



1111 Bayou
La Marque, Texas 77568
409.938.9202

**City of La Marque
Workshop Minutes
January 26, 2015**

Minutes of the Workshop Meeting of the City Council of the City of La Marque, Texas that was conducted on Monday, January 26, 2015 at 1:00 p.m. at 1109-B Bayou Road for purpose of considering the following agenda:

(1) Mayor Hocking called the meeting to order at 1:00 pm.

(2) ROLL CALL

Mayor Hocking
Mayor Pro-Tem Bell
Councilmember Lane
Councilmember Brown
Councilmember Trube

City Manager Buttler
City Clerk Eldridge

(3) INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor .

(4) NEW BUSINESS

- a. Discuss 2013 Audit Management Letter, including staff's responses of progress made to date

City Manager began by stating that the City has made every effort to accomplish as many of the tasks as possible, but that most had to wait until the finance was fully staffed, and within this time frame, more than 50% of the tasks have been accomplished.

Finance Director Suzy Kou said that the finance department had been "cleaning up" things from the past ten years or so, and that the finance department has been able to identify certain problem areas and have corrected those immediately. "You put all the pieces together and you go backwards to find any missing pieces", referring to a puzzle.

Mayor Hocking asked Ms. Kou if there was anything in the audit that would not be obtainable or not be easy to correct.

Ms. Kou continued, "I am very blessed to finally have a good team on board. Reconciliation is the key. But where there is human, there is error. To perform all the measures, we need time. The problem in the past was not checking. That is what we are doing now. We are doing the best we can."



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Discussion continued with Councilmember Trube reading an email she had sent and added “I would like at least some financials in every month, so Council is able to keep up with of what is going on with our money, where it is going.”

Ms. Kou commented, “The check register, we can run at any time during the month, but analyzing the financial data, we will need the time to research in case there are problems.”

Councilmember Bell responded, “Here is what needs to happen. I am proposing that Council come up with a resolution that we can all agree on, that directs the City Manager when, what, where and how to deliver all of the reports that Council is questioning.”

Ms. Buttler commented “None of the information is going to be real-time unless we provide it to you on a weekly basis.”

It was s agreed that the check register would be pulled on a weekly basis and copies put in the Councilmembers boxes.

Councilmember Trube asked to get reports on Galveston County Animal Alliance, the Connect System, and police activity logs.

It was concluded that a resolution be drawn up, after taking notes from this workshop and include the reports that are currently in the packets and brought to the next council agenda, have it a discuss with a possible action item.

Ms. Kou continued discussing the audit, and said that everything is an obtainable goal, but to reach the goals, would require everyone’s cooperation.

Questions were answered by Ms. Kou including why the date of September 30 was used as the estimated time to accomplish, and the reason being that it is the fiscal end of the budget year; penalties for not meeting the deadlines were briefly discussed. Segregation of duties was touched on, and being the City of our size, there will not be enough staff to completely meet this category, but will do what is necessary based on what is needed. This is an area that has seen some improvement in, but will continue to strive to reach higher goals.

Ms. Buttler continued by stating that after restructuring the finance department recently, most of the segregation of duties concerns have been resolved, and that this will continue into next year.

Other discussion included the City Shop. One person has been assigned to check in and out the costly equipment. They have moved out supplies and equipment no longer used and pulled for the auction, which has been helping.



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Discussion continued and Ms. Kou answered questions relating to the 2013 Audit letter. A system of retaining capital assets was briefly discussed, the analogy of using the word “puzzle” was clarified, by having to go back in history to find out the how and why of things that were prevalent now and that moving forward will not be a puzzle. That’s why the the need to reconcile was mentioned earlier.

Councilmember Bell said that he would like for each department in the City to have procedures and policies in place so that if anyone should hold any position, the city will continue to function in a consistent way. Each department should have these standard practices. Then he referred to the shop inventory- an area which appears that is not dealing with procedure as much as people. It has been several years that this area has been neglected.

Mayor Hocking recessed the meeting at 2:03 p.m.
Mayor Hocking reconvened the meeting at 2:19 p.m.

The question arose as to what liability, if any, does the City’s financial institution (previous) have after processing a check with one signature, when the City’s requirement is two signatures, and that it needs to resolved not only internally but also and externally, and what are the options of recourses are. The financial institution had at that time refused to accept any responsibility, that it was an internal process.

b. Discuss Water Audit

Public Works Director Les Rumburg introduced James Smith, President of JBS, Water Inc., the company that performed the City’s Water Distribution System and Meter Management System.

Mr. Smith provided an overview of the findings of the audit performed, which included areas of production meter accuracy, production records and consumption history, large meter installations as well as leak repair history and non-revenue water use, and identified areas of water loss. Also included in the audit report is a summary and recommendations to correct some of the areas of concern. In the report, was a comparison of the water audit findings from 1998 and 2014, 1998 was the last time the City had undergone such an audit. It showed that water production had increased by over 225 million gallons since 1998, while sales have declined in usage by 85 million gallons, even though there are 750 more customers. It showed that the NRW (non-revenue water) had significantly increased since the last audit. Some leaks which are found in any water system and some meter error must be expected. Based on the audit it was recommended mainly in the areas of water billing and meters (apparent losses) then followed by operations and line maintenance (real losses). It was recommended to manually verify a select number of meter readings and compare to the AMR systems (automatic meter reading); verify zero consumption and low water use accounts and the accuracy of the meters; double check declining usage accounts; meter replacement frequency; large meter testing every two years; beginning a meter replacement program; implement a three-year leak survey (30 miles a year) locating all detectable leaks within the



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system; implementing a work order entry and reporting system; several other suggestions that were outlined in the report, which will be retained for public view and historical records.

The City Manager explained that the purpose was to get ready for budget preparation, so we can figure out what the City's next steps are.

Mayor Hocking recessed the meeting at 3:43 p.m.
Mayor Hocking reconvened at 3:59 p.m.

c. Discuss Sanitary Sewer Overflow Project (SSO)

Les Rumburg Public Works Director reported that the City has been working with Cobb Fendley in the past to assist on the SSO, volunteer project that enables and encourages communities to deal with their infiltration and inflow problems, so that we can comply with TCEQ guidelines.

Steve Byington of Cobb Fendley provided an overview of a power point presentation that the SSO (Sanitary Sewer Overflow) is anything that comes out of the sewer collection system; explained I/I (inflow is run-offs and infiltration leakage through leaks and cracks) The State and Federal Government have made a no tolerance for SSO's. The City's SSO program is to make corrections to reduce the SSO's and to fix our failing or defective sewer system. Up to 60% of the I/I can come from private property, which makes it difficult to solve the problems. The project that Cobb Fendley has begun, is that they have performed a CCTV inspection, the primary component of identification. This robot camera was designed to run through the sewer line, and clean that portion. 400, 000 feet of sewer is what the City has. The ten year program entails that 40 lf (linear feet) of sewer each year (10% of the system); implement a FOG program; inspect/repair 80 manholes per year; inspect all lift stations; coordinate a rehabilitation schedule and correct. Mr. Byington reported that last year, the first year of the SSO, Cobb Fendley successfully jetted 57,000 lf and lf, televised (CCTV) 37,317. Mostly grease was cleaned out and mostly contributes to SSO's. The FOG program will help with this. Further explained that the lines are cleaned and then the camera goes through. Like all cities, there are root problems within the sewer lines. Showed pictures of blockages; due to building or plumbing contractors in several instances. Brought attention to blockages, sags, offset joints (attempted repair), and root intrusion. 25-45 point locations; 9,350 lf of sewer line in need of repair; 26 manhole rehabilitations. Gave some examples of things to help with SSO first: rain-guards and manholes first, lift stations; implementing root control program; flow monitoring; replace manhole covers, cap all cleanouts; debris and corrosion in pipes. The discussed the cost breakout was 1.4 million would work to update the system which is a healthy assumption. If staff could do certain repairs the city could save money, but it would cost for the training of employees in-house. He suggested this being a good option.

Councilmember Trube wanted a copy of the Power Point presentation.

Mayor Hocking deviated from the agenda and addressed item 4e at this time

d. Discuss CDBG/Disaster Projects



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David Baker of Public Management spoke on the CDBG/Disaster at this time:

The City of La Marque has had about four or five grants since 2000, the majority being geared toward sewer infiltration or rehabilitation. There is one grant due on February 27, 2015 that we would like to pursue. I recommend sewer rehabilitation, although it is a very competitive grant. It is for \$350,000 grant for \$70,000 matching for the City portion, but, does not have to be a cash match it could be in-kind, this could work toward the improvements needed for the SSO. "We are finishing up with the Disaster Program and we think that there will be some money left over. What we would like to do, with your permission, is to submit another project to GLO, instead of giving the money back.

Councilmember Trube expressed concerns over where the portion of the City's portion was going to be coming from.

e. Discuss Streets Improvements Project

Andrea Broughton of Cobb Fendley referred to a recent meeting where a representative met with the City Council for list of the streets that were included, the length of the streets and a provided a breakdown and the cost of asphalt versus concrete and the cost per linear foot. "This does not include drainage or curb; but replace the roadway, maintain the ditches for draining. There is a way not have to redo the drainage system."

Mayor Hocking and Councilmember Bell commented that the meeting earlier with City Council, the City had asked for Cobb Fendley to come back with a more complete asphalt design cost with any additional base work was required on any of the streets may need based on individual needs. It was also discussed that Cobb Fendley would do only a minimal investigation of any issues that may be underneath the streets. We were given a basic design. The City was asking for out of the amount quoted at that time, \$419,000.00, how much would each of the roads cost additionally if the base was added in on the roads that needed it.

Councilmember Bell asked that Cobb Fendley come back with a comprehensive street design that would take care of any problems that may arise and the design portion needs to be more thorough. They all realize that a few of the streets only would require an overlay with the base if cost worthy.

City Manager wanted clarified whether this item come back before City Council before going out for bid. It was determined that Cobb Fendley would come back and present a cost package what if any additional amount to the original 419,000.00, that would reflect any base work that might have to be done and a cost for a more depth design to each of each proposed streets.

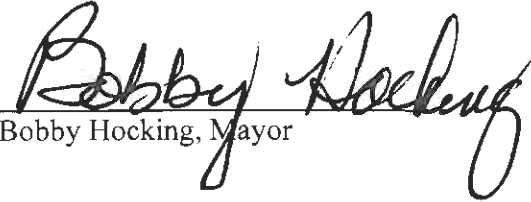
(5) **ADJOURNMENT**

Councilmember Lane made a motion to adjourn the meeting at 5:00 p.m. Councilmember Bell seconded. **MOTION CARRIED UNANIMOUSLY.**



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Robin Eldridge, TRMC
City Clerk


Bobby Hocking, Mayor

**CITIZENS REQUEST TO
SPEAK BEFORE COUNCIL**

In order to be heard, this form must be completed and returned to the City Clerk five (5) minutes prior to the start of the meeting.

Date of Meeting:	1-12-15
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Citizens who wish to address the City Council about items on the agenda which are scheduled for Council action will have **three (3) minutes** to express their positions. Please indicate below the agenda item number on which you wish to comment.

Council Agenda Item Number:	
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Citizens wishing to address Council regarding a topic **not** on the agenda are afforded the same amount of time during "Citizens Request for Hearing" section. Please indicate below the subject matter.

Subject on which person wishes to speak:	4 Wheeler / DOGS
	Water in my ditch that what cause by
	City of Lumbago.

Please step to the podium as soon as you are recognized by the Mayor, stating your name and address before beginning your presentation. If you have written notes you wish to present to the Mayor and Council, please furnish an extra copy for the official files. Citizens who have questions concerning procedure or the registration form may request assistance from the City Clerk. Thank you for your cooperation.

Name:	Clarence Caldwell
Address:	3603 Prairie Lumbago 44 7760
Phone Number:	409-739-7492

If speaking on behalf of an organization:

Name of Organization:	
Speaker's Official Capacity:	

CITIZENS REQUEST TO

SPEAK BEFORE COUNCIL

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Date of Meeting:	1-12
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body camera

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Name:	Geraldine Sam
Address:	2412 Stonewall
Phone Number:	La Marque, TX.

If speaking on behalf of an organization:

Name of Organization:	
Speaker's Official Capacity:	