

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

**MINUTES**

October 20, 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, October 20, 2009, in accordance with duly posted notice of said meeting. Mayor Bob Lambert called the meeting to order at 9:00 a.m. with a quorum of Council Members present as follows:

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

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 9:00 a.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.
4. Public Comments: Tom Schmersahl from the Telecommunications Committee stated he is staying in contact with Verizon regarding their effort to make DSL available to the residents of Horseshoe Bay. He spoke to Carl Erhart, Regional President for Verizon, and Mr. Erhart said there was no reason this service will not be rolled out. They are just experiencing delays in getting the equipment installed.
5. Recognition of Councilperson Bird: Mayor Lambert thanked Councilperson Bird for his service on the City Council from November 2005 to November 2009. He said Mr. Bird was on the first city council but had decided not to run for re-election in 2009. Mayor Lambert then presented Councilperson Bird with a plaque.
6. Items to be removed from the Consent Agenda: There were no items removed from the Consent Agenda.

7. Consent Agenda Items:

- a. Minutes of the September 14, 2009 Special Public Meeting and the September 15, 2009 Public Meeting
- b. Final Plats:
  - i. Replat of Lot No. 12038-B of Horseshoe Bay Plat No. 12.38 and Lot No. 12039-A of Horseshoe Bay Plat No. 12.20 to be known as Horseshoe Bay Plat No. 12.39 (500 Lighthouse Drive)
- c. Engagement Letter with Neffendorf, Knopp, Doss and Company, P.C. to Conduct the FY2009 Audit
- d. Annual Contract to Provide Fire Fighting Services Between the City of Horseshoe Bay and Oak Ridge POA, Llano County MUD #1, The Hills Section I & II POA, and The Hills Section III POA
- e. Ordinances Establishing Police and Fire Departments
- f. Appointment of Calvin Tidwell as Reserve Police Officer

Councilperson Spence made the motion to approve the Consent Agenda. The motion was seconded by Councilperson Robinson. The motion passed unanimously (5-0).

8. Building Permit Extension for 406 Lighthouse Drive: Don Baker, the builder for Mr. & Mrs. George presented the Council with a timeline to complete this project around the first of April. The Council has had complaints regarding the extended amount of time this project has taken to complete. Councilperson Babcock suggested a 60 day extension of their building permit to allow time to comply with the Council's request to clean the lot in order to make it less unsightly. Mr. Baker will provide a progress report to staff for the November meeting and will personally come back to the Council at the December meeting with another follow up report on the progress and to request another building permit for an additional 100 days. Mr. Baker and the owners agreed to this.
9. Waiver to Allow Continued Use of a Vinyl Fence at 115 Blister Gold on the City Right-of-Way: Councilperson Haydon made the motion to approve the waiver as recommended by staff. The motion was seconded by Alderperson Robinson. The motion passed unanimously (5-0).
10. Allied Waste Contract: Steve Shannon, Municipal Services Manager with Allied Waste, gave a presentation outlining the City's current contract. Council requested City Attorney Monte Akers and City Manager Stan Farmer work together on better understanding of the way the contract is written and the possible substitution of the Garbage and Trash CPI in calculating the contract pricing instead of the overall CPI that is currently being used.
11. Monthly Statistical Departmental Data Reports:
  - a. City Manager; Administration; Community Services; Development Services; Fire Dept.; and Police Dept.

City Manager Stan Farmer gave an overview of the Departmental Reports and stated that end-of-year financials would be distributed once the end-of-year reports are completed. Councilperson Spence asked that they be sent to the Council via regular mail once completed.

12. Drought Contingency Plan Implementation Status and Water Conservation Update: Utilities Director Jeff Koska gave an update on the City's water usage since the implementation of the plan on September 1<sup>st</sup>. He said his department has mailed 120 letters for minor infractions. There have been no repeat offenders. Mr. Koska said City is exceeding the 25% requested reduction in usage.
13. Request for Additional Time to Complete all Necessary Repairs to Manufactured Home at 2100 Crooked Run: Dr. Horis Stedman stated he has purchased this property and is requesting 45 days to complete necessary repairs. Councilperson Spence suggested an extension of 60 days. Councilperson Haydon made the motion to approve this extension of 60 days. The motion was seconded by Councilperson Spence. The motion passed unanimously (5-0).
14. Update on Demolition of Hacienda Townhouses Building at 112 Dawn Drive, Units A – D; and Removal of Manufactured Homes at 204 10th Street, 1502 2<sup>nd</sup> Street, 1403 15th Street and 2100 Crooked Run: Development Services Manager Eric Winter reported there had been no change in the status of these properties. He stated the bid package for demolition and removal was opened on Friday and staff is putting the spreadsheet together for consideration and a decision on the bid. It was determined that staff can make the decision on the bid acceptance and go ahead with the demolition and removal without further input from the Council.
15. Conduct a Public Hearing on Annexation of 6 Areas Totally or Almost Totally Surrounded by the City Limits and Generally Located as Follows:  
Area 1: 3 Tracts on the South Side of FM 2147, South & West of Hi Circle South and South of Escondido, Including the Quarry.  
Area 2: A Triangular Property located on the North Side of FM 2147, east of 8710 FM 2147 (Space Center Storage)  
Area 3: 7 Tracts on the North Side of FM 2147, on Both Sides of Tori Lane (Private Street West of the Post Office), on Both Sides and Behind the Post Office, and Extending West of Tori Lane to Pecan Creek  
Area 4: A Tract at the End of Spice Lilly Street in Skywater (Not Part of Skywater), and directly east across Mitchell Creek from Siena Creek  
Area 5: A Large Tract of Lake Bottom South of the Horseshoe Bay Resort Marina, Between Port and Keel Way/Starboard/Anchor Point and Red Sails, and North of Short Circuit and Heron Cove  
Area 6: 4 Tracts between Sun Ray and Escondido, Including 831 Sun Ray, South of Pecan Creek
- Mayor Lambert convened a Public Hearing at 4:32 p.m. He asked if there were any comments. There were none, and he adjourned the public hearing.
16. Conduct a Public Hearing on Annexation of 6 Areas Totally or Almost Totally Surrounded by the City Limits and Generally Located as Follows:  
Area 1: 3 Tracts on the South Side of FM 2147, South & West of Hi Circle South, and South of Escondido, Including the Quarry.

Area 2: A Triangular Property located on the North Side of FM 2147, east of 8710 FM 2147 (Space Center Storage)

Area 3: 7 Tracts on the North Side of FM 2147, on Both Sides of Tori Lane (Private Street West of the Post Office), on Both Sides and Behind the Post Office, and Extending West of Tori Lane to Pecan Creek

Area 4: A Tract at the End of Spice Lilly Street in Skywater (Not Part of Skywater), and directly east across Mitchell Creek from Siena Creek

Area 5: A Large Tract of Lake Bottom South of the Horseshoe Bay Resort Marina, Between Port and Keel Way/Starboard/Anchor Point and Red Sails, and North of Short Circuit and Heron Cove

Area 6: 4 Tracts between Sun Ray and Escondido, Including 831 Sun Ray, South of Pecan Creek

Mayor Lambert convened a Public Hearing at 4:34 p.m. He asked if there were any comments. There were none, and he adjourned the public hearing. Mayor Lambert stated these areas will be considered for annexation at the November 17, 2009 meeting. He added that the owners of Tract 6, the Dillon Ranch tract, have signed a development agreement. Glenn Salem, owner of Tract 1, is considering the development agreement and Bobby and Norma Green, owners of Tract 3, could possibly also sign the development agreement prior to the November meeting pending being allowed to leave the area in its natural state. These development agreements could be considered by the Council during the November 17, 2009 meeting.

The meeting was adjourned for a recess at 4:39 p.m.

The meeting was reconvened at 4:47 p.m.

17. Conduct a Public Hearing on Annexation of Bay West Blvd Right-of-Way North of FM 2147, Tracts R, S, T, and U of Horseshoe Bay West Plat No. 1.2 and FM 2147 West Right-of-Way West of Bay West Blvd.: Mayor Lambert convened a Public Hearing at 4:48 p.m. He asked if there were any comments. There were none, and he adjourned the public hearing.
18. Conduct a Public Hearing on Annexation of Bay West Blvd Right-of-Way North of FM 2147, Tracts R, S, T, and U of Horseshoe Bay West Plat No. 1.2 and FM 2147 West Right-of-Way West of Bay West Blvd.: Mayor Lambert convened a Public Hearing at 4:49 p.m. He asked if there were any comments. There were none, and he adjourned the public hearing. Mayor Lambert stated these areas will be considered for annexation at the November 17, 2009 meeting. Councilperson Bird wanted to clarify that when annexed the tracts (R&T) on either side of Bay West Blvd. will be zoned commercial. He added that the Council would like to keep the entryway as it looks at this time. It was determined that once a decision is made to develop this property the owners will have to request a replat before the council and the requirement of a green area next to the entry can be finalized at that time.
19. Acceptance of Petition for Annexation, Annexation Service Plan and Schedule Two Public Hearings for Annexation of the North Parts of Lot 12038-C and 12039-B of Horseshoe Bay Plat No. 12.39 (500 Lighthouse Drive): Mayor Lambert said this item is being requested because there is a small strip of land between the property and the lake that is not in the City

limits. Councilperson Babcock made the motion to accept the Petition for Annexation, the Annexation Service Plan and to direct staff to schedule the two public hearings for the November 17, 2009 Council meeting and post the notices for the public hearings as required. The motion was seconded by Councilperson Bird. The motion passed unanimously (5-0).

20. Building Permit Ordinance Amendment Requiring City Registration of Building Contractors: Development Services Manager Eric Winter stated that the Texas Residential Construction Commission (TRCC) was the organization that the City used and it was sunset by the Legislature this year. Staff is creating a registration program modeled after the TRCC program with some of the same contractor requirements, including credential verification and criminal background checks. Councilperson Babcock suggested more strict requirements be considered and that the Council might want to expand at a later date. Mayor Lambert stated any suggestions for additional requirements should be sent to Eric Winter. Councilperson Haydon made the motion to approve the amendment as presented. The motion was seconded by Councilperson Spence. The motion passed unanimously (5-0).

21. Cottonwood Shores Temporary Water Interconnect Contract: Utilities Director Jeff Koska stated that about two months ago the City of Cottonwood Shores approached City staff to see if they could get a temporary interconnect to the City's water supply while their water treatment facility underwent repairs. Mayor Lambert stated the Cottonwood Shores City Council has approved this contract. Mr. Koska stated there should not be an undue strain on the City's system at this time of year. Roger Wayson from Cottonwood Shores stated the fact that City of Horseshoe Bay is considering helping Cottonwood Shores is a tremendous aid to them. He added that they have a grant in hand to pay for the repairs to their plant. Mr. Wayson added they have arranged for a representative from the manufacturer of the plant to be on hand as well as their City Engineer. Councilperson Spence requested a progress report at the December 15, 2009 Council meeting. Councilperson Robinson made the motion to approve the contract as written. The motion was seconded by Councilperson Spence. The motion passed unanimously (5-0).

22. Bid Approval for 12" Water Line Capital Project: City Manager Stan Farmer stated that on October 6, 2009 eleven bids were received and opened. The engineering estimate for the construction was \$336,000. The low bid was \$208,379.67 with the engineering cost expected to be approximately \$21,000. Staff checked references of the firm with the low bid and agrees with the Engineer's recommendation to award the contract to Haley Nelson Construction, LLC as the lowest qualified bidder. Completion of the project is expected to be within 90 days of awarding of bid. Councilperson Bird made the motion to accept the low bid from Haley Nelson Construction, LLC not to exceed \$208,379.67 and authorize staff to enter into a contract not to exceed \$45,000 with an independent inspection company. The motion was seconded by Councilperson Spence. The motion passed unanimously (5-0). Councilperson Spence clarified that this contract is fixed cost not cost plus. Councilperson Bird asked that staff publicize the construction so the affected neighborhoods will be aware of the project.

Executive Session: At 5:18 p.m., Mayor Lambert announced that the Council would go into Executive Session regarding agenda items 23, 24 and 25 pursuant to Sections 551.071, 551.072 and 551.074 of the Texas Open Meetings Act.

