

The City Council of the City of Columbus, Texas met in regular session on Thursday, January 13, 2011 at 6:30 p.m., in the Council Chambers of City Hall located at 605 Spring St., Columbus, Texas, with the following present:

Mayor	-	Dwain Dungen
Mayor Pro Tem	-	Curtiss Schonenberg
Councilman	-	Charles Richardson
Councilman	-	John Axel
Councilman	-	Bruce Tesch
Councilman	-	Chuck Rankin
City Manager	-	Donald Warschak
Assist. City Secretary	-	Linda Lakich

Other City Staff present included:

Police Chief	-	Danny Jackson
City Attorney	-	Pat Gillespie

1. Call to Order.

Mayor Dwain Dungen called the meeting to order at 6:30 pm.

2. Pledge of Allegiance and Invocation.

Mayor Dungen led the Pledge of Allegiance and Invocation.

3. Consent Agenda:

- a. Approval of Invoices.
- b. Approval of Minutes of December 20, 2010 Regular Meeting.
- c. November 2010 Financial Statements.

After Councilman Richardson received clarification on several invoices, Councilman Axel made a motion to approve the Consent Agenda. Councilman Schonenberg seconded the motion.

The vote was as follows:

Ayes: Councilman Richardson, Axel, Schonenberg, Tesch and Rankin

The motion passed.

4. Consideration and action to approve invoices from Curtiss Automotive.

Councilman Richardson made a motion to approve the invoices from Curtiss Automotive. Councilman Rankin seconded the motion.

The vote was as follows:

Ayes: Councilman Richardson, Axel, Tesch and Rankin
Abstain: Councilman Schonenberg

The motion passed.

5. Citizen's Presentations and Comments.¹

Sandra Frnka addressed council concerning the Oil and Gas Well Ordinance in Items 9 and 10. She stated that she had a man from Devon Energy come to her home and tell her that she should sign an agreement to allow testing between her house and that of her neighbor. She is concerned because there is only approximately 50 feet between the two houses. She is concerned at the prospect of having a thumper truck in her cul de sac. She stated that she and her husband are concerned enough that they had the foundation of their house evaluated. She believes that there will be damage done. She also expressed

concern about the city water wells and is worried about damage to their casings. She pleaded with council to consider the potential for damage and asked for a tough Oil and Gas Well ordinance.

6. **City Manager Report.**

City Manager, Donald Warschak, presented his City Manager's Report which is attached to these minutes.

7. **Consideration and action to approve Resolution 85-11, a resolution authorizing Grant Works to apply for the 2010 Texas HOME Program – for Owner Occupied Housing/Homeowner Rehabilitation Assistance (HRA) and committing \$38,000 of in-kind match.**

Donna Johnson with Grant Works told council that the City has the opportunity to apply for a grant to rehabilitate six homes. She said eligible homes would be torn down and rebuilt and that they would need to be lived in by their owner who would need to be a good citizen and that the owners would have income limitations. She said that originally the City's match was to be \$38,000 in-kind and \$12,000 cash. The updated numbers are \$6,000 in-kind and \$12,000 cash. Grant Works would manage the grant including advertising for applicants, evaluating applications, and picking homeowner participants. Participants would be chosen on a first come, first eligible applicant served basis. Ms. Johnson said that homeowners must live in the completed home for a period of 5 to 15 years based on their income and must find a place to live while the home is completed. She said that they require builders to conform to a time period of 90 days from demo to move in. When asked if the selected homes must be demolished, she said that usually that is the case because it is the most cost effective way since buildings must be brought up to current code, including lead paint removal. In response to a question from Councilman Rankin, she explained that a manufactured home could be removed and replaced with a house but that it would not be a grant to the owner but rather in the form of a loan. She stated that she will work with the City Manager to find a house design that will fit in with the City's historic neighborhoods. She also stated that the homes built are usually about 1,100 square feet with 3 bedrooms, 2 baths and that she can work with the homeowner if there are special needs. Councilman Tesch asked if the homeowners would experience a property tax increase, and she said they would. The mayor explained that the City's in kind match is \$6,000, which can be satisfied by such things as permit fees, infrastructure costs, and demolition costs, and the cash match is \$12,000 which CCIDC has already budgeted.

Councilman Tesch made a motion to approve Resolution 85-11, a resolution authorizing Grant Works to apply for the 2010 Texas HOME Program. Councilman Rankin seconded the motion. The vote was as follows:

Ayes: Councilman Richardson, Axel, Schonenberg, Tesch and Rankin

The motion passed.

8. **Consideration and action to approve the Publicity and Tourism Agreement between the City of Columbus and the Columbus Chamber of Commerce, Inc.**

City Manager, Donald Warschak, explained that this was a renewal of the current contract through September 30, 2011.

Councilman Rankin made a motion to approve the Publicity and Tourism agreement between the City of Columbus and the Columbus Chamber of Commerce, Inc. Councilman Schonenberg seconded the motion. The vote was as follows:

Ayes: Councilman Richardson, Axel, Schonenberg, Tesch and Rankin

The motion passed

9. **Review, discuss and take action as necessary on Ordinance 113-11, an ordinance of the City of Columbus, Texas, superseding and replacing the former Ordinance Article 4.06 Oil & Gas Wells of Chapter 4 Business Regulations.**

Council was told that City Attorney, Pat Gillespie, was at the meeting and had made changes to the ordinance as discussed previously. City Manager, Donald Warschak, said that it had been noted that infrastructure needed to be included in the Ordinance. He read a definition of public infrastructure. Councilman Rankin asked that the word "public" be deleted so that all infrastructure would be included. Ms. Gillespie noted that not only is the definition of infrastructure needed but also where it will be placed in

the ordinance should be addressed. It was decided that it should be added wherever the word structure is so that the ordinance reads "structure or infrastructure". A discussion also took place concerning the part of the ordinance concerning how close to a structure or infrastructure seismic testing can occur. As currently written the distance is 250 feet and there is concern that that distance would essentially preclude seismic testing within the city limits. Councilman Rankin asked if the Council could have an independent person who is familiar with the oil and gas industry advise them. Mayor Dungen stated that there would be another public hearing on the ordinance at the next council meeting and invited interested citizens to speak. He also will invite an individual who may be familiar with the industry to be present.

It was also noted that since the City only has a weekly newspaper, that the timing of the publication notices needs to be changed in sections 15-5 and 15-51. Also, since section 15-5 deals with drilling permits, references to vibratory testing should be removed from it; and since section 15-51 deals with seismic testing, references to drilling and blasting should be removed from it.

No action was taken.

10. Public Hearing on Ordinance 113-11, an ordinance of the City of Columbus, Texas, superseding and replacing the former Ordinance Article 4.06 Oil & Gas Wells of Chapter 4 Business Regulations.

The public hearing on Ordinance 113-11 opened at 7:42 pm. Mayor Dungen asked if anyone other than Mrs. Frnka wanted to speak about the ordinance. There was some discussion of the 250 foot prohibition on seismic testing.

The Public Hearing closed and the regular meeting resumed at 7:44pm.

11. Review, discuss and take action as necessary on Ordinance 114-11, an ordinance of the City of Columbus, Texas, superseding and replacing the former Ordinance Article 3.08 Flood Damage Prevention of Chapter 3 Building Regulations.

Donald Warschak explained that Ordinance 114-11 updates the City's Flood Damage Prevention Ordinance to FEMA requirements and also adopts the new Flood Plain maps. No recommendations were made by Council.

No action was taken.

12. Public Hearing on Ordinance 114-11, and ordinance of the City of Columbus, Texas, superseding and replacing the former Ordinance Article 3.08 Flood Damage Prevention of Chapter 3 Building Regulations.

The Public Hearing on Ordinance 114-11 opened at 7:46 pm. No one wished to comment.

The Public Hearing closed and the regular meeting resumed at 7:47 pm.

13. Discussion, consideration, and action if necessary on the provisions for Promissory Note from Great Southern Wood Preserving and correspondence from Great Southern Wood Preserving.

Mayor Dungen turned the meeting over to Mayor Pro Tem, Curtiss Schonenberg, for the next two items. Mr. Schonenberg explained that when Council last discussed the Promissory Note, they wanted additional information from Great Southern Wood. City Attorney, Pat Gillespie, told Council that the additional information had been received from the company's attorney, Chris Mims. She stated that Mr. Mims had given the City a spreadsheet showing that the truck drivers for Greenbush Logistics, Inc. (which is wholly owned by Great Southern Wood) make an average of 1.5 trips per day in and out of the Columbus facility. She said that when the salaries from Greenbush are added to the salaries from Great Southern Wood that they exceed the requirement in the note of \$1.75 Million. Since the Promissory Note states that only one of the employment requirements needs to be met, it appears that Great Southern Wood has met the terms for forgiveness of the note. She also said that using corrected numbers, it appears that they have also met the requirement of having more than 75 employees.

Councilman Schonenberg asked if there were any questions. There were none. Councilman Rankin made a motion to accept the City Attorney's opinion that Great Southern Wood Preserving has met the

requirements of its Promissory Note with the Columbus Community and Industrial Development Corp. Councilman Richardson seconded the motion. The vote was as follows:

Ayes: Councilman Richardson, Axel, Schonenberg, Tesch and Rankin

The motion passed.

14. Review and discussion on rescinding Resolution 63-09, a resolution of the City of Columbus regarding the Columbus Community and Industrial Development Corporation directing and providing that any and all matters in connection with or in any way affecting or involving Great Southern Wood Preserving.

Mayor Pro Tem, Curtiss Schonenberg, explained that Resolution 63-09 took away the authority of CCIDC to take any action on items relating to Great Southern Wood. Councilman Rankin stated that the note and contract are between Great Southern Wood and CCIDC and that he didn't think council should be interfering.

A motion was made to rescind Resolution 63-09 by Councilman Rankin. It was seconded by Council Richardson. There was a discussion as to whether a new resolution was necessary to rescind Resolution 63-09 or not. The city attorney advised that simply rescinding the current resolution would be sufficient. The vote on the motion was as follows:

Ayes: Councilman Richardson, Axel, Schonenberg, Tesch and Rankin

The motion passed, but since there was no action item included in this agenda, the rescinding of Resolution 63-09 will be included in the agenda of the next council meeting.

Mayor Pro Tem, Curtiss Schonenberg, turned the meeting over to Mayor Dungen at 7:56 pm.

15. Consideration and action to appoint one alternate member and one member to the Board of Adjustments.

Mayor Dungen recommended that Byron Marburger be appointed as an alternate to the Board of Adjustments and that Mark Warner be appointed a member.

Councilman Schonenberg made a motion to accept the Mayor's recommendations. Councilman Tesch seconded the motion. The vote was as follows:

Ayes: Councilman Richardson, Axel, Schonenberg, Tesch and Rankin

The motion passed.

16. Considerations and actions to re-appoint Jerry Krenek as City Fire Marshal for a term of one (1) year ending January 2012.

Councilman Tesch made a motion to re-appoint Jerry Krenek as City Fire Marshal for a term of one year ending January 2012. Councilman Axel seconded the motion. The vote was as follows:

Ayes: Councilman Richardson, Axel, Schonenberg, Tesch and Rankin

The motion passed.

17. Items from Councilmembers.²

Councilman Richardson – no comment.

Councilman Axel – no comment.

Councilman Schonenberg – no comment.

Councilman Tesch – no comment.

Councilman Rankin – Wished everyone a Happy New Year.

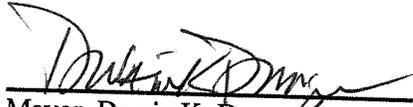
Mayor Dungen – no comment

18. Announcements.

The next Council meeting will be held on January 27, 2011.

19. Adjournment.

The mayor adjourned the meeting at 8:00 p.m.



Mayor, Dwain K. Dungen

ATTEST:



Cathy Ezell, City Secretary

¹During this agenda item, citizens may comment for the record on items, which are not on the agenda. However, the Council may not participate in discussion or deliberation on any item that is not on the agenda. Citizens may request that a topic be added to a future agenda.

Citizens who wish to comment on a posted agenda item may do so when that item is addressed by the Mayor. Citizen's comments are limited to five minutes.

²Limited to statements. Issues raised by councilmembers under this item cannot be deliberated by Council. The Open Meetings Act does not allow Council to deliberate items that don't appear on the agenda.

