

**CITY OF HORSESHOE BAY**  
**CITY COUNCIL PUBLIC MEETING**

August 25, 2009

The Council of the City of Horseshoe Bay held a Public Meeting at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, August 25, 2009, in accordance with duly posted notice of said meeting. Mayor Bob Lambert called the meeting to order at 3:00 p.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor  
James E. Babcock, Mayor Pro Tem  
John Bird, Alderman  
Claudia Haydon, Alderwoman  
Jeff Robinson, Alderman  
Steve Spence, Alderman

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 subject and item number shown preceding the applicable paragraph.

1. Call to Order and Establish a Quorum: Mayor Bob Lambert called the Public Meeting to order at 3:00 p.m. with a quorum present.
2. Invocation: Reverend Johnny White, Pastor at the Church at Horseshoe Bay led the invocation.
3. Pledges to the Flags: Mayor Lambert led the pledge of allegiance to the United States flag and the Texas flag. He welcomed everyone to the meeting and asked that anyone who wanted to make comments please sign the sheet on the podium. Mayor Lambert welcomed Jason King from Akers & Boulware-Wells who is at today's meeting due to the fact City Attorney Monte Akers is recovering from heart bypass surgery.
5. Staff Recognition:
  - a. Rob Parsley – 5 year Service Award
  - b. Gary Wilkes – 5 year Service Award
  - c. Bob Tuttle – 10 year Service Award

Mayor Lambert presented Rob Parsley, Gary Wilkes and Bob Tuttle, all from the Field Services Department, with a plaque in appreciation of their years of service to the City.

6. Joint Resolution and Agreement Exchanging and Defining Extra-Territorial Jurisdictions between Cities of Granite Shoals and Horseshoe Bay, Texas: Mayor Lambert stated the proposal will change the ETJ boundaries of both cities to the center of the original Colorado River channel until you get to the Wilderness Cove area and that Wilderness Cove will remain in the Horseshoe Bay ETJ. Alderwoman Haydon made the motion to approve the

resolution and agreement. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0). Georgie Brochstein, resident of Wilderness Cove, thanked the Council for their patience listening to their concerns and for providing guidance from time to time and stated the property owners are very happy with the resolution.

7. Allied Waste Services Rate Proposal: Keith Conrad from Allied Waste stated they are proposing a 3% rate reduction and to extend the contract under the present terms. Alderman Spence said he would like Allied Waste to state they will not use any larger trucks than they are currently using in the City due to the wear and tear they do to the streets. Alderman Bird noted the significant increase the Council approved last year due to the cost of diesel. Since the price of fuel has decreased a great deal, he would like to ask that the contract be reviewed prior to the next Council meeting to see if they could negotiate a larger reduction in this year's contract. He would also like City Manager Stan Farmer to research what is involved in Allied Waste picking up recyclables in the City. This item will be on the September agenda for consideration.
  
8. Settlement Agreement Regarding Appeal by Patriot Bank and Related Matters: This matter involves the condemnation order that the Council passed at the last meeting. The City now believes it is viable to complete these houses and a settlement agreement has been drawn up to be considered by the Council today. Jason King attorney with Akers & Boulware-Wells stated the general outline of the settlement agreement is that the City will drop the demolition order and Patriot Bank will drop their appeal. The owner and the bank are then bound to a timetable to complete all five properties thru a Certificate of Occupancy within 150 or 180 days depending on the property. There is a provision where the bank will be responsible if the contractor fails to complete the houses. There is also a penalty provision if the deadline is not met. Alderwoman Haydon made the motion to approve the agreement. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0).
  
24. Public Hearing and Consideration to Determine Whether the Following Structures Should be Declared Public Nuisances and Unlawful Under the Substandard Building Ordinance No. 08-05-27-D, Section VII (a) (7) The structure has been damaged by fire, (10) The structure is unsafe and unsanitary, (12) The structure is an attractive nuisance and is an aesthetic eyesore that denigrates the surrounding property values:
  - a. 112 Dawn Drive Unit A – Lot No. 23099A of Horseshoe Bay Plat No. 23.5
  - b. 112 Dawn Drive Unit B – Lot No. 23099B of Horseshoe Bay Plat No. 23.5
  - c. 112 Dawn Drive Unit C – Lot No. 23099C of Horseshoe Bay Plat No. 23.5
  - d. 112 Dawn Drive Unit D – Lot No. 23099D of Horseshoe Bay Plat No. 23.5

Mayor Lambert said he would like to move this item up on the agenda since it is similar to agenda item 8. Development Services Manager Eric Winter stated the owners of this property have an agreement with an individual to purchase all of these properties; however, one of the owners is having difficulty settling with her insurance company. City Building Inspector Mike Light said these units have been boarded up; however, someone has removed the boards and entered the structure and this is a dangerous situation and staff recommends a demolition order be issued. Mayor Lambert convened a public hearing at 3:26 p.m. Barbara Hughes owner of a nearby property owner urged the Council to require action sooner than 90 days. Mayor Lambert adjourned the public hearing. Alderwoman Hayes made a motion to

issue a demolition order today to be effective October 1<sup>st</sup>. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0).

25. Public Hearing and Consideration to Determine Whether the Following Manufactured Homes Should be Declared Public Nuisances and Unlawful Under Substandard Building Ordinance No. 08-05-27-D, Section VII (a), Subsections (2) The structure has not been maintained, (5) There is damage and deterioration, (7) The structure has been damaged, (10) The structure is unsafe and unsanitary, and (12) The structure is an attractive nuisance and is an aesthetic eyesore that denigrates the surrounding property values:
- a. 1502 22nd St. – Lot No. K3002 of Horseshoe Bay South Plat No. K3.1
  - b. 1403 15th St. – Lot No. K6011 of Horseshoe Bay South Plat No. K6.1
  - c. 204 10th St. – Lot No. K6072 of Horseshoe Bay South Plat No. K6.1
  - d. 2100 Crooked Run – Lot No. K7479 of Horseshoe Bay South Plat No. K7.1

Mayor Lambert said he would like to move this item up on the agenda since it is similar to agenda item 8. Mayor Lambert convened the public hearing at 3:33 p.m. The owner of property adjacent to 1403 15<sup>th</sup> Street encouraged the Council to proceed with the removal order. The owner of the property at 1403 15<sup>th</sup> Street stated he has purchased material to repair the structure and asked the Council to allow time for his tenant to make these repairs. Mayor Lambert suggested that Mike Light meet with the tenant and confirm what needs to be done and that it can be accomplished within the time frame. There were no other comments, and the hearing was adjourned. Alderman Robinson made a motion to approve an order of repair including a Certificate of Occupancy to be completed by October 1, 2009. If it is not completed then it will become an order of removal. The motion was seconded by Alderman Spence. The motion passed unanimously (5-0).

Mike Light gave a report on the remaining three properties stating that he spoke to the owners of the property at 1502 22<sup>nd</sup> Street and they have no interest in the property and thought it had already been sold for delinquent taxes. The City has received no response from the owner of the property at 204 10<sup>th</sup> Street. That property is currently occupied by a person other than the owner and has been without utilities most of the time for over a year. Currently it has electricity but no water. No taxes have been paid since 2005. There is a portion of the house that has been added on and it is in the POA greenbelt and would need to be demolished. The Council instructed that the Code Enforcement Officer go to the house tomorrow and determine if the house should be red-tagged for health reasons. Mike Light stated the house at 2100 Crooked Run has been vacant for well over a year. The doors are not secured and animals have been living in the structure causing it to be a health and safety hazard. The taxes are up to date.

Alderwoman Haydon made a motion to approve an order of removal effective October 1, 2009 for these three properties. The motion was seconded by Alderman Spence. The motion passed unanimously (5-0).

9. Items to be removed from the Consent Agenda: Alderman Babcock asked that items f, g, i, and k be removed from the Consent Agenda.
- f. Ordinance Establishing Position of Fire Chief and Fire Department:
  - g. Ordinance Establishing Position of Chief of Police and Police Department: Alderman Babcock referred to the requirements of the Charter that these ordinances should mirror those requirements. He added he does not feel these ordinances, as written, are consistent with the Charter. At the next meeting, the Council will consider identified issues related to these departments and the Charter.
  - i. Highland Lakes Family Crisis Center, Inc. Contribution Request: Alderman Babcock said the Council approved a Contribution Policy which strictly limits the City's contributions to charities that perform functions that a city normally would perform. Police Chief Bill Lane stated the Highland Lakes Crisis Center is a great help to the police department. Staff provided the Council with a copy of the Contribution Policy. After reviewing the Contribution Policy Alderwoman Haydon made the motion to approve the \$5,000 contribution. The motion was seconded by Alderman Babcock. The motion passed unanimously (5-0).
  - k. Assignment and Assumption of Water & Wastewater Utility Agreements – Skywater: Alderman Babcock asked that both of the agreements be amended on page two in paragraph two to read: “2. Assumption. Assignee hereby assumes all of the obligations and liabilities of Assignor “Owner” under the Water Agreement and Assignee shall be responsible for the due and faithful performance of the Owner under Water Agreement according to the terms thereof, which come due after the date hereof.” Alderman Babcock made the motion to approve both agreements as amended. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0).
10. Consent Agenda Items:
- a. Minutes of the July 6, 2009 Public Workshop and the July 7, 2009 Public Meeting
  - b. Final Plats:
    - i. Trails End Plat No. 1.0. a replat of Lot Nos. 27 and 28, Trails End, Horseshoe Bay, Llano County, Texas (Trails End Parkway)
    - ii. Craig Plat No. 1, Parcel 1, a 4.22 Acre Parcel of a 63.11 Acre Tract, Consisting of Approximately 46.15 Acres Out of the J. Jones Survey No. 86, Abstract No. 1473, and Approximately 16.96 Acres Out of the E. G. Mercer Survey No. 3, Abstract No. 562, Llano County, Texas (North of Highway 71 West and East of FM 2147)
  - c. Mutual Aid Agreement with Marble Falls Volunteer Fire Department
  - d. Ordinance Establishing Chain of Command in the Event of an Emergency
  - e. Ordinance Regarding Traffic Control
  - h. Friends of the Marble Falls Library Contribution Request
  - j. Resolution to Support a Household Hazardous Waste & Special Recyclables Collection Program for the Citizens of Burnet County

Alderman Robinson made a motion to approve the remainder of the Consent Agenda. The motion was seconded by Alderwoman Haydon. The motion passed unanimously (5-0).

Sherry White with the Friends of the Marble Falls Library thanked the Council for their contribution.

The meeting adjourned for a recess at 4:35 p.m.

The meeting reconvened at 4:40 p.m.

4. Public Comments (those speaking are asked to limit their comments to three minutes):  
Mayor Lambert said he misinterpreted one of the items on the sign in sheet and Craig Haydon had asked to speak. Mr. Haydon said that the Telecommunications Committee he is serving on has been working on a state-of-the-art tower for the City; however last week he received a call that they have cancelled this project. He is going to further research the cause for this being withdrawn and wondered if anyone on the Council had any information on this item. Alderman Robinson, who also serves on this committee, said he had no additional information. Development Services Manager Eric Winter stated the City had given AT&T a list of requirements but it contained nothing that could not be accomplished. Mayor Lambert said this item would be on the September agenda for further discussion.
11. Monthly Statistical Departmental Data Reports:
  - a. City Manager; Administration; Community Services; Development Services; Fire Dept.; and Police Dept.

City Manager Stan Farmer gave a budget update and said all of the Capital Improvement Projects are moving along and the bids should be let within the next 2-3 months. Alderman Robinson asked Mr. Farmer if the Council should reconsider investing the large amount of money currently in TexPool into CD's at the bank that would draw a higher interest rate. The decision was made that Staff will look into the requirements of this, and this item will be on the September agenda for further review and possible action.

12. Ordinance Calling a General Election to Elect a Mayor and Two Council Members, and Calling a Special Election to Assess a Street Maintenance Sales Tax of One Fourth of One Percent: Mayor Lambert said the first day to file for a place on the ballot was August 3<sup>rd</sup> and the last day is September 2<sup>nd</sup>. He added that he has filed for re-election as Mayor. Claudia Haydon and Cynthia Clinesmith have filed for the two City council openings. Mayor Lambert said that if the Council decides to place the Sales Tax Proposition on the ballot and it passes that it should raise approximately \$80,000 in revenue based on the current level and over 50% of that amount would be paid by people that are not residents of Horseshoe Bay. He added that the Council appointed a committee in 2007 to review the Sales Tax Proposition at that time. The committee was comprised of Jerry Dunn, Bob Lowry and Neal Younker. He has asked each of them to update their work and look at this issue to prepare a report for the community and the Council. Mr. Younker was in attendance and stated the committee had discussed the possibility of this sales tax in 2007; however, at that time the City did not own the streets. Alderman Babcock made the motion to approve the ordinance. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0). Alderman Babcock made the motion to reappoint the committee and ask them to study this issue and report to the Council. The motion was seconded by Alderman Bird. The motion passed unanimously (5-0).

13. Resolution Memorializing the City Council's Intent in Regard to the Use of Revenues Raised by the Imposition of a One Fourth of One Percent Municipal Sales and Use Tax that May be Approved by the Voters of the City at a Special Election on November 3, 2009: Mayor Lambert said this item will memorialize the City Council's intent regarding the use of sales tax revenues. The Council intends to reduce ad valorem property tax by the amount raised by this sales tax. Mr. Younker added that this sales tax will automatically end in four years if not approved again at an election. Alderman Robinson made the motion to approve the resolution. The motion was seconded by Alderwoman Haydon. The motion passed unanimously (5-0).
14. City's Drought Contingency Plan: Utilities Director Jeff Koska said on August 13, 2009 the City received a letter from LCRA requesting that all wholesale purchasers implement mandatory water use restrictions by utilizing their Drought Contingency Plans (DCP). This equates to Stage Three restrictions according to the City's DCP. He added that he is requesting the Council approve amending the City's DCP to match the LCRA's schedule. The City will mail a notice to every customer as well as add information to the City's website. There will also be an article in the Beacon. Staff is asking for a September 1, 2009 initiation date, which will give citizens a week to comply. The City's wholesale customers also have contracts with LCRA and have also been notified by LCRA regarding the need for conservation. Alderman Spence made the motion to approve implementing Stage Three of the DCP with the recommended changes. The motion was seconded by Alderwoman Haydon. The motion passed unanimously (5-0).
15. Sign Ordinance Variance Request for a 2 Foot by 7 Foot Sign for Alexander Group on the Teeple Building Monument Sign (6400 FM 2147): Mayor Lambert said this variance is consistent with the variance granted Keller Williams at the same location. Alderman Bird made the motion to approve the variance as requested. The motion was seconded by Alderwoman Haydon. The motion passed unanimously (5-0).
17. Amendment to Building Permit Ordinance ORD 06-04-18D to Limit the Number of Speculative House Permits a Contractor May Apply For or Have At Any Time to Two and to Limit the Time for Accessory Structure Permits to Six Months: Brian Ellis asked if there was a vehicle in this amendment to allow a builder to come to the Council for a variance. Mayor Lambert stated there is a process for a variance. Alderman Spence made the motion to approve the amendment. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0).
16. Conduct a Public Hearing and Consideration of Preliminary Plats:
- a. Horseshoe Bay West Plat No. 2.8, a replat of Lots W2097 and W2098 of Horseshoe Bay West Plat No. W2.2, Horseshoe Bay, Llano County, Texas (400 Block Turquoise)
  - b. Applehead Island Plat No. 6.132A, a replat of Lot No. 132 of Applehead Island Plat No. 6.132, and Lot No. 136 of Applehead Island Plat No. 6.136, Horseshoe Bay, Llano County, Texas (132 & 136 Applehead Island Drive)
  - c. Horseshoe Bay Plat No. 15.71, a replat of Lot No. 15058-B of Horseshoe Bay Plat No. 15.18, Horseshoe Bay, Llano County, Texas (610 Port #B)

Mayor Lambert convened a Public Hearing at 5:16 p.m. He asked if there were any comments. There were none, and he adjourned the public hearing. Alderman Babcock made the motion to approve the items with the changes recommended by the staff. The motion was seconded by Alderman Spence. The motion passed unanimously (5-0).

18. Amendment to Building Code Ordinance ORD 06-04-18E to Adopt the 2006 Edition of Each of the following Codes: the International Building Code, International Residential Code, International Plumbing Code, International Mechanical Code, and International Energy Conservation Code: Brian Ellis with Westway Builders said they support the City adopting the updated Code. Alderman Babcock made the motion to approve the amendment. The motion was seconded by Alderman Spence. The motion passed unanimously (5-0).
19. Public Hearing for Annexation of 0. 20 Acre Part of Lot W5013-A of Horseshoe Bay Plat No. W5.8, Llano County, Texas: Mayor Lambert convened a Public Hearing at 5:18 p.m. He asked if there were any comments. There were none, and he adjourned the public hearing.
20. Public Hearing for Annexation of 0. 20 Acre Part of Lot W5013-A of Horseshoe Bay Plat No. W5.8, Llano County, Texas: Mayor Lambert convened a Public Hearing at 5:19. He asked if there were any comments. There were none, and he adjourned the public hearing. Mayor Lambert said the Council will consider this annexation on the September 16, 2009 agenda.
21. Reschedule Public Hearings for Annexation of Six Areas of the Extra-Territorial Jurisdiction Totally or Almost Totally Surrounded by the City Limits: Mayor Lambert stated the way these hearings were originally scheduled the City would not have been able to complete the annexation within the required time frame. Mayor Lambert asked that Development Services Manager Eric Winter contact the owners of this property by letter to make them aware of the proposed annexation within a couple of days of this meeting. Two public hearings were scheduled for October 20, 2009 with an item on the November 17, 2009 agenda for consideration. Alderwoman Haydon made the motion to reschedule the public hearings as proposed. The motion was seconded by Alderman Spence. The motion passed unanimously (5-0).
26. Planning and Zoning Recommendations for Chairman, Vice-Chairman and Member to Serve One Year Term: Mayor Lambert asked to move this item up prior to considering their recommendations to the Council. He stated their recommendation for Chairman is Norm Long. The recommendation for Vice-Chair is Jerry Gray and the recommendation for the one year term is Sharon Botello. Alderman Bird made the motion to accept their recommendations. The motion was seconded by Alderwoman Haydon. The motion passed unanimously (5-0).
22. Public Hearing and Rezoning Request for Former Lot Nos. 41025 and 41036 of Horseshoe Bay Plat No. 41.1, now Part of Lot 41023-B of Horseshoe Bay Plat No. 41.10, from R-1 Single Family Residential to GUI Governmental Utility and Institutional, to Allow Improvement and Expansion of St. Paul the Apostle Catholic Chapel's Parking Lot (100 and 200 Block of Northern and Southern Dalton Circle): Mayor Lambert stated that both Items

