The fiscal year 23-24 Proposed Budget was developed during a period of unprecedented growth, and with growth comes many challenges.

McRoberts provided City Council with an overview of the following General Fund revenue highlights:

- Property Tax: Proposed tax rate of \$0.4537.
- Sales Tax: Expected revenues of \$6.9 million.
- Utility Franchise Fees: 5.6% increase is projected.
- Other Taxes: Budgeted at 1.8% over last year.
- Licenses & Permits: Project to be within budget at \$375,000.
- Charges for Service: Projected to increase by 9.6%

McRoberts advised that the City's expenditure budgets continue to see increasing costs for good and services. The high price of fuel, labor shortages, supply chain issues and lingering inflation continue to be a burden. Chemicals, supplies, tools, vehicles and equipment cost significantly more than they have in the past, which will negatively affect our departmental expenditure budgets.

General Manager of Public Utilities Debbie Gaffey provided the City Council with an overview of the Public Utilities FY2023-24 budget:

- Revenue uses and sources.
- Funding uses and sources.
- Revenue Drivers – Charges for Service:
 - Weather
 - Climate change – Global warming
 - ERCOT grid
 - New development
 - Brenham Crossings
 - Market Square
 - Liberty Village
 - Vintage Farms
 - New hotels
 - Existing businesses expanding

- Rates
 - No consumption rate increase in FY24
 - Developing rate tariff for charging stations
 - Impact fees to shift development costs to developers, not rate payers
 - LCRA pass-thru power costs are increasing
- Water Supply Contracts
- FY24 capital outlay and franchise taxes
- General Fund support

McRoberts provided an overview of the Special Revenue Funds:

- Airport
- Tourism & Marketing
- Brenham Community Development Corporation (BCDC)
- Drainage
- Sanitation
- Debt Service
- Airport Capital Improvements
- PD Seizure Fund
- Donations Fund
- Court Security and Technology Fund
- Equipment Fund
- Streets and Drainage Fund
- Vehicle and Equipment Replacement Fund
- Tax Increment Reinvestment Zone No. 1 Fund
- Workers' Compensation Self Insurance Fund

The meeting was adjourned.

Atwood C. Kenjura
Mayor



Jeana Bellinger, TRMC, CMC
City Secretary