

CITY OF HORSESHOE BAY
CITY COUNCIL MEETING
MINUTES

The City Council of the City of Horseshoe Bay held a Public Meeting at City Hall June 21, 2016, beginning at 3:00 p.m. in accordance with duly posted notice of said meeting with the following members present:

Stephen T. Jordan, Mayor
Craig Haydon, Mayor Pro Tem
Cynthia Clinesmith, Council Member
Jerry Gray, Council Member
Reagan Lambert, Council Member
David Pope, Council Member

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered, with the agenda item number and subject shown preceding the applicable paragraph.

1. Call the Meeting to Order and Establish a Quorum: Mayor Jordan called the meeting to order at 3:00 p.m. stating a quorum was present. He said copies of the agenda were available on the podium and asked that anyone who would like to make comments please sign the sheet on the podium and go to one of the podium microphones when it was their turn to speak.
2. Invocation: Father Ruben Patino pastor at The St. Paul the Apostle Chapel gave the invocation.
3. Pledges to the Flags: Mayor Jordan led the pledges of allegiance to the United States flag and the Texas flag.
4. Public Comments: Javier Castro spoke to the Council advocating that the Council consider an ordinance which would regulate rental properties. Mr. Castro is a resident of HSB South and spoke regarding the growth of new rental property in that area. He said on the new property the appropriate permits were obtained and inspections done but requested the City require that all landlords register with the City so the City can make sure that all properties meet Code requirements. Mr. Castro explained the ordinance would benefit the community as a whole because it would keep the community safe and require landlords to keep up with the City code. He reported studies have indicated that dilapidated housing tends to attract the criminal element. Mayor Jordan asked for a copy of his message and said he would turn it over to City Manager Stan Farmer and they would get back with him regarding a decision about if the ordinance needed to be changed. Mayor Jordan added if that were the case the Council would then consider whatever changes needed to be made.
5. Staff Recognition:
 - a. Fire Captain Brad Casey-Completion of Executive Fire Officer Program

Fire Chief Joe Morris said completion of the National Fire Academy Executive Fire Officer Program was quite an accomplishment for Captain Casey. He said the Executive Fire Officer Program was a flagship, leadership course at the National Fire Academy designed to provide Senior Fire Executive and Chief Fire Officers with enhanced executive knowledge on key leadership principals and their applications to improve the fire service. In order to obtain this certification each participant must attend a series of four graduate level courses taken over a four year period and submit an upper level applied research project that related to the City's fire department each year. Chief Morris reported the EFO Program was implemented in 1987 and to date there have only been 3,739 graduates from the program. He added that each year 350-500 applications are received with only 200 officers being accepted and of those approximately 125 complete the four year program annually.

6. Presentation by Deer Management Study Group: Mayor Jordan reported that the City formed a Deer Management Study Group consisting of residents Revelle Kundinger, John Davis and Rick Prekup along with two Texas Parks and Wildlife representatives and two LCRA representatives, the City's trapper James Bonds, the processor in San Antonio Chuck Byrge and Dr. Garrett Craig, DVM. The Mayor reported as a result of the study the Committee concluded that the City's method was not inhumane and in fact the TPWD said they considered the City of Horseshoe Bay one of the model cities throughout Texas. Mayor Jordan said there were several new articles on the City's website and encouraged citizens to read them. City Manager Stan Farmer reported that in addition to what the Mayor said the committee members individually spent dozens of hours researching alternative methods being used in similar locations that might be implemented in the City. He said three of the City residents at the invitation of the trapper James Bonds accompanied him on a ride-along during an evening of deer trapping in order to experience first-hand the current Deer Management Plan. Mr. Farmer added that prior to the formation of this study group one of the members, Rick Prekup, had visited and volunteered at Trinity Oaks Meat Processing Plant. He reported that after a great deal of study and discussion the Study Group felt all alternatives had been thoroughly explored and that no viable alternative to the City's present trapping method emerged. Mr. Farmer said the Study Group did recommend more education each year regarding the current trapping process and the management of white tail deer in general which the City would do annually prior to the trapping season. Mayor Jordan introduced Rick Prekup stating he spent a great deal of time on this study and was an advocate for the deer, the process and everything dealing with the management of the deer. Mr. Prekup reported that at the conclusion of the group's meetings they did not find an alternative to the City's methods that would be any better than the current method; however, that did not mean there could not be any improvement. He asked that the Council keep the option open to see if a trapper could be found for next year that would kill the deer locally rather than waiting until they were transported to San Antonio. Mr. Prekup asked that the City consider establishing a volunteer position as a wildlife advocate to continue to look for improvements to the deer trapping/management operation in the City and he volunteered to serve in that capacity if the position was established. Mayor Jordan thanked Mr. Prekup stating whether the Council chooses to have an advocate or not he hoped Mr. Prekup would continue to work with the City and stay abreast of the issue.
7. Discuss, Consider and Take Action Regarding Ordinance to Annex Areas in the City's Extraterritorial Jurisdiction into the City Limits: Mayor Jordan reported this is the final step in this annexation process. These were the five lots that were not properly noticed during the annexation earlier this year and this was simply to correct that oversight. He reported the City

had held the two required public hearings on April 19 and May 17. Council Member Clinesmith made the motion to approve the annexation which included the service plan, seconded by Mayor Pro Tem Haydon. Motion passed unanimously (5-0).

8. Items to be removed from the Consent Agenda: There were no items removed from the Consent Agenda.
9. Consent Agenda Items:
 - a. Approve Minutes of the May 17, 2016 Regular Meeting
 - b. Resolution to Approve 2016 Llano County Hazard Mitigation Plan Update

Mayor Pro Tem Haydon made the motion to approve the Consent Agenda, seconded by Council Member Gray. Motion passed unanimously (5-0).

10. Monthly Statistical Departmental Data Reports:
 - a. City Manager; Administration; Community Services; Development Services; Fire Dept.; and Police Dept.

City Manager Farmer reported the milfoil was treated on June 15 on shores where it was needed and the effect should be visible in two weeks based on last year's results. He added the mowers are at work across the City and they would turn their attention to 2147 next week in order to complete that prior to the July 4th holiday weekend. Mr. Farmer said the seal coating project north of 2147 had been completed and they were now working on the portion south of 2147 which would continue for several weeks. The project would stop several days surrounding the holiday. Mr. Farmer reported the City Attorney was working on a report regarding some public/private partnerships for internet service in the City as well as the history of what other cities had done. He hoped to have something for the Council at the July meeting. Mr. Farmer said the first budget workshop was scheduled for June 28 at 9:00 a.m. Also, work on the long awaited hiking trail should be started in August or September and hopefully be completed by October 1. Mr. Farmer also reported the City, over the last month, had been having a great amount of difficulty with Progressive Waste, the solid waste provider and because of that he recommended the City do a Request for Proposals and go out to bid for this service since the contract expires in November. Council Member Pope complimented the financial staff stating that the May financial statements were available on June 7th which he thought was a record. Mayor Jordan said the staff and Council were doing everything possible to find a solution to the high-speed internet issue.

11. Discuss Short Term Rentals: Lynette Morrison a member of the Long Range Planning Advisory Committee spoke regarding this issue and for information sake she wanted to advise the Council and public that the LRPAC had put an action item in The Plan, that they would be presenting to the Council, as a goal to study this issue. She reported that the National Association of Realtors had done a very comprehensive study that she would forward to Stan Farmer to forward to the Council. City Attorney Rex Baker reported this issue first came up in 2013 with Escondido and he did a memo at that time that concluded there was no general prohibition against residential short term rentals within the City. He said Austin, Fort Worth and Galveston had all taken this issue on from an ordinance standpoint. Mr. Baker said Austin was the most restrictive and a suit was filed yesterday which said Austin's ordinance was a taking of their property rights and a court would determine whether it was or not. He added that the Village of Tiki Island by Galveston

passed an ordinance prohibiting short term rentals with a grandfathering clause of four years so if you had been doing it for four years prior to the passage of the ordinance you could continue. A case was filed and the Court basically threw out the ordinance stating it was too restrictive, unconstitutional and that the grandfathering aspect of the ordinance had been unfairly applied because they arbitrarily picked four years stating there was no legitimate reason for choosing four years. Mr. Baker recommended the Council hold off on taking any action until the case filed in Austin went through the courts because there was a strong issue about this. He said if each individual POA in the City wanted to amend its deed restrictions then it would become a POA contractual issue and not a City issue. Mayor Pro Tem Haydon stated most of the problems were behavioral which could be addressed with existing City ordinances restricting parking, noise and other issues that could be addressed by the Police Department. He said he was pushing for some sort of action by the Council to restrict short term rentals; however, he now agreed with Mr. Baker regarding his recommendation to suggest the POA's address this issue because he did not think the City could propose a City-wide ordinance that everyone would be happy with. Mayor Pro Tem Haydon suggested addressing this with the POA Presidents' Committee to get their reaction to this suggestion that they take this up with their members and address it with an amendment to their restrictions. Mayor Jordan requested the City Manager Farmer send the Council information on the City's current noise and parking ordinances. It was discussed that some people do not report issues with renters due to fear of retribution.

12. Discuss, Consider and Take Action Regarding a Budget Amendment to the Utility Fund to Install a Fence at West Elevated Water Tank: City Manager Farmer explained the installation of this fence along The Hills Road would improve the esthetics for the recently annexed subdivision and provide faster ingress and egress for emergency services. He requested Council approve this budget amendment to place an eight foot high decorative fence on the west side of the property paralleling The Hills Road which would include a restricted automatic gate operation. Mr. Farmer reported the FenceCrete©, which is a trademark name, was the same fencing utilized at the Central Water Treatment Plant and Slick Rock Maintenance Yard across from the 7-11. He said the project would include 340 feet of concrete fence and a solid metal gate with a transmitter activated gate opener plus removal of the old fence. Mr. Farmer reported the total project cost was estimated to be \$37,000 with funds available from the Utility Fund Wastewater Extension Capital Improvement Project that was cancelled due to unanticipated expense for rock excavation. Staff requested the Council authorize the west fence project be funded not to exceed \$37,000 by a budget amendment for a line item transfer as previously explained. Council Member Gray said he had not had anyone mention to him anything regarding the appearance of the area of the West Elevated Water Tower and asked what the motivator was for this item. Mr. Farmer stated that for Emergency Services vehicles to get through the automated gate which was currently a manual gate a chain link and barbed wire fence and with the high standards in Horseshoe Bay this was another example of living up to the high standards placed on other people by having a durable, decorative gate. Council Member Gray asked if this was a security purposes to keep people away from the water tower. Mr. Farmer said yes; however, it is open on the Broken Hills side but fenced on three sides on the elevated storage tank with the West Fire Station at the front. Council Member Gray asked if there had been complaints and Mr. Farmer said not per se. Council Member Pope said Mr. Farmer reported one driver of this project was security issues and asked about leaving the existing fence and installing a transmitter activated security gate. He asked if the fence was ugly and how close it was to residences. Mr. Farmer said it was chain link and on The Hills Road and as he stated the

City had replaced the nasty chain link at the two City facilities previously mentioned. Council Member Clinesmith said several Hill residents had mentioned the fence upgrade to her. Council Member Clinesmith made a motion to approve the budget amendment as presented, which failed for lack of a second. There was no further discussion.

13. Discuss, Consider and Take Action Regarding Drought Contingency Plan Stage: Community Services Director Jeff Koska reported to the Council that the citizens had been very responsive to the current water restrictions; however staff believed it was environmentally sound judgement to continue to promote best practices in water conservation and to continue to observe conservation in the City's operations and also to provide conservation based educational information and assistance to City customers. He reported on June 16, 2015 the City moved from Stage 3 to Stage 2 which went from one day watering to two days watering per week. Mr. Koska reported the lakes were 100% full and the decision to stay at Stage 2 or change to Stage 1 or some variation was the Council's decision. He said during the time period when the City initiated the drought restrictions they had experienced the 20% desired reduction in usage and had gone as high as 25%. Mr. Koska said the City has a Water Conservation Officer available to anyone who would like to have a Water Conservation Audit of their irrigation system and typically irrigation systems were typically what used the most amount of water. He said the City had taken several steps to help with conservation including creating the Water Conservation Officer position and planting the drought tolerant Display Gardens at City Hall among other items. Council Member Gray said it appeared to him that people in Horseshoe Bay had grown comfortable with Stage 2 regulations and twice a week watering was ample opportunity to provide the amount of water that landscaping required here and his opinion was the right thing to do was to retain Stage 2 levels going forward. Council Member Gray made the motion to retain Stage 2 water restrictions in the City, seconded by Council Member Pope. Motion passed unanimously (5-0).
10. Monthly Statistical Departmental Data Reports:
- a. City Manager; Administration; Community Services; Development Services; Fire Dept.; and Police Dept.

City Manager Farmer explained he forgot to have Development Services Director Eric Winter give the Council a verbal update on the Texan Mart. Mr. Winter reported the Texan Mart substandard building issue had been taken care of. He said all the signs on the gas pumps had been removed, the ice machine was covered and painted the same color as the building as had the propane tank area, the building had been repainted front and back with a new stairway in the back painted to match the building. Mr. Winter said it now met all the City's building codes and had been issued a Certificate of Occupancy. Mayor Jordan said he appreciated the efforts by Mr. Winter and others to clean up this situation. He added they were continuing to clean up inside the building also, but that was not a part of the City's concern. Mr. Winter also reported he had not received any updates regarding Gynergy, Tuscan Village or Siena Grove. Ron Mitchell reported that last week Tuscan Village received all the money from the lender and they were supposed to close on June 29. Council Member Gray asked about the status of the shipping container located on Lot 19045 and Mr. Winter said the Municipal Court issued an Order for Removal and he had sent a certified and regular mail letter to the owners using the addresses the City had for them in order to notify them they had 30 days to remove the container or the City would have it removed and place a lien against the property.

14. Public Hearing, Discuss, Consider and Take Action Regarding an Ordinance Amendment Changing the Public Notice Requirements for Planning and Zoning and City Council: Mayor Jordan convened a public hearing at 4:20 p.m. and asked if there were any comments. There were none and he adjourned the public hearing. Development Services Director Winter reported this ordinance amendment would make the public notice requirements for items such as replats, rezoning, zoning text amendments, comprehensive plan amendments, variances, building code article amendments, antenna permits, subdivision preliminary plats and final plats all consistent with the types of public hearing notices that would be required. He said requirements of no less than 16 days and no more than 29 days' notice to all of the previously mentioned requirements. Mr. Winter said the Planning and Zoning Commission met on June 7 and recommended the Council approve this amendment with the addition of an amendment to Section 14.02.153(d) increasing the distance where a conflict of interest would be triggered based on ownership of property by a Planning and Zoning Commission member from 200 feet to 500 feet from the property in the application. Staff recommended approval of this item as presented with the addition of the amendment. Council Member Gray made the motion to approve this item as presented, seconded by Council Member Pope. Motion passed unanimously (5-0). (A copy of the "Summary of Public Hearing Notice Requirements" is hereby attached and made a part of these minutes.)

15. The City Council, meeting as the Board of Adjustment, will Conduct a Public Hearing, Discuss, Consider and Take Action Regarding:

- a. Request for a 5 foot Variance in the 20 Foot Front Yard Setback Requirement for Lot No. 330 of Pecan Creek to Allow Construction of a Single Family Residence on the Shallow and Irregular Shaped lot (100 Block of Gillespie Court)
- b. Request for a 6 Foot Variance in the 25 Foot Front Yard Setback Requirement of Section 14.02.402(b)(15)(L) for Lot #49054 of Horseshoe Bay to Allow Remodeling of a Courtyard Wall located in the front yard setback (1212 The Cape)

Mayor Jordan convened a public hearing at 4:25 and asked if there were any comments, there were none and he adjourned the public hearing. Development Services Director Winter reviewed each variance.

Mayor Pro Tem Haydon made the motion to approve Item 15.a. seconded by Council Member Pope. Motion passed unanimously (5-0).

Mayor Pro Tem Haydon made the motion to approve Item 15.b. seconded by Council Member Pope. Motion passed unanimously (5-0).

16. Discuss, Consider and Take Action Regarding Progress Report by Builder on Construction at 312 and 316 Nattie Woods and Issuing Building Re-permits: Mayor Jordan reported the builder, Mr. Jaffe, sent him an email which City Manager Farmer had shared with the Council. The last time the Council re-issued the permits for these properties the cost was \$1,000 per house with \$4,000 in escrow for each house which would be returned to the builder if the house was completed with a Certificate of Occupancy by the time the permit expired. Neither of the houses was completed as promised and the City collected the entire \$10,000 and the properties had been issued a stop work order. Development Services Director said the Council could decide on the term of these permits as well as the charge. Council Member Pope asked for an estimate of the time needed to complete these two houses and was concerned that Mr. Jaffe was not at the meeting to ask for what he wanted. Mr. Winter said the inspections for neither house were current and he had been told by a contractor that one of the houses would take 3-4 weeks and the other would still take two

months. Council Member Gray said completion of these houses was important and asked if there were other options to force the builder to finish. City Attorney Rex Baker recommended amending the building ordinance to prohibit a builder from receiving other building permits if they had outstanding projects like these. Mr. Winter said the City could address it under the builder registration requirement. Council Member Pope made the motion to issue a 90-day repermit with a \$5,000 deposit for each house and the requirement that if these two homes were not completed with a Certificate of Obligation issued by the City, the City would retain the deposit, but if these requirements for the houses were met within this repermit period the deposit would be returned for each house independent of completion of the other, seconded by Council Member Gray. Motion passed (4-1) with Council Member Lambert voting against. Development Services Director Winter said this matter could be turned over to the Municipal Court for action as a substandard building. Council Member Gray made the motion that if these houses were not completed at the end of this 90-day repermit period that the Council would not issue another repermit and would refer the matter to Municipal Court for the appropriate action, seconded by Council Member Lambert. Motion passed (4-1) Mayor Pro Tem Haydon voted against.

At 4:24 p.m. Mayor Jordan announced that the Council would go into Executive Session pursuant to Sections 551.074, Personnel, of the Texas Open Meetings Act regarding agenda item 17.

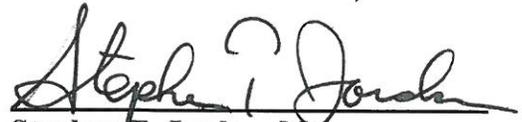
17. Update on Personnel Matters to Include the Deliberation of the Various Duties of All Department Directors:

Regular Meeting Resumed: At 5:42 p.m., the Executive Session having ended, Mayor Jordan resumed the regular meeting and announced that no action or votes had been taken in the Executive Session.

18. Adjournment: Mayor Pro Tem Haydon made the motion to adjourn at 5:43 p.m., seconded by Council Member Pope. Motion passed unanimously (5-0).

APPROVED this 19st day of July, 2016.

CITY OF HORSESHOE BAY, TEXAS


Stephen T. Jordan, Mayor

ATTEST:


Teresa L. Moore, TRMC
City Secretary



SUMMARY OF PUBLIC HEARING NOTICE REQUIREMENTS

No.	Code Citation	For	Public Hearing Before	Current City & State Requirement		Proposed Added	
				Days Notice in 2 Papers	Days Notice Mailed	Days Notice in 2 Papers	Days Notice Mailed
Requires Both Newspaper and Mailed Notices							
1	Sec. 3.02.008	Building Code Article Variances	City Council	N/A	N/A	>30 & 16-29	N/A
2	Sec. 10.03.202(b)(2)	Replat	City Council	16	16	>30 & 16-29	500 Feet
3	Sec. 14.02.157	Joint Meetings of P&Z and City Council	Both Together	16	16	>30 & 16-29	500 Feet
4	Sec. 14.02.265	Zoning Text Amendment, Rezoning, Comprehensive Plan Amendments	P&Z and City Council Separately	16	16	>30 & 16-29	500 Feet
5	Sec. 14.02.225(c)	Zoning Variance	City Council	16	16	>30 & 16-29	500 Feet
6	Sec. 14.02.305	Conditional Use Permit	City Council	10	10	>30 & 16-29	500 Feet
7	Sec. 212.134(b) LGC	<u>Requires Newspaper Notices Only</u> Moratorium/Extension	City Council	4	N/A		N/A
8	Sec. 4.04.039	<u>Requires Mailed Notices Only</u> Antenna Permit (Communication Tower)	City Council	N/A	10	>30 & 16-29	500 Feet
9	Sec. 10.03.081	<u>Requires City Council Action But No Notices</u> Subdivision Plat - Both Preliminary Plat and Final Plat	N/A	N/A	N/A	>30 & 16-29	500 Feet
10	Sec. 3.06.009	Sign Variance	N/A	N/A	N/A		N/A
11	Sec. 3.05.034	Floodplain Variance or Appeal of Floodplain Administrator's Decision	N/A	N/A	N/A		N/A
12	Sec. 10.03.007	Appeal of City Manager Decision or Appeal of DS Director's Subdivision Ordinance Decision	N/A	N/A	N/A		N/A
13	Sec. 3.08.004(d)(3) & (4)	Appeal of Decision of CS Director's Denial of a Blasting Permit	N/A	N/A	N/A		N/A
14	Sec. 14.02.192(a)	Council Acting as Board of Adjustment Decide Appeal of Zoning Administrator's Decision	N/A	N/A	N/A		N/A
15	Sec. 3.04.006(c)(3)	<u>Requires Both Newspaper and Mailed Notices for Municipal Court</u> Standard Building	Municipal Court				10 Days Owners Only
16	Sec. 14.02.153(d)	<u>Requires Increase only in Distance Triggering Conflict of Interest</u> Vote by a Planning and Zoning Commission Member on an Application	P&Z	N/A	N/A	N/A	500 Feet