

**OFFICIAL MINUTES OF THE CITY COUNCIL
LAGO VISTA, TEXAS
JUNE 7, 2012**

BE IT REMEMBERED that on the 7th day of June, A.D., 2012, the City Council held a Regular Meeting at 6:41 P.M., at City Hall, 5803 Thunderbird, in said City, there being present and acting the following:

Randy Kruger	Mayor	Bill Angelo	City Manager
Bob Bradley	Mayor Pro Tem	Frank Robbins	Assistant City Manager
Darrel Hunt	Council Member	Danny Smith	Police Chief
Richard Bohn	Council Member	Christina Buckner	City Secretary
D'Anne Gloris	Council Member	Jan Steele	Library Director
Ron Smith	Council Member	Barney Knight	City Attorney

Mayor Kruger called the Regular Meeting to order and recognized that all Council Members were present except Dale Mitchell.

The numbering below tracks that of the agenda, whereas the actual order of consideration varied, primarily for the convenience of the guests.

CITIZEN INQUIRY:

Margo Mermelstein gave a presentation introducing the Central Texas Water Coalition and requesting the Council consider passing a Resolution urging approval by the Texas Commission on Environmental Quality of the Lower Colorado River Authority's 2012 Water Management Plan.

PUBLIC HEARING:

1. The Council held a public hearing pursuant to Chapter 372, Texas Local Government Code, regarding the creation of the Tessera on Lake Travis Public Improvement District.

Barney Knight stated this public hearing was noticed in compliance with the applicable law; Chapter 372. He advised the Council that, after receiving public input at this hearing, they can close the public hearing or continue it if they find a need to do so, but the fact that they have held a public hearing doesn't obligate them to do anything with the creation of this PID. He stated a schedule of items before Council will be discussed later tonight, advising that the schedule is guaranteed to change. He stated there are a lot of moving pieces to this. He stated this property is now called Tessera on Lake Travis, a development proposed by Hines, which was formerly Rogers Ranch, a waterfront property of about 870 acres. He stated the proposal is for the City to go through and negotiate a number of significant documents and, if everything is satisfactory, and the PID is created, they are not bound or obligated to take any follow up action on it until sometime in August. He stated assuming everything is in order and all the pieces fit together, they will potentially get there sometime in late August and authorize a bond issue of about \$31 million which will be secured solely by the 870 plus acres in the proposed development. He stated it will not be a financial obligation of the City whatsoever; it will be an obligation of the City to manage the PID or hire people to manage the PID and they will be able to set an assessment from time to time on those properties to fund and pay the costs of managing the PID. He stated, until the PID is actually approved and they negotiate a price on the sale of those bonds, then there will be some obligations going forward. He advised the Council that they can proceed ahead or step back on this at any point and time if it becomes the appropriate thing to do in the judgment of the Council. He stated they are holding a Public Hearing tonight and they do not have to take action tonight, but they can take action. He stated they can close the public hearing or continue it from time to time.

Duke Kerrigan, Director of Hines, Robert Kleeman, with Munsch Hardt Kopf & Harr, P.C., and Mark Curran with Piper Jaffray were present representing Hines.

Mayor Kruger opened the floor for comments from the Council.
There was a lengthy discussion by the Council.

Issues discussed included language and items in the Development Agreement, specifically the construction and funding of Water Treatment Plant #3 and parkland dedication; the finance agreement and the schedule for the PID.

Mayor Kruger opened the floor for comments from the audience.

Doug Casey stated it appeared there was no scope of work with regard to the proposed Water Treatment Facility Number 3, and questioned that based on the fact that the agreement was getting closer to a reality.

Bill Angelo stated there is a scope of work.

Mayor Kruger stated the scope of work is known but there are questions regarding the language of the contract.

Mayor Kruger closed the public hearing at 7:52 pm.

Barney Knight suggested the Council consider finally closing the public hearing.

On a motion by Darrel Hunt, seconded by Bob Bradley, the Council unanimously voted to close the public hearing.

CONSENT AGENDA:

2. On a motion by Darrel Hunt, seconded by D'Anne Gloris, the Council unanimously approved the following minutes:
May 17, 2012 Special Meeting and Executive Session
May 17, 2012 Regular Meeting
May 24, 2012 Special Meeting and Executive Session

ACTION ITEMS:

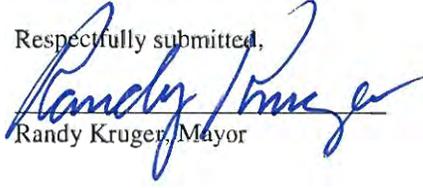
3. On a motion by Mayor Kruger, seconded by Richard Bohn, the Council unanimously waived the filing fees for the rezoning and amendment of the PDD Development Plan and ordinance for Tessera on Lake Travis.
4. On a motion by D'Anne Gloris, seconded by Ron Smith, the Council unanimously adopted Ordinance 12-06-07-01 adopting an ordinance regulating junked and abandoned aircraft; making findings of fact; providing definitions; providing for notice and impoundment; providing for the City's use disposal of abandoned aircraft; providing for the disposition of aircraft and proceeds; declaring junked aircraft a public nuisance; providing procedures for abatement of public nuisance; providing a penalty; providing for disposal; providing for severability; and providing effective date and open meetings clauses.
5. On a motion by D'Anne Gloris, seconded by Bob Bradley, the Council voted unanimously to allow Firewise signs to be placed in Lago Vista street rights-of-way on existing signs and along 1431 if approved by TxDOT.
6. On a motion by Richard Bohn, seconded by D'Anne Gloris, the Council unanimously approved Resolution 12-1544 appointing Patricia Greschner-Nedry as a member of the Library Advisory Board with a term expiring January, 2014.
7. On a motion by Darrel Hunt, seconded by Ron Smith, the Council unanimously approved Resolution 12-1545 declaring various property and/or equipment to be surplus property and authorizing the City Manager to dispose of such property in a manner which is beneficial to the City of Lago Vista.
8. On a motion by Mayor Kruger, seconded by Darrel Hunt, the Council unanimously voted to allow Bill Angelo to cast votes on the Pedernales Electric Cooperative, Inc. Official 2012 Election Ballot.
9. On a motion by Darrel Hunt, seconded by Richard Bohn, the Council voted unanimously to allow the Mayor to sign a Conflict-of-Interest Waiver for a Wholesale Wastewater Agreement between the City of Lago Vista and the City of Jonestown.

WORK SESSION:

10. The Council reviewed and discussed a proposed schedule regarding Tessera on Lake Travis; considered the proposed Tessera on Lake Travis Public Improvement District; and performed an initial review and discussed the draft Restated Development Agreement for Tessera on Lake Travis.
11. The Council discussed a term extension and amendment to the Contract for the Collection and Disposal of Solid Waste and Recycling Services with IESI. Jim Hare with IESI gave a brief presentation and presented two contract options: 1.) a two (2) year contract extension at a new rate of \$15.22 per month based on retaining the current service levels for trash and recycling; and 2.) a five (5) year contract extension at a rate of \$14.99 per month based on the current one (1) time per week trash service and conversion to every other week (EOW) single stream recycling services. Mayor Kruger recommended that Bill Angelo negotiate with IESI to get the price down and avoid changing vendors if possible.
12. The Council discussed an Ordinance amending the Code of Ordinances, Chapter 1 General Provisions, Article 1.300 City Council, Section 1.331 City Council Meetings.
13. Mayor Kruger announced that the AMR report would be discussed at the next Council meeting.
14. The Council discussed the Budget Calendar and Council Budget Priorities.
15. The City Manager updated Council on the following:
 - a. Commercial Development
 - Village Center sold again, heard it was a man who owns other strip centers in Austin
 - City received \$8,000 grant from LCRA to redo some of our dead end waterlines; it is the first one they've ever issued; it will reduce our dumping of potable water by over one million gallons
 - Green Center took in 134 loads the other day, business is picking up, taking three to four people off of normal work week schedule, cutting into Street department's ability to do other things, may need to be addressed in the budget
 - b. Residential Development
 - Already discussed Tessera and Hollows

16. The Council scheduled items for future Council meetings.

Mayor Kruger adjourned the meeting at 9:36 p.m.

Respectfully submitted,

Randy Kruger, Mayor

ATTEST:

Christina Buckner, City Secretary

On a motion by Council Member D'Anne Gloris, seconded by Council Member Richard Bohn, the above and foregoing instrument was passed and approved this 21st day of June, 2012.