

**OFFICIAL MINUTES OF THE CITY COUNCIL
LAGO VISTA, TEXAS
SEPTEMBER 6, 2012**

BE IT REMEMBERED that on the 6th day of September, A.D., 2012, the City Council held a Regular Meeting and Public Hearing at 6:30 P.M., at City Hall, 5803 Thunderbird, in said City, there being present and acting the following:

Randy Kruger	Mayor	Bill Angelo	City Manager
Darrel Hunt	Council Member	Frank Robbins	Assistant City Manager
Dale Mitchell	Council Member	Danny Smith	Police Chief
Ron Smith	Council Member	Christina Buckner	City Secretary
D'Anne Gloris	Council Member	Dave Stewart	Assistant Public Works Director
Richard Bohn	Council Member	James LeBlanc	Street Superintendent

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

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

CITIZEN INQUIRY:

Dan McAlister questioned what could be done regarding the condition of his neighbor's house and lot at 6103 Cimarron Trail.

PUBLIC HEARING:

1. Mayor Kruger stated the Public Hearing is being conducting Pursuant to the Texas Local Government Code, Chapter 102, to obtain the views of the citizens regarding the proposed budget for the fiscal year October 1, 2012 through September 30, 2013. He announced that a copy of the proposed budget is available at the Lago Vista City Hall, at the Lago Vista Community Library located at 5803 Thunderbird, and on the city's website www.lagovistatexas.org.

Mayor Kruger stated the tax rate will be set at the next Council Meeting. He stated the maximum tax rate has been set at the same rate as last year. He stated they will not be increasing the tax rate this year which will ultimately result in the majority of the people in Lago Vista paying less City taxes. He stated the City incurred about a \$20 million dollar decrease in property values, which means the majority of the people in Lago Vista had a reduction in their property values. He stated this resulted in about a \$250,000 decrease in revenue for the City. He stated the Council decided to tighten their belts and do additional things to keep the tax rate the same.

Mayor Kruger opened the floor for comments from the public.

There were none.

Bill Angelo commended City staff, specifically the Finance Department, and thanked everyone for their effort on the budget.

Dan Olson questioned whether the reductions in the budget are being spread evenly across all of the budgets.

Mayor Kruger stated there are no projected raises in the budget, other than some, particularly the police department, market adjustments. He stated the City is able to pull this off because the City has been doing a lot of Capital Improvement Projects in house and have done some for outside persons as well. This results in the costs for labor and equipment, which would normally be charged in an account that does not generate revenue, being offset. He stated the current budget includes over \$400,000 of projected projects that will offset the loss of revenue so they were able to hold services, pay and staff to a constant level. He stated no one is being terminated and they are adding two positions in the Utility Department. He stated if it weren't for this, there would have been some serious changes in services or staff.

Don Brown questioned what funding the City has in the event of an emergency.

Mayor Kruger stated the City is in the best financial position it has ever been in. He stated they have a reserve fund, which is set aside for emergencies in the City, which stands at about \$2.5 million. He stated they have gotten to the point where they feel comfortable with the reserve. He stated they are proposing to spend \$300,000 out of the reserve this year on street overlays and are holding the tax rate. He stated they are projecting the reserve will go down about \$200,000 at the end of this year because they are using it for some other items. He stated they took \$200,000 out of the reserve last year for the library expansion and the Council is going to vote tonight to increase that by about \$15,000 due to cost overruns and unforeseen items. He stated the City is in strong financial health and the reserve is higher than it's ever been. He stated they increased the tax rate \$0.01 last year even though they could have raised it \$0.03 to maintain the same revenue. He stated they have lost a significant amount of revenue the last two years due to property devaluations. He stated they feel real good about staff and the people of the City and how the budget is put together.

D'Anne Gloris noted that the City also received an upgraded credit rating during that time.

Mayor Kruger stated they are very proud of their work and he knows there are a lot of things people would like to have in the City but they have to be very cautious.

There being no further comments Mayor Kruger closed the Public Hearing at 6:40 p.m.

CONSENT AGENDA:

2. On a motion by D'Anne Gloris, seconded by Richard Bohn, the Council unanimously approved the following minutes:
August 15, 2012 Budget Work Session
August 16, 2012 Regular Meeting

ACTION ITEMS:

3. On a motion by Darrel Hunt, seconded by D'Anne Gloris, the Council unanimously approved Resolution 12-1552 providing for a public hearing and notice of intent to issue Special Assessment Revenue Bonds as required by the City's Home Rule Charter; providing an effective date; and containing other matters relating to the subject.
4. North Shore Firewise Committee President Dawn Michetich expressed appreciation for the efforts the City has put into the Green Center. She stated many people have told them they were unaware that the City had such a facility. She stated they publicized the facility at their August 16 public awareness event. She stated they also advertised that committee members will do wildfire assessments at people's homes, at which they advise people that they can use the Green Center. She stated they are concerned with the reduction in hours of operation of the Green Center, especially since they have been publicizing it, and they don't think it will be sufficient for persons wanting to utilize it. She stated they understand that lack of participation and the cost for staffing the facility are the reasons for the change. She requested the Council consider reopening the facility twice per month in the fall. She stated people are not aware of the facility and advertisement of it is an issue. She stated they would like to partner with the City to help in advertizing the facility better and more efficiently. She stated they also learned there might be a potential to advertise it through the Lago vista POA. She stated they are considering sending out information to all of the Presidents of local civic groups to get their assistance in advertising it as well. She also suggested the City consider accepting donations from citizens.

Mayor Kruger stated the demand determines the times the Green Center is open and they are not cutting the hours to cut costs. He stated the hours can be adjusted instantly. He asked how flexible staff was with regard to accommodating persons who want to bring brush on a weekday.

James LeBlanc stated he has worked with several people and allowed them to dump during the week because they couldn't make it on the weekend and he tries very hard not to turn anyone away.

D'Anne Gloris suggested the City could accommodate a group event.

Dale Mitchell stated communication to the citizens is not getting out. He stated an interactive website would be helpful. He stated our own City communications haven't been sufficient and the City should focus more on that.

Mayor Kruger suggested sending an automated e- blast if we had a citizen email list.

James LeBlanc stated he could speak with the Lago Vista POA and see if the City could use their email list.

Richard Bohn suggested advertising it on the community event sign.

Dawn Michetich stated the Firewise Committee has door hangers and requested the city partner with them in disbursing Firewise information and advertisement of the Green Center. She suggested parceling the city into zones.

Mayor Kruger stated they would take everything under consideration.

Dan Olson suggested the City have a representative at the President's Council meeting on Monday.

Chief Smith invited the Firewise Committee to participate and have a booth at their National Night Out event.

Dawn Michetich stated they discussed creating an email, with both the Firewise and City logos, and emailing to all of the Presidents of the Civic organizations for them to email out to their organizations.

Don Brown expressed concern with how to reach absentee lot owners.

Mayor Kruger stated that has been discussed extensively and they have not yet come up with a solution.

Ketter Woods, Lago Vista POA Board Member, stated they could assist by getting information out to lot owners through their newsletter.

5. On a motion by Dale Mitchell, seconded by Richard Bohn, the Council unanimously voted to reject the current trenching bid and start the bidding process over for the Water Line Trench Excavation for 2012 – 2015.
6. On a motion by D'Anne Gloris, seconded by Darrel Hunt, the Council voted unanimously to authorize the City Manager to execute a Facilities Solutions Agreement with Cintas for uniform supplies.
7. On a motion by Darrel Hunt, seconded by Dale Mitchell, the Council unanimously adopted Ordinance 12-09-06-01 pursuant to Vernon's Texas Codes Annotated. Local Government Code, Chapter 102, Section 102.007(b) providing for amendments to Ordinance No. 11-09-20-01 for the fiscal year beginning October 1, 2011 and ending September 30, 2012; amending the Capital Improvement Fund budget, as set forth in "Exhibit A" attached to the Ordinance.
8. On a motion by Richard Bohn, seconded by Dale Mitchell, the Council unanimously adopted Ordinance 12-09-06-02 amending Ordinance 12-04-19-01 that establishes various permit fees, other fees and rates for services provided by the City of Lago Vista; providing a severability clause; and providing an effective date.
9. On a motion by Darrel Hunt, seconded by Dale Mitchell, the Council voted unanimously to reinstate all Stage 2a (mandatory) water conservation measures effective October 1, 2012.
10. On a motion by D'Anne Gloris, seconded by Ron Smith, the Council unanimously approved a Continuation of Coverage Administrative Agreement with Texas Municipal League Intergovernmental Employee Benefits Pool.
11. On a motion by Ron Smith, seconded by D'Anne Gloris, the Council voted unanimously to authorize the City Manager to execute a Section 125 Flexible Spending Account Premium Only Service Agreement with Texas Municipal League Intergovernmental Employee Benefits Pool.
12. On a motion by Ron Smith, seconded by Richard Bohn, the Council unanimously approved Resolution 12-1553 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.

WORK SESSION:

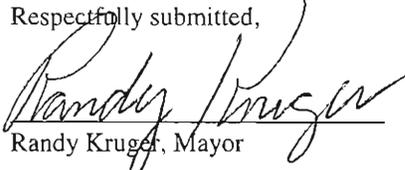
13. The Council discussed Resolutions to be submitted at the 2012 TML Annual Conference.
14. The Council discussed the Budget Calendar and Council Budget Priorities.
15. The City Manager updated the Council on the following:
 - a. Commercial Development
 - J&J BBQ & Burgers is locating to town, they are trying to get everything ready and plan to open next week
 - b. Residential Development
 - Nothing other than Tessera PID
 - c. CIP Activity
 - Many projects completed in the last week, Dawn Dr., Boone Dr. lift stations, bio cube at Turner Lift Station
 - AMR, 200 meters on back-order, should be done this month
 - Irrigation system at Cedar Breaks is complete, ready to plant trees from LCRA, basing road until do overlays
 - 7,600' of pipe on Alfalfa, started pre weld yesterday, should have Alfalfa portion in before Thanksgiving, still need easement for lift station, Frank Robbins working on that, final design going to TCEQ next week for approval, estimating TCEQ approval by November 1, 2012, 8,000' of the 19,000' of line will be in before Thanksgiving
 - New SCADA system is in, in the process of switching lift stations off of auto-dialers
 - Completed rehab of primary lift station at waste water treatment plant, replaced 5" of concrete of a 12" wall, two new penetrations are in, ready to run 18", tied an old force main out of a man hole into it
 - Close to having an agreement with the school district regarding utilities, hope to have something to present to them early next week, have separate agreement relating to park land dedication fees which is being reviewed by the City attorney
 - Guardrails are in on Dodge Trail, Thunderbird and Lakeshore
 - Painting is complete
 - Started putting buttons down, have 10 miles worth to put down, working on it every other day, should be wrapping up Capital Metro project
 - Street repair at Travis Oaks was done last Friday, no bare spots, seems to be holding
 - D'Anne Gloris stated she received a complaint regarding a smell on Bar K Ranch Road at Dakota, Dave Stewart stated there is an air blow off there which was plugged, it is now working, the sewage from the airport goes through there, the high school doesn't tie into that line, it ties into a gravity line that goes to Bar K lift station, there are going to be problems there, all those sewers were done after the force main that goes to the Cedar Breaks was put in, they tied every force main within 150 feet of it into it so they don't go gravity anymore, not much we can do about it, can try to turn it off and see

- if the line air locks
- Dave Stewart reported they had 313 hours of overtime due to the sewer issues that resulted from air locks, Bill Angelo reported that the City's insurance company has denied all of the claims because we have government immunity and they found no actions on the part of the City which would have resulted in being responsible for the problems, most of the people that had problems had problems with their systems anyway, Dave Stewart stated there was a lot of substandard plumbing and/or improper installation, Bill Angelo stated the questioned is whether the City wants to pay those claims but expressed concern with setting a precedent by not honoring governmental immunity

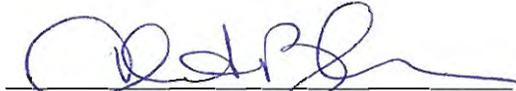
16. The Council scheduled items for future Council meetings.

Mayor Kruger adjourned the meeting at 8:32 p.m.

Respectfully submitted,


Randy Kruger, Mayor

ATTEST:


Christina Buckner, City Secretary

On a motion by Council Member Dale Mitchell, seconded by Council Member D'Anne Gloris, the above and foregoing instrument was passed and approved this 20th day of September, 2012.