

2014 Property Tax Rates in City of Bevil Oaks

This notice concerns the 2014 property tax rates for City of Bevil Oaks. It presents information about three tax rates. Last year's tax rate is the actual tax rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers start rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$105,644
Last year's debt taxes	\$0
Last year's total taxes	\$105,644
Last year's tax base	\$48,960,486
Last year's total tax rate	\$0.215774/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$104,809
+ This year's adjusted tax base (after subtracting value of new property)	\$51,087,530
= This year's effective tax rate	\$0.205155/\$100

(Maximum rate unless unit publishes notices and holds hearings.)

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent healthcare expenditures)	\$104,809
+ This year's adjusted tax base	\$51,087,530
= This year's effective operating rate	\$0.205155/\$100
x 1.08 = this year's maximum operating rate	\$0.221567/\$100
+ This year's debt rate	\$0/\$100
= This year's total rollback rate	\$0.221567/\$100

Statement of Increase/Decrease

If City of Bevil Oaks adopts a 2014 tax rate equal to the effective tax rate of \$0.205155 per \$100 of value, taxes would increase compared to 2013 taxes by \$409.

Schedule A - Unencumbered Fund Balance

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
Maintenance & Operation Fund	155,000

Schedule B - 2014 Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
	0	0	0	0
Total required for 2014 debt service				\$0
- Amount (if any) paid from Schedule A				\$0
- Amount (if any) paid from other resources				\$0
- Excess collections last year				\$0
= Total to be paid from taxes in 2014				\$0
+ Amount added in anticipation that the unit will collect only 97.00% of its taxes in 2014				\$0
= Total debt levy				\$0

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 1149 Pearl Street, Beaumont, Texas 77701.

Name of person preparing this notice: Terry Wuenschel
Title: Jefferson County Tax Assessor-Collector

**SPECIAL MEETING
CITY OF BEVIL OAKS, TEXAS
MINUTES
JULY 31, 2014**

1. Mayor Ford called the meeting to order at 4:41 P.M.
2. Pledge of Allegiance/Invocation led by Citizen Ronnie Adams
3. Roll Call: All present
4. Conflict of Interest: None
5. Discussion and Action whether to borrow funds necessary to replace all water meters with in the City. Mayor Ford started the meeting by turning it over to City Attorney Dru Montgomery. Mr. Montgomery began by stating the purpose of the meeting, and how it is to authorize the Mayor to explore the option of financing and purchasing of new water meters. First, the question is do we want to replace the water meters? Secondly, do we want to replace the water meters now or closer to the completion of the sewer project. We must discuss when and how we plan to do this. Our bond counsel weighed in on this, giving us some options. Mr. Montgomery continued stating we had in attendance both Mike Will of Utility Specialists, the City's current contractor, and their worker, Joey. By the end of the meeting, Mr. Montgomery stated he would be asking the Council to decide to authorize the Mayor to explore the purchase and replacement of the water meters. Also, to potentially commit to a specific vendor to continue with the financing details. Thirdly, to give the Mayor the ability to explore other financial options. Once the Mayor has the authority, Mr. Montgomery stated he anticipated at the next regular meeting to have a resolution authorizing the City to proceed with the new meters. The first question is should we replace the meters, keeping in mind that errors in meters are normally in favor of the citizens, and costing the City revenue. In replacing the meters, we will be more accurate, as the current meters are approximately 30 years old. Councilman Adams stated it was her understanding that one of the City Secretaries can drive up and down the street to save money for reading meters. Mayor Ford stated yes, that is an option of having a computer in the truck and someone would just drive down the street, causing this to help with those people who have meters in the back yards, and the meter men cannot get back there to read some of them.
Councilwoman Adams stated it is her opinion that we should go forward with replacing meters. Councilman Grimes stated he also felt it was a good idea to go ahead and replace the meters. Councilman Tevis asked Mr. Montgomery if Beaumont was going to make us test 5% of the meters, and if that would need to be completed every year. Mr. Montgomery stated no, not every year, but we have tested some meters already, and they are proving inaccurate. Councilman Tevis asked Mr. Will how long the meters are good for, at which Mr. Will stated between 8-10 years for the guts and base itself of the meter. Mr. Montgomery stated the current proposal from JCI stated the warranty was for 95% accuracy for the first 5 years, and 90% for the first 10 years. Mr. Joey, with Utility Specialists, stated he worked with the City of Sour Lake about 15 years ago when they used a different company and replaced the meters. They looked at it as a cash register, meaning the difference was in their revenue. In the end, they seen a 25% increase in water sales. Councilman Tevis asked Mr. Will if there was a way to see what was pumped versus what was sold. Mr. Will stated there was a way, as his

company reads the water pumped at the water plant daily, and the City Secretary can pull reports to show what was sold each month. Mayor Ford stated she just got off the phone with Denise with the JCI Company, and asked them what is the difference in cost if we decided to wait and not get these meters at this time, to see the difference in price, and she will be calling back shortly. Councilman Merendino asked when were we, as a City, going to have to start replacing the meters. Mr. Will stated we have started already as they go out, and have replaced approximately 30 in the last few years. Mayor Ford stated her meter hasn't been changed in all the time she has lived here, so she is sure it is inaccurate. Councilman Merendino stated then all we are really doing is checking on the difference in regular meters and these meters, since we will have to replace them anyway. Councilman Tevis stated Johnson Controls, (also known here as JCI) then would come to us as soon as they finished with Beaumont. Mayor Ford stated yes, that is the plan if we go with their proposal. She also stated JCI told us that we could keep our current boxes, if they are good. Mr. Will stated that there will still be some, especially the concrete boxes, which will need to be replaced. Mr. Montgomery stated then he wanted to make sure he had the resolution in order, and he would put the following in the resolution: (1) The City Council wanted to replace the meters; (2) The City Council wanted to replace them with the electronic meters; (3) The Mayor would have authorization to check on the fact that it will be more expensive, or if not, why; (4) investigate alternative vendors. Mr. Montgomery stated now we needed to move to how to pay for it. There is a difference whether we do it now, or when we do the sewer project. In the memo from our bond counsel, it gives us 5 options. They are: (1) postpone acquisition until certificates of obligation are issued. Meaning to wait until February or so; (2) move up the date of certificates to now to acquire the meters. This would mean the payback would begin much sooner than later. Mr. Will stepped in stating before he left, he wanted to make sure whoever the City talks too, they need to make sure how long will they come back to fix anything they have installed. Councilman Merendino stated it was like a warranty on their installation. Mr. Will agreed. Mr. Will also stated that over the years, income will decline again after 8-10 years, as the accuracy goes down. Mayor Ford stated then over the years, we needed to test again for accuracy. Mr. Will continued, stating he sent Joey to ask another company about their price, and he came back with a total of close to \$200, whereas JCI came in at \$369. However, for neither of these companies, this total does not include laptops, installation, etc. Councilwoman Adams asked Mr. Will if they do these types of meters. Mr. Will stated they install them, but not sell them. Mayor Ford asked who they talked too. Mr. Will stated they use Rural Pipe, who uses Badger meters. Mayor Ford stated Denise, with JCI, stated this price was the same price they were giving Beaumont, but she was going to call back with the cost if we have them come back at a later time. Councilman Fruge stated he asked JCI how long it was going to take them to install the meters, at which he was told approximately 3 months. Mr. Montgomery spoke up stating we are going to replace meters, and we are going to investigate options. Councilman Merendino stated he felt all citizens should also have the option to put in a second meter at this price, and put it in the newsletter stating if they wanted the discounted price, they had to do it now while we can get this price. Mayor Ford stated we would need to get them to let us know ahead of time if they wanted one, so we could get an accurate count. Councilman Fruge stated we also needed to see how many "on

hand" meters we would need or want to order. Mr. Will spoke up stating in most cases, if you buy extra, the warranty starts now, as well as the battery starts running down. He continued stating Joey had suggested the Council to recalculate the fee charged for changing meters/second meters (after the initial discounted period) to absorb the cost of the newer electronic meters. Mayor Ford stated it is now her understanding we were going to go back to JCI and ask a new set of questions, as well as check on Rural Pipe and Badger meters. Councilman Tevis said he things we should. Joey stated when he was with Sour Lake and they purchased the meters, he wanted to know they could work in mud or water, so he put the meter in a bucket of water and did a test drive-by. He stated it did work. Councilwoman Adams asked if we had time to check on these others, before JCI was out of the area. Mayor Ford stated she felt we did. Mayor Ford received a call back from Denise, with JCI, regarding some of the questions. Mayor Ford stated we have received an 8% discount on the meters, and 18% discount on the AMI system. She also stated Denise informed her there would be an additional \$30,000 fee if they had to leave Beaumont and come back at a later date. Councilman Fruge stated he now suggested the City go back and put the questions down in writing, submit them to JCI, as well as contact Rural Pipe and the Badger meters. This way we can see if Badger meters are as good if not better, as it looks like Badger may come in a lot less. Mayor Ford agreed. Mr. Montgomery stated Mayor Ford needed the authority to continue moving this along, as we don't know how much a pre-payment penalty would be until they run the City credit, with the stipulation that it must be approved by Council first. Mr. Montgomery said he was going to finish giving the 5 payment options. He re-read the first 2 options, already listed above. (3) Pay for the meters out of the general fund balance, and repay the city's general fund when the funds are received in February; (4) enter the lease purchase arrangement now and decide later whether to pay off the lease, by either rolling the price into the certificates in February, or reduce the amount of the certificates, and keep the lease financing; (5) finance the meters with tax anticipation notes. Mr. Montgomery continued stating you cannot turn tax anticipation notes into certificates of obligation, as it is not permitted, and tax anticipation notes cannot go out any further than 7 years. Plus, you have to pay bond council, and the Attorney General to approve the tax anticipation notes. So, as Mr. Montgomery continued, our options are in the timing and financing. Mr. Montgomery stated the lease purchase gives us the most flexibility, and is the lowest percentage. Also, paying it back early is only 1-3%. Councilman Merendino asked if we could pay like \$100,000 down, and then finance \$100,000, saying it was a \$200,000 note. Mr. Montgomery stated it was possible. Mayor Ford stated that would start depleting the general fund and Councilman Fruge also stated we had to keep in mind we still have the Engineers we need to pay between now and then, which could be between \$80,000 - \$90,000. Councilman Merendino stated we would get the money back, and he also felt we should start with the replacement of the meters now, so we can start getting data on revenue. Mr. Montgomery stated we needed to decide what direction our financing is going to go, because that will focus the resolution. Mayor Ford stated Mr. Montgomery had to have a resolution by the next meeting, meaning Mayor Ford had to get all the stuff together before hand. Councilman Merendino stated that meant we needed another meeting before the next regular meeting. Mr. Montgomery stated today, the City Council was going to be passing a resolution, authorizing the Mayor to

explore the options and prepare them. Then, at the next meeting, the Council will pass what is brought by the Mayor in order to move forward. Councilman Merendino stated that again, that meant we needed another meeting. Mayor Ford said we can do that. Mr. Montgomery stated we needed to give the Mayor the authority to get the mature proposals from the different companies. Councilwoman Adams stated she would like to make that motion. Councilman Fruge stated he is not happy with what JCI has requested in the format or answers they have given, even though he has asked them for a formal proposal, but they have not given one. He continued stating he felt we needed to not consider her if she cannot give us what we have asked for. Mayor Ford stated this doesn't even count all the times she has tried to talk to her, as well as Kimberely, the City Clerk. Mr. Montgomery stated he wanted to make sure Mayor Ford has enough authority to have them go forward to do good work, but she will not be agreeing to the financing, but to be able to get us a formal proposal. He stated we did have other options, such as waiting should the Council want to do that. Councilman Merendino stated he felt we should go ahead and do this now and get the data started. Mr. Montgomery stated this lease purchase is an independent purchase, that seems to be advantageous, and he would not recommend waiting or moving the certificates of obligation up. Mr. Montgomery stated at the next meeting, there would also be a reimbursement resolution authorizing the City to reimburse ourselves should we decide too on things such as this. However, you have to do it within 18 months of approval, but bond counsel states it is better to do it sooner than later. Mr. Montgomery continued stating he wanted to come full circle, making sure everything is accurate. The Council is authorizing the Mayor to explore options for lease purchase for replacing the meters, and she can have them create final proposals for the Council to consider at the next meeting. Councilman Merendino stated he would second that motion. Mayor Ford stated as soon as she could get this together, Kimberely, City Clerk, would get with everyone for another meeting before the next regular meeting. **M/M/2/C:**

Adams/Merendino APPROVED

6. Meeting adjourned at 5:59 p.m. **M/M/2/C: Fruge/Roberts APPROVED**



Rebecca M. Ford, Mayor



Sherry Adams, City Secretary

Regular Meeting
CITY OF BEVIL OAKS, TEXAS
MINUTES
August 21, 2014

1. Mayor Ford called the meeting to order at 7:00 p.m.
2. Pledge of Allegiance/Invocation led by Citizen Bledsoe.
3. Roll Call: Councilman Tevis absent
4. Conflict of Interest Statement: None
5. Citizen Comments (3 minutes each) – No citizen comments
6. Report from Neighborhood Watch by Officer Jeff Chadney
7. Presentation from JCESD#1 – Mr. Lavon Jones discussed the reasoning behind the beginning of the appraisal district, as well as the effective tax rate. Mr. Jones continued by explaining the handout, and how there is a set rate of what they cannot go over, as it is established in the Constitution of the State of Texas. He continued by giving them the current tax rate, and how the citizens can calculate the amount due. He continued explaining how staying at the effective tax rate for any length of time can hurt the district, as insurance, fuel, costs of equipment, and more have all continued to go up. Of the 27 districts that tax property, JCESD#1 ranks #26, with JCESD#2 being the only one ranking any lower. If you go over the roll back rate of 8%, then you are looking at elections and other items. However, they are looking at a potential roll back rate of \$0.75892. That means an increase of approximately \$27.95 for every \$100,000 worth of valuation of property. Mr. Jones turned it over to Fire Chief Chris Gonzales. Chief Gonzales stated the reason it is being considered is the daytime coverage is essentially zero. They are volunteers, and when each one leaves to go out of district for work or whatever, they leave the district open without coverage. Example, if a child is choking, and everyone is out of the district, the closest help is likely from Beaumont, approximately 12 or more minutes. However, it could be coming from Silsbee or other areas as well, causing the delay to be a lot longer. They want to hire a full-time EMS who can have the education and training to get the proper help much faster. Chief Gonzales stated they are asking the citizens to consider a potential tax increase for the district. He continued stating that if they looked at their tax bill for 1992, they have probably gone down on what they pay to the district. Chief Gonzales listed costs of things, such as a fire truck is approximately \$250,000, and how some of their equipment is out of compliance with certain standards. The two newest districts are bringing in over \$300,000, while our district is bringing in only approximately \$90,000. He wants the citizens to consider that if they don't want to consider this increase, and they need to call 911, yet no one shows up, there isn't anything they can do right now. An example given was a couple of Sundays ago, a call came in and the volunteers were at Church themselves, and no one was available to take the call. He asked for the citizens to consider, if it comes up for a vote, to consider voting for an increase. Councilman Grimes asked with this increase, what would they be making? Chief Gonzales stated it would then be about \$150,000, which is still less than the other districts. This would allow them to man the station and pay them. They are hoping for fire fighters and EMS personnel from other districts to work on their time off and be able to pay them. This would cost about \$45,000. Councilwoman Adams stated that many times she and her husband are the only ones

available, and they are not EMT certified or qualified to do so much. Chief Gonzales reiterated all they are asking is for the citizens to consider the potential increase. He also discussed how having a fire department in the City helps each homeowner with their insurance rates, regardless if a citizen ever dials 911 or not. Mayor Ford wanted the citizens to also remember that Bevil Oaks is not the only City this district covers. Mr. Jones stated he wanted to also mention the district will be sending a letter to the citizens, and a public hearing will probably be held the first couple of weeks of September. The notice and hearings are not required since they are so small, but they are going to hold it anyway, because they feel it is the right thing to do.

8. Review/Approve Consent Items M/M/2/C: Grimes/Fruge APPROVED

- a. July 17, 2014 Minutes of Regular Meeting
- b. July 31, 2014 Minutes of Special Meeting
- c. August 18, 2014 Minutes of Special Meeting
- d. July 31, 2014 Financial Reports – Councilman Merendino asked about why the City side shows 3 columns on the City side, while the water side has 4 columns, and how the City side doesn't break down the administrative side. Kimberely Vandver stated Charlotte Yeates came out this time, and normally it is Mary O'Dell, so she may have just forgotten. I will make sure next time it is done.
- e. Report by Utility Specialties (report in council packet)
- f. Report by Carroll & Blackman (NO report this month)

9. Review/Approve Action Items

a. Consideration/Approval on various options to borrow funds necessary to replace all water meters within the City **M/M/2/C: Fruge/Merendino APPROVED** Mayor Ford stated she checked out the options, and feels the Government Capital Company given to the City by Rural Pipe (Badger meters). They have gone down on their percentage to 3.495%. Mayor Ford stated she is going to recommend using this company \$24,028.68 per year, with the first payment due September 2015. Councilwoman Adams asked the Mayor to explain briefly why we are looking at this. Mayor Ford stated we have had several meetings discussing how our water meters are not reading accurately, and with the Beaumont agreement, we have to show our meters are reading at 90% accuracy. She continued how going with this system, it will notify the citizens on leaks and other things almost immediately rather than a month later. However, individual bills may come in higher, because they are being charged for actual usage. Councilman Merendino asked if she found out if they had any points or other fees. Mayor Ford stated there are no points or fees. Councilman Fruge stated he had done several reference calls, and 3 of the 4 had been using Orion drive-by system beforehand, and all 3 stated as the Orion system aged, they started having problems. Westlake, one of the references, have tried before to do this type of system but couldn't in the past, because of hills and other items, but this system allows them to use it completely. All references said it was really a no brainer. One reference in Louisiana stated even if there is only one bar, it can read it. He continued with how this same reference used the APP to show a customer that he did in fact use the water, with a graph, and when the customer fixed his meter. It allows the customer to monitor their own usage and allows them to know if they have a leak. Councilman Fruge also stated one reference, at Stanford University in California, stated they use the system to find leaks due to droughts and fires. Ragley informed him about another meter that seems to be more accurate, that may be something to consider. Councilman Fruge did have a feeling of security regarding the

system, but also feels we will need another meeting regarding amounts and items. Mayor Ford asked to vote regarding this company for the money, and can set another date for the rest of this topic. Mayor Ford asked for a motion and second regarding using Government Capital for the cost of the meters. Councilman Fruge made the motion, Councilman Merendino seconded. Councilman Merendino also informed the citizens that it is expected for the cost of these meters will be out of the accuracy of the water bills, plus the \$3.00 second meter charge will go away. Mayor Ford continued that once we lock this down, we will send a newsletter out also offering citizens the ability to get a second meter at the discounted cost. The next meeting will be September 2, 2014 @ 4:30 p.m. upon the confirmation of Rural Pipe being able to attend.

b. Consideration/Approval of Resolution concerning certificates of obligations, bonds or other obligations & official intent to use proceeds therefrom to reimburse the City for original expenditures paid prior to the issue date of such obligations on projects to be financed **M/M/2/C: Fruge/Merendino APPROVED** Mayor Ford explained this resolution is to allow the City to be reimbursed for things such as the Engineers costs that are being spent now. City Attorney Dru Montgomery stated it needed to have the "Board of Trustees" to be changed to the City. Mayor Ford asked if there was a motion for approval with this correction. Councilman Fruge made the motion with Councilman Merendino seconding. Councilman Merendino also explained to the citizens how the City is hoping this will actually pay for itself without having to raise rates. Councilman Fruge explained this is not the City saying we are borrowing the money now, but that we can be reimbursed if and when we do. Councilman Merendino also explained one thing the City Council has been trying to do is make sure we don't borrow the money before it is needed, so the City is not paying on interest and other things before we are ready.

c. Consideration/Approval of Adopting Proposed 2014 Property Tax Rate **M/M/2/C: Adams/Grimes for option 3 APPROVED** Mayor Ford informed the City Council there are three options to accept, with the first option being that of last year's, the second being what the effective tax rate is, and the third option is the one closest to our actual budget that was set before we had the effective tax rate. Mayor Ford stated should we go with anything less than our budget; we will need to revisit the budget. Councilwoman Adams made a motion to use option 3; Councilman Grimes seconded. This year's effective tax rate is \$0.215774/\$100, giving \$104,809, which is option 2. Option 1, at \$0.215774/\$100 would give \$105,644, and option 3 at \$0.221567/\$100 gives \$113,193, for a small increase of \$8,384.

d. Consideration/Approval of Amendment to Ordinance 191, creating Ordinance 241 **M/M/2/C: Grimes/Fuge APPROVED** Mayor Ford explained last month our Code Enforcement officer had an issue of giving out notices for travel trailers, but in actuality, Ordinance 191 did not mention RV's or travel trailers. This ordinance would only add the language and definitions of RV's and travel trailers as residence. It does not include parking them in yards or driveways. Councilman Merendino asked if there was a time limit on visitors. Mayor Ford stated not on this ordinance. This is something that would need to be addressed on something different, and would probably need some kind of permitting process or something that would allow the neighbors to have a say that they approve or not. Councilwoman Adams felt it was ok to use it as a second bedroom for visitors, while Councilman Merendino felt this becomes a Code Enforcement issue. Councilman Merendino asked if we were going to add length of time or anything, and Councilman Fruge

stated that would come later in a different ordinance. Councilwoman Adams requested to abstain from voting. Mayor Ford approved.

e. Consideration/Approval of Contract from Carroll & Blackmon regarding Sewer Project **M/M/2/C: Fruge/Grimes APPROVED** Mayor Ford asked if there was a motion to approve the contract from Carroll & Blackmon as presented. Councilman Fruge made the motion, with Councilman Grimes seconding. Councilman Merendino asked if it wasn't approved right now, if it would hold up anything. City Attorney Dru Montgomery stated it is better for this contract, as it would authorize them to start under the contract, where if it isn't approved now, they would be charging per hour and need to give a new contract. Councilman Fruge stated it would also affect the date of February 1st to go out for bids for the Sewer Project. If we delay him a month, it would also delay that project. Councilman Merendino stated he was asking to see if there was time for him to go over it in further detail. Councilman Fruge asked Toby Davis, Engineer, if this was an individual contract specifically for Bevil Oaks, or was it used with other entities. Mr. Davis stated this is a contract that is pretty standard, and has been used in other projects, including with Lumberton MUD, City of Silsbee and others. Mr. Montgomery stated he gave recommendation to this contract.

10. **Reports from the Mayor and following committees:**

a. Mayor Ford – Update on proposed FEMA flood map & the appeal; CenterPoint Energy update; Mayor Ford stated we started by hiring an engineering firm to challenge FEMA. In talking to the engineer, he felt we should be happy with the approximately 50% we were given from FEMA. She also stated there were several areas that were too small to show on the map, and those areas could apply for a LOMA once the new maps become effective. If awarded a LOMA, it would give you the best rate for insurance, pulling the home out of the special hazard area of the flood zone. Mayor Ford also informed the Council and citizens that in order to continue appealing the map, we would have to do an entirely new study, which would have to include specific elevations at each location, and cost the City a lot more money. Should there not be any more studies, and we move forward, we should receive revised maps within 3-5 months. It could take up to a year or more for the new maps to become effective. At that time, anyone with an elevation certificate showing their home is built above the BFE (Base Flood Elevation) the City can submit the paperwork for a LOMA on their behalf. Mayor Ford then turned it over to Kimberly Vandver to discuss CenterPoint Energy. Mrs. Vandver stated several months ago the City Council voted to not adopt their new proposed rate, which was at an increase of \$1.21-per residential meter. Because of that decision by City Council, the City will now receive the amount currently awarded them through their GRIP application, which is \$1.20 per residential meter. However, the gentleman from CenterPoint Energy also stated they have up to 5 years to file a final application with the state, at which the state could come back stating they should not have been able to be reimbursed for parts, giving potential refunds by then; but again, they have up to 5 years to do the final process, and there is no guarantee of a refund at all.

b. Councilman Fruge – Drainage update: Councilman Fruge stated DD6 was out here cleaning out the ditch at Riverbend to about Wayside, over to River Road, because the ditch was about a foot higher than the culvert. They also cleaned out behind the fire station. At this time, that equipment has been taken back to another job elsewhere. We do not have any promises as to when they will be back out here. Councilman Fruge stated both he and Mayor Ford met with Commissioner Arnold, and Robbie Griffin, his superintendent, stated he would try to get the current list of work orders that have been

open for about a year and a half, done by December, but that is if all goes well. However, they only have 9 employees, and all workers are on the road crews when possible.

- c. Councilman Grimes – Christmas in the Park has received some gifts from DPS, and it will be December 6th starting at noon. Parade will start at 1:30, and trophies will be given for both adults and kids. There will be games, face painting, food and more. They have also requested to put up a permanent type of horseshoe thing in the park. There will also be prizes, Santa, and the Sons of Confederate Veterans. There will not be any gun battles, but the cannon will sound the start of the parade. City-wide yard sale will be held October 18th; City-wide cleanup will be held October 25; Pet Clinic will be held October 2 from 6-9 p.m. It was requested for more volunteers for all events, including the pet clinic and Christmas in the Park. There was also a yard of the month for August, Mr. & Mrs. Martin on Thousand Oaks, but they have not been able to get in touch with them.

11. Councilmember Comments:

- a. Councilman Merendino – Discuss the rules of conduct during the meeting and enforcement. Councilman Merendino stated he wanted to discuss the rules that was adopted a while back, and we hired a police officer. However, several people have stopped coming to the meetings because they feel intimidated. However, just like how Kim Roberts and Jane Hebert just spoke out, it states they are given one warning and then escorted out or arrested. Councilman Merendino asked if we could revisit this as he wants to hear from all of the citizens if they want to talk. City Attorney Dru Montgomery addressed the fact that this is not for those who throw a little out, but rather for those who come to disrupt the meetings, it undercuts the rules of the quorum. The compromise of everyone saying what they want when they want, versus no one being able to talk at all... For the most part, there are activists that exploit the lack of rules to interrupt meetings. After reviewing a lot of policies and rules, it is either having the rule or not. Councilman Merendino asked if we could give it another go, and Mr. Montgomery stated that was up to the Council. Mayor Ford stated at the time, there were a lot of citizens who stated without it they would not come to the meetings if we didn't have them. Councilman Merendino stated he wanted to know when and how were the rules going to be enforced. Mayor Ford stated as long as people are behaving, why worry about it? Councilman Merendino stated if someone wanted to talk, they need to raise their hand and be called on. Mr. Montgomery stated the way it works is the Mayor has the ability to state someone is out of order and needs to be quiet. However, if they are congratulating someone or a small comment, if they are being polite, it means he feels the rules are working. Mr. John Byrn asked Mr. Montgomery if the Council can talk back if it is his turn. Mr. Montgomery stated the Mayor has the opportunity Mr. Montgomery stated the open meetings act is a protector to those citizens who are here, and there has to be limits. Councilman Merendino stated

12. Mayor Ford adjourned Regular Meeting at 8:57 p.m. **M/M/2/C: Merendino/Fruge**

APPROVED


Rebecca M. Ford, Mayor


Sherry Adams, City Secretary



Regular Meeting
CITY OF BEVIL OAKS, TEXAS
November 20, 2014

1. Call to Order by Mayor Ford at 7:00 p.m.
2. Pledge of Allegiance/Invocation (Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible) led by Citizen George Bryant
3. Roll Call: all present
4. Conflict of Interest Statement: none
5. Citizen Comments (3 minutes each) – An opportunity for the citizens to address Council on agenda items or concerns not on the agenda – those wishing to speak must complete the yellow comment card, present the comment card to the City Secretary prior to the beginning of the meeting, and observe a three-minute time limit. - None
6. Report from the Neighborhood Watch – none given this month
7. **Review/Approve Consent Items M/M/2/C: Grimes/Tevls APPROVED None opposed**
 - a. October 16, 2014 Minutes of Regular Meeting
 - b. October 31, 2014 Financial Reports – Councilman Grimes asked what the check to United States Building Registration check was too; Mayor Ford answered explaining it is for the DUN's number required for grants and other items.
 - c. Report by Utility Specialties – given orally; not included in the original consent; Mike Will gave oral report, stating he wanted to explain what happened during last meeting of meter not being read at 13495 Thousand Oaks. Mr. Will stated it was found the reading had been read monthly, and that they don't remove anything from the meter, only move it to read, and then put it right back; the meter readings were correct. The rest of the report was read. **M/M/2/C: Merendino/Fruge APPROVED none opposed**
 - d. Report by Carroll & Blackman - Toby Davis stated there is a copy of the report in the packet. The line is now staked, so Dru can get with the landowner. Crown Pine has now been given documents for the easements; DD6 will have to get their easement wrapped up before Bevil Oaks can finish theirs. Carroll & Blackman has been in contact with a pipeline company that may need to be lowered. They completed the topo and are now working on demolition plans, pond plans and those items now.
8. Report from City Attorney regarding past public information requests related to payment of attorney's fees. Mayor Ford began discussing about last month's minutes how Councilman Merendino stated there was a \$30,000 mistake; City Attorney Dru Montgomery stated he normally don't discuss requests, as he is also the Public Information Officer. He gave out copies to each Council Member of the original letter. He stated it was requested by Councilman Merendino back in 2013 over several items, which was not in an individual form by itself. He explained the City took that information and put it into a spreadsheet, broken down by month, with the bottom having a total. There was a mistake in the total which didn't reflect all the charges. The monthly charges were all accurate, but it was not entered as the total correctly. Mr. Montgomery stated he then corrected it and gave them both to Councilman Merendino. An auditor would review the payments, and whether they were correctly invoiced and

paid, which was checked. The summary on the spreadsheet created for Councilman Merendino is not seen by the auditor, and there is not now nor has not been, any error on payment or billing. Mayor Ford explained about why Dru was the Public Information Officer back in 2010, and how it was voted on during a Council Meeting. Mr. Montgomery explained the Public Information Requests should come in writing, which the City has standard forms. It is submitted to Kim at City Hall, who will start putting it together, and then she will give it all over to Mr. Montgomery who will review it. Mayor Ford stated there is no charge. Mr. Montgomery stated there has only been one time he had to charge for it, as it was a large volume of copies, worth in the \$100's of dollars. Councilwoman Adams asked if in a scenario where a citizen asks for something, who would pay the fee. Mr. Montgomery stated most information is given to Kimberely, and she takes care of the large majority of things, so there is not a charge to the citizen or City, as those fees are already in Kimberely's salary. Councilman Merendino stated since Kimberely normally does everything, we should make Kimberely the Public Information Officer. Mayor Ford stated Kimberely went to training, and afterwards found she wouldn't want to be the Public Information Officer. Kimberely stated she wouldn't go to prison for anyone and learned during that training that a person can for giving out more information than they should. Councilwoman Adams asked if someone needs something, they should go to Kimberely. Mr. Montgomery stated yes.

9. Review/Approve Action Items

- a. Consideration/Approval of City Credit Card Policy permitting use of City Credit Card by authorized personnel. **M/M/2/C: Adams/Fruge APPROVED** Mayor Ford stated she has been opposed to a City credit card for a long time; however, it is now becoming an issue. She checked with bank to see if we could get one and checked with the accountant to help with a policy. She explained it would never leave the office, and treated for audit purposes should be treated just like with a check. The only difference is there would be purchase orders instead of checks to sign, still signed by two people who are authorized to sign a check; and anyone requesting it could not sign the purchase orders. Example, if Becky authorizes Kim to go to training; two different people would approve it and could get it reserved. Council would get a report for all charges just like with check register the Council currently gets it. The auditors would have the bill, checks and purchase orders. Councilwoman Adams gave the example of the rolling cart for the chairs, and stated Kim used her personal credit card which is not right. Councilman Fruge asked if under this policy someone could take the credit card and go get gas or pay for repairs, at which Mayor Ford stated no. Under this authority, the Mayor would only be authorized to cancel it without Council's approval. She explained the maximum limit of \$1,000 internally, even if the credit card has a higher limit. Councilman Fruge stated it was for hotels, airlines, and other such items.
- b. Consideration/Approval of Various Options for Employee Insurance Benefits **M/M/2/C: Adams/Grimes APPROVED None Opposed** Mayor Ford explained it was mentioned last month that this will be discussed. The accountant checked into it. If we had one employee, it wouldn't be an issue to reimburse that employee; however, with two employees, you couldn't do that. You would have to add it as payroll, and then with adding the payroll taxes, etc... it came out to

the same. The company can give the employees insurance through TML which is the same total cost. Personal insurance would cost approximately \$428 per month.

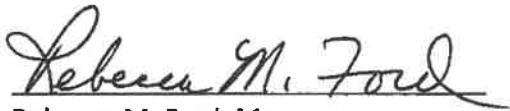
- c. **Consideration/Approval of Repeal of Ordinance 204 M/M/2/C: Grimes/Tevis DENIED ALL Opposed** Mayor Ford stated it was time to review, and since there is no one to enforce it, as it would require a law enforcement officer at night, we would need to consider repealing the Ordinance. She stated the County has said unless it is a County ordinance, it is of no use to them; Councilman Merendino stated it is in the best interest to keep it on the books so the City could go after the parents by the attorney and code enforcement officer if needed. Mr. Montgomery stated it is still useful; Councilman Merendino stated he also thought we should put a camera out by the park and could use the ordinance to prosecute; Mr. Montgomery stated it is pretty burdensome to maintain a camera system. Mayor Ford stated that was good information, and what we needed to do then if that is the case is state we have reviewed it and going to leave it as is. Councilman Merendino stated it would be useful to hold the parents responsible; Councilman Grimes and Tevis revoked their original motion to repeal and made motions to keep the Ordinance as is.
- d. **Consideration/Approval of use, payment and scheduling of off duty peace officers for purposes of traffic control and related community supervision. M/M/2/C: Merendino/Tevis APPROVED None Opposed** Mayor Ford stated this came because of Councilman Merendino mentioned it last time and Councilman Merendino has cleaned up around Riverbend and it is looking great; Mayor Ford stated she called the County the next day about extra patrols and they said we would get what we got; she thought about off-duty, and they could do that, so then she spoke to Mr. Montgomery. She stated they could hire at 2 hour increments at \$35 per hour if Council wanted to do it; then got to thinking about since we weren't sure since they were under contract with us rather than the County if there would be any issues; Mr. Montgomery stated he spoke to Officer Chadney regarding the issue. Mr. Montgomery stated he said he would recommend if we did hire officers to go through the County. He stated if he understands it correctly, the off-duty officer would call an on-duty officer to transport them and they would stay in custody of the county, therefore not requiring the City to need to be charged for any holding fees. PENDING approval, as this has to go through proper channels to get approval; that includes insurance and other items. Detective Boman stated the officer is responsible for fuel costs, which is included in the \$35 per hour fee; Councilman Merendino stated it could be done through the DPS office too; Detective Boman stated 98% sure DPS cannot bring cars to off-duty jobs. Mr. Montgomery stated he would recommend to give a budgeted amount and allow them to do their work; Councilman Fruge stated he noticed the Sheriff's Office out here a couple of times per week, and would that curtail their current times if we paid someone else? Detective Boman stated no, they only detain and the on-duty officer would come get the offender. Mr. Montgomery stated he recommended to go with hiring one; it was discussed 3 hours at a time, 2 officers, 2 days per week; 12 hours per week; Detective Boman stated the City could set the times, such as

4-7 p.m.; Councilman Merendino stated we definitely needed to go through the Sheriff's Office. Motions made and approved to look into hiring off-duty officers.

10. Reports from the Mayor and following committees:

- a. Mayor Ford – Office Hours for City Hall – Monday – Thursday 7:00 a.m. – 5:00 p.m. and Fridays from 8:00 a.m. – noon. Still a 40 hour week; no cut offs or anything on Fridays. On days the 21st fall on Fridays, someone will work 8-12, and someone else from 1-5.
- b. Councilman Grimes – Flu Shots – several people didn't get to make the first one; so the County came back out and approximately 15 or so came in the second round; we are also looking at doing it a little earlier; City-Wide Clean Up – before they brought the roll-offs out there, they stated they would not charge us for two; we ended up using 3, and it turned out they donated all 3; Christmas in the Park – December 6th; last Saturday several volunteers helped put everything up; there is still work to be done, but the Emmons and Kim Roberts have it under control; Councilman Merendino stated some people asked about getting a new playset or build one if we can; Councilman Grimes stated there was some liability issues, but there is some money in the budget; Councilman Merendino stated the one in Pinewood and other places were done by volunteers; needed to check into it;

11. Adjourn Regular Meeting **M/M/2/C: Merendino/Fruge APPROVED**


Rebecca M. Ford, Mayor


Sherry Adams, Secretary

Regular Meeting
CITY OF BEVIL OAKS, TEXAS
October 16, 2014

1. Mayor Ford called the meeting to order at 7:00 p.m.
2. Pledge of Allegiance/Invocation led by citizen George Bryant
3. Roll Call: Councilman Tevis absent
4. Conflict of Interest Statement: none
5. Citizen Comments (3 minutes each) – none
6. Report from the Neighborhood Watch given by Officer Jeff Chadney
7. **Review/Approve Consent Items M/M/2/C: Grimes/Roberts APPROVED as per changes below**
 - a. September 18, 2014 Minutes of Regular Meeting – Councilman Merendino stated Kimberely highlighted the change of boilerplate, but doesn't explain it. Mayor Ford stated it is because she can't change what was said. However, boilerplate is a legal term. Councilman Merendino stated full time or as needed, which is it? Mayor Ford stated after checking with Mr. Davis, it is not full time, but only portions of the day, and not a full time inspector, but an as needed basis. However, if he needs to come out more than what is in the contract, Carroll & Blackman will have to eat the extra. Councilman Fruge stated there was one more issue. The last sentence, should say, if they tear it down to so many feet, then TCEQ will allow them to cover it up with dirt. They would then have to do a deed amendment, or if it is taken out completely will not require it, but would be more expensive. This would then need to be voted on by Council.
 - b. September 30, 2014 Financial Reports
 - c. Report by Utility Specialties – Councilman Merendino stated someone wanted him to ask about a meter at the end of Sweetgum and Thousand Oaks needs to be read because he says it hasn't been read in a long time. Mike Will stated he personally reads the Sweetgum list, but will look into it. It is located at 13495 Thousand Oaks.
 - d. Report by Carroll & Blackman
8. Report from City Attorney, Dru Montgomery, regarding contract with Carroll & Blackman & related updates regarding sewer project – Mr. Montgomery stated at the last meeting, while he wasn't there, he wanted to answer to a question raised by Councilman Merendino regarding the enmity language. In response to that, he followed up with the City of Beaumont. He stated they sent to him a couple of versions they use, and he compared it to what is used with Carroll & Blackman. Carroll & Blackman is stating if the City gets sued for something they did, they would cover the cost. Mr. Montgomery stated it is used by many different entities and has been for a long time. After looking into what the City of Beaumont uses, they (the City of Beaumont's) is much less than what Carroll & Blackman has, in regards to the express negligence rule. Most often, this comes up with contractors going into a facility that has subcontractors that keeps the company from harm. Mr. Montgomery stated in his research, Beaumont also sent language that was more robust, but is also different from what the Engineers would do. Ultimately, his report to the City of Bevil Oaks regarding the City of Beaumont going into lawsuits, he (Mr. Montgomery) stands behind his recommendation of the current wording. However, at the time to go into individual contracts with contractors who will be out in the field, a more robust terminology can/will be in place at that time. However, it is different from the contract with the Engineers. Again, Mr. Montgomery stated, it is his recommendation to stay with the current terminology in the current contract with Carroll &

Blackman, and believes the City is in a protected position. Councilman Merendino asked if we already had hired a contractor as a Surveyor. Councilman Fruge stated we had a purchase order for professional work, but no contract has been signed for the surveyors. Mayor Ford stated it is cheaper for us to pay the surveyors whether than going through Carroll & Blackman due to the markup. Mr. Montgomery stated the City remains protected from the surveyors, because it is still under the Carroll & Blackman contract. Mr. Montgomery went on to discuss that there is some discussions now with Crown Pine, and will move forward once the survey is completed. Mr. Montgomery stated Crown Pine is totally engaged and ready, as well as confirmed with DD6 that we can continue. Councilman Merendino asked if Northwest Forest had any concerns. Mr. Montgomery stated he has not heard from them since the meeting. Councilman Merendino asked if their attorney had contacted him, at which Mr. Montgomery stated no. Councilman Fruge stated the issues are not with us, but with Beaumont and will not affect us.

9. Review/Approve Action Items


- a. Consideration/Approval of Resolution for 2014 Certified Tax Roll Summary **M/M/2/C: Merendino/Fruge APPROVED** Mayor Ford stated this is in the packets, and not much to say, other than what is on the form. Mayor Ford then read the form.
- b. Consideration/Approval of Southeast Texas Regional Planning Commission Region Mutual Aid Agreement **M/M/2/C: Grimes/Merendino APPROVED** Councilman Merendino asked what we had to offer them. Mayor Ford stated not much, but they have a lot to offer us. Mayor Ford continued stating the last agreement was completed back when Don Smith was Mayor. The chapters and items are updated all the time for Emergency Management, and it is sent to the individual cities for the books. This is one piece of the plan. However, two hurricanes have happened since the first one in 2002, which caused a lot of learning. This one lays out proper procedures and who will do what when the time comes. If we, as a small city had exhausted all our resources and need more help, we could then go here and ask for Mutual Aid, and this helps define how we would do it. It also defines what we would have to pay if that day ever comes. Mayor Ford also continued stating this is why we have a contingency in our budget each year. Mayor Ford stated this will continue for as long as it needs too, and could be another 10 years or longer. Councilman Fruge asked if it is mandatory to get FEMA or governmental funds. Mayor Ford stated yes, they are the ones who disperse all the money that comes through the region, with the exception of possibly the City of Beaumont.
- c. Consideration/Approval of extension to variance for David Lichenstein regarding Ordinance 191; now Ordinance 241 **M/M/2/C: Fruge/Roberts APPROVED ; all voted except Councilman Merendino.** Councilman Merendino stated the first time it was brought before Council, it was stated it would be no longer than 90 days. Councilman Merendino stated he wanted it in the minutes that he doesn't think Mr. Lichenstein needs an extension when others don't abide by the rules. Mayor Ford stated this vote is only for Mr. Lichenstein, and not for anything else to be discussed. An initial vote was taken, after which Councilman Merendino stated not everyone voted. Voting again, raising right hand, all voted except Councilman Merendino, who stated he was not going to vote.
- d. Consideration/Approval for selection of accounting firm to serve for annual audit for FY 2013-2014 **M/M/2/C: Grimes/Fruge APPROVED to stay with Charles E. Reed & Associates all voted yes except Councilman Merendino, opposing.** Councilman Merendino asked City Attorney Dru Montgomery, if it is common for cities to use the same auditor for year after year. Mr. Montgomery stated that is a policy decision, and the auditors have independent obligation. Councilman Merendino stated he didn't

think the City should use the same company that didn't catch a \$30,000 mistake that he (Councilman Merendino) found on a report he requested from the Attorney's office on their charges. Councilman Grimes stated based in the information he is given, he is making the motion to go with Charles E. Reed & Associates. Councilman Fruge stated we have a two-step protection, with the CPA who comes in monthly, as well as the yearly auditor who comes in and checks the CPA.

10. Reports from the Mayor and following committees:

- a. Mayor Ford – Employee health insurance issues – Mayor Ford stated this has been discussed about before, and after checking with TML, they are much higher. Mayor Ford asked the Council to think about this, and to be prepared to discuss and vote on for next month's meeting. She continued by asking several Council members to review their specific sections of the budget before next month.
- b. Councilman Grimes – Meet the Candidates – it was very successful, and several candidates thanked the city for sponsoring the event; Pet Clinic – Mrs. Howard sent information stating there were 72 animals that received rabies shots, and a total of over 80 altogether. It was a good turnout, and thanked the Vautrots for the food and Chief Gonzales for helping with traffic and parking; Flu Shots – Councilman Grimes wanted to remind everyone there is no obligation on the County to come out and do this, and this is the only city that the County comes out and provides shots for. The turnout was smaller this year. It came to Councilman Grimes attention that they had left early. After speaking to them again, they were most apologetic, and will be back on October 29th from 1:00 p.m. – 4:30 p.m. Kimberly will be putting it back out on the Blackboard Connect. Councilman Merendino asked if we couldn't get them to stay until 5:00 p.m. Councilman Grimes stated they can't pay overtime for their people. Councilman Grimes continued stating that Kings Pharmacy will give flu shots for those who have Medicare at no cost. There are forms at City Hall. Councilman Grimes stated they would be looking into doing it in September next year; City-wide yard sale – Councilman Grimes stated he spoke to Stacey and had no complaints; City-wide clean up – October 18 – the lady who was over this is no longer with the trash company. However, after speaking to the gentleman who has taken over, the dumpsters will be here on Saturday morning at 7:00 a.m., and stopping at 1, but if someone is still in line, they will stay. There will be two dumpsters. Councilman Grimes continued stating thanks to Councilman Fruge for helping with the trash compacting, it has saved us a lot of money by not needing near as many dumpsters. No tires or no wet paint allowed; however they will take dry paint. Christmas in the Park – There isn't anything left to do right now, except the Sons of Confederate Vets will be here setting up, and want to do it overnight. There is a sign that says no overnight camping, and we need to see if we can give them a waiver. Councilman Grimes asked if they wanted water, lights or anything, and they said no. Mayor Ford said the sign says no overnight parking, not no camping. They can park the cars at the fire station, city hall or church. Councilman Merendino asked about restrooms. Councilman Grimes stated there will be a couple of Johnny-on-the-Spots.

11. Adjourn Regular Meeting M/M/2/C: Fruge/Merendino APPROVED


Rebecca M. Ford, Mayor


Sherry Adams, Secretary

