

STRASBURG TOWN COUNCIL WORK SESSION

Date: October 19, 2009

Time: 7 p.m.

In Attendance: Mayor Taylor, Council Members Le Vine, Mauck, Redmon, and Vena.
Staff: Director of Finance Mullins, Town Planner Rex, and Town Clerk Keller.

Mayor Taylor said the Work Session is not the same as the Council meeting as no decisions need to be made and votes will not be taken. He said he had sent out a draft of the Committee guidelines and Council Members should get comments back to him on this.

Homewood Retirement Center:

Ernie Angell, representative of Homewood: Mr. Angell said it is a pleasure to be in Strasburg and that all the people they have worked with have been very accommodating. So far Homewood has spent \$7.8 million on the project. The traffic light on Route 11 is now operating and the sewer pump station is ready to go; which will also help others in the area. Costs for infrastructure are more than anticipated and they estimate the project will end up costing about \$30,000 more per cottage than at other sites they have built. He added that Homewood is proffering the Town of Strasburg \$5,000 per unit, which is paid when the zoning permit is issued.

Mr. Angell explained that at the other locations which they have built, Homewood has only paid for one sewer tap and one water tap per duplex. Homewood always "owns" the cottages or duplexes and pays the utility charges for these. They understand that it would be this way here, too. Mr. Angell explained how Homewood operates as far as residents "buying" a cottage and said they normally amortize the duplex over 10 years, but there were also rental options.

Scott Rosenfeld, speaking for Homewood: Said his understanding was that the tap fees would be paid for per duplex and not per unit. He talked to Town Manager Fauber saying they would only be paying one tap fee per duplex. He added that his understanding was that Homewood could have just put in one line for the entire complex and had Mr. Dunlap, the engineer for the project, prepare a letter saying how much one line would cost. Council Member Mauck asked to see a copy of the letter and Mr. Dunlap immediately distributed copies to the Council Members and Staff present (attached here-to).

A discussion followed with Council Members asking for clarification on the request for only having one meter and how the utilities would be paid. The "one line" option was also discussed, as well as water conservation measures. Mayor Taylor asked if there was any history of this taking place in the Town and said he knows the Town had been anticipating having tap fees per dwelling unit and not as one for an entire duplex.

Council Member Le Vine said he has done a budget analysis on this and the impact it would have on the Town and how utility rates would have to immediately be increased to make up the difference from the lost revenue. He had prepared a handout (attached here-to) showing various scenarios and explained this. He stated that over two years, the Town would lose \$380,000 if Homewood pays for only one tap fee per two units. He

said there will be a real impact on the users if this is approved and that the water and sewer funds must balance. He said the Town has no excess funds and has just borrowed money that must be paid back. If the number of availability fees decreases, then the usage rates will have to go up. His opinion is that granting this request will put a burden on the other citizens. The developer has contingency funds for emergencies and so some of the costs could be accounted for. The Town has done several things to help Homewood with their project and he thinks this will set a precedent for other developers and there is a limit to how much the Town can help. The availability fees are an enormous factor in the Town's budget and if this happens, the availability fees for other developers will have to go up. He said he remembers asking at an earlier Council meeting about the duplexes and was told Homewood would pay individual availability fees. He also read an email from Council Member Baker (absent, attending VML Conference) conveying Mr. Baker's opposition to the proposal.

Questions were asked if this were different from other duplex situations and Planner Rex said the Code does not differentiate between "owner pay" and "renter pay" availability fees. Director of Finance Mullins said in the past, owners of duplexes have paid two availability fees. Mr. Rick Yeakle and Mr. Alan Toothman, two developers who have built duplexes in town, have each always paid two availability fees. It was asked how someone could start a project without knowing how much they would have to pay and Mr. Angell responded it comes down to the interpretation of the Code.

Mayor Taylor said there are some legal questions that have to be answered. If you look at it from Homewood's angle, they are doing the Town a favor if they could actually use only one tap fee. But, if you look at it from the Town's standpoint, then much will be lost. The water and sewer is an enterprise fund so it must balance.

The financial impact of this request was emphasized and how, if legally the Town is required to allow this, the Town will be hit immediately. It was said that circumstances like this happen too often with projects in Town – the development begins and in the middle of the project there are unanticipated problems; these things should be laid out at the beginning so that something like this doesn't happen.

It was decided to have a combined meeting of the Finance and Infrastructure Committees at 4:30 p.m. on November 2, 2009. Staff will need to get information to Council as soon as possible. Ordinance changes or clarification was also discussed.

Citizen Comments:

Mr. Carl Rinker: He served this Council for 25 years and his knowledge is the intent of the ordinance was to charge for individual hook-ups and meters for each dwelling unit. Why the site plan got through the engineering firm showing only one meter needs to be examined. This will be a horrendous loss of revenue to the Town. "The eyes of Texas are upon Strasburg."

Recreation Advisory Proposal

Council Member Mauck said she met with staff on Thursday, October 15. She gave the history of why the Advisory Board was created and why it is felt this Board should be dissolved. The Recreation Advisory is a group of citizens that was created in 1991 after the Town purchased the pool from Strasburg, Inc. The group was to ensure there would be recreation on this property. This property has been developed and so the Advisory Board's purpose is complete.

It is Council Member Mauck's recommendations to dissolve the Advisory Board and have Dr. Flanagan represent the Town on the County Recreation Board and give updates from meetings to her. Also, it is recommended to have Michael Terndrup serve on the July 4th committee. Carol Haycock, another current member of the Board, would act as a "citizen inspector" for the playground equipment. Other members of the Board have not been attending meetings regularly.

Discussion centered on how to keep the recreation momentum going. Council Member Mauck would still be the "recreation" contact for the Council so citizens could contact her with ideas or concerns. Citizens need to be proactive and the tourism aspect of recreation needs to be tapped into.

Mayor Taylor said Council Member Mauck would still be the contact. Monthly updates will be brought before Council to see how the recreation situation is going. It was said that as the Town is "built-out," there may be a need for a larger Parks and Recreation Department.

This item will be voted on by Council at the regular November Council meeting.

Brill Property:

The Town has received a proposal from Bill Wine on stabilizing the two structures on the recently purchased property. Mayor Taylor would like to get input from Council on what direction to go with these buildings.

Citizen Comments:

Barbara Adamson, representing Strasburg Heritage Association: Stated the visual impacts of the store fronts are important to the Town. The whole appearance of downtown is changed when an old building is torn down and a new one built. She would like to see the buildings be kept along the street and not moved to the back of the property. She submitted a letter from the Association (attached here-to) stating their wishes for the property.

Staton Strother: He does not see any historical value in these buildings and does not see the reason for putting that kind of money into a project with such little return. If you are going to spend the money, he would suggest getting a good roof on the fire department. If someone is in love with the buildings then the buildings can be moved in front of their house. He does not want to repeat the same mistakes his ancestors made; he does not want to go back to the good old days.

Carl Rinker: His father-in-law ran the store for many years. He asked Council Members about the rehabilitation of the building when it was bought. Some time ago, he had an engineering study done on the building and found out it would take \$20,000 - \$35,000 to stabilize the footers. The Valley is about history and he thinks it is a valuable piece of history to the Town, but does not know how to prioritize the spending of money on this project. He asked how many parking spaces would be needed for a building of this size. He encouraged Council to try to save the building.

Mr. Strother said the buildings were condemned several years ago and Mr. Brill removed the condemnation notice, but no improvements have been done to them since.

It was said the proposal was just a “scope of work” for stabilization, but if a full study was done, then quotes would need to be solicited from other sources. The longer the stabilization is put off, the more work will have to be done. Stabilizing the structures is just buying more time until it is decided what to do with the buildings. It was said that when Council bought these, it wasn’t a given that this would be the location of a Public Safety building.

Looking at some of the suggestions in the proposal, it was decided some of the work could be done in-house.

It was asked if money spent on these buildings could be used toward the Town’s portion of the Hometown grant. Planner Rex said there is some grant money available that is to be used on transportation buildings and since the one building had previously been used as a taxi stand, funds could be applied for, but it would just be for the white building. The moving of the buildings was also mentioned and it was said that the time to move them would be during the stabilization process.

It was decided to find out exactly what could be done “in-house” and then bring back a total amount for what could not be done.

Further discussion:

Mrs. Adamson asked if the subject of historic tax credits had been explored as it is a “real way” to get cash money. She cautioned to proceed carefully with any stabilization so that opportunity would not be lost.

Mr. Rinker asked if an RFP has been sent out and Mayor Taylor said this is just a scope of work.

Springsted Update:

Director of Finance Mullins said she had contacted Mr. Anzivino, Springsted Incorporated, and asked that he send the manual on doing evaluations. She has not heard back from him as of yet. She is hoping to do some evaluations in November and December and then again in May.

Mineral Street:

Planner Rex said this item has been discussed previously and that it is a town right-of-way, but it is not an improved street. Plans had been submitted by Dave Holliday for homes to be built and the street finished by him; this has not happened and so there are liability questions, etc. Council needs to decide if the area needs to be blocked off so it does not invite people to use it. Should the street sign be removed at the end of Pendleton Lane?

This issue has been brought before the Streets Committee previously and since that time, the site has been cleaned up, making it possible for cars to drive from Pendleton to Route 55, but it is not meant to be a road. It was asked what the responsibility of the Town is and since it is a Town right-of-way, the Town would be liable. The trail, though, that is being used is actually mostly on Mr. Holliday's property.

Economical ways to keep a walking path, but not allow cars to utilize it were discussed. Youth are now using it as a path to get to the downtown area and it is safer for them than walking along the highway. It was said it would be good to level off the path and maybe add gravel, much as the walking trail at the park, but to fence or block it off in some way so vehicles could not use. If later on Mr. Holliday should develop, then the path would be replaced with sidewalks.

Grant Plan:

Planner Rex presented and explained a chart (attached here-to) showing the process of grant application from beginning to end. By following this plan, the financial impact to the Town will be known before applying for a grant. Anyone applying for a grant will need to follow this and copies will be given to non-profits. Planner Rex would like for Council to adopt this as a policy.

Being no further business, the meeting adjourned at 8:37 p.m.