

**OFFICIAL MINUTES OF THE CITY COUNCIL
LAGO VISTA, TEXAS
NOVEMBER 20, 2014**

BE IT REMEMBERED that on the 20th day of November, 2014 the City Council held a Regular Meeting at 6:30 P.M., at City Hall, 5803 Thunderbird, in said City, there being present and acting the following:

Randy Kruger	Mayor	Melissa Byrne Vossmer	City Manager
Dale Mitchell	Mayor Pro Tem	David Harrell	Development Services Director
Ron Smith	Council Member	Danny Smith	Police Chief
D'Anne Gloris	Council Member	Dave Stewart	Public Works Director
Darrell Hunt	Council Member	Belinda Kneblick	Assistant City Secretary
Ed Tidwell	Council Member	Starr Lockwood	Accounting Manager
		Lisa Meyers	HR Manager
		James Le Blanc	Street Superintendent

Mayor Kruger called the Regular Meeting to order and recognized that all Council Members were present except Richard Bohn. Pastor Dale Chrisman gave the Invocation and Mayor Kruger led the Pledge of Allegiance.

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

PUBLIC COMMENTS:

Mayor Kruger announced that there will be a Town Hall Meeting to discuss and receive input from the citizens regarding performances of the city on December 4th at 6:30 P.M., at the Lago Vista High School Performing Arts Center.

Donnie Norman, ESD #1 Fire Chief stated he has two Battalion Chiefs and Battalion Chief Tim Campbell attending with him tonight and do plan that one of the three to will attend every Council meeting unless there is some type of emergency. They have three new fire trucks coming in May or June next year, one ladder truck, that will lower the ISO rating in this district and two squads (pickup trucks) to respond to calls like lift assist. Having the squads has lowered response time on lower priority calls and are less expensive to maintain. He stated they have logged 3867 classroom hours of training, 27 full-time and 22 part-time employees with 7 volunteers. There is now 1 full-time employee at the Lago Vista station. He stated they are in the process of trying to sell #3 and #4 stations and taking that money along with a loan they acquired to purchase property on Lohman Ford to build the central station, the line share of their calls are in Lago Vista. He has extended an invitation to the Council to join the Fire Department January 9th at 7:00 P.M. for a dinner and their annual awards banquet; the event will be held at the K-Oaks Clubhouse on Bar K.

Nancy Priddy, 19901 Mountain Side Dr, Lago Vista, TX stated she has noticed a lot of concerns amongst the citizens and a lot of animosity towards different things happening within the city. She asked if they would be allowed to ask pointed questions to each council member on an unlimited basis? She asked if the City is having this meeting as a result of all the communications that have been going on lately with regards to some of the businesses? She feels that to really understand each one of you individually and to know what is going on with the city is not easy to do from a web site, so when they go to the voting booth to know what they are voting for and the kind of people that will take us into the future, looks forward to the Town Hall Meeting to be able to ask questions.

Tina Mangrum, 20402 Continental Dr, Lago Vista, TX stated she has six pointed questions that follow:

1. Running two golf courses at a yearly loss in the six figures prevent Lago Vista from having sidewalks and city parks etc.?
2. Did buying and maintaining two golf courses at a yearly loss in the six figures contribute to rising water rates?
3. Why would a city compete with a private business?
4. Who sets prices for beer and golf fees? Are they in line with other courses in the area? Her answer: No, she called four other courses and the average is \$3.19, high being \$3.50 and low being \$3.00.
5. Why would the city move into a double-wide trailer that does not conform to the building standards of the city?
6. Why are there a multitude of vacant and abandoned buildings in Lago Vista? Is this caused by bad city policies and what is the City doing to change this trend?

Dorn Benson, 20411 Highland Lake Dr, Lago Vista, TX stated concerns would be best addressed at the Town Hall Meeting.

Larry Levy, Cypress, TX stated he appeared here October 16, 2014 regarding a 2009 agreed judgment regarding nine small pieces of property here in Lago Vista, his property was not identified in the judgment and now has underground water lines installed. He states he was not listed in this law suit nor was he notified. He states this is not an easement issue, this is a separating strip issue. He urges City Council to review the attorney memo he has provided. He stated there have been no legal filings at this time.

Earl Horn, stated he has been out here 45 years and worked for National Resort Communities. He stated he has witnessed a lot of changes since he has been here, a lot have been to the good. He stated that we're hoping that much more progress can be made in this city and it appears that it has slowed down. Why are things slowing down and why aren't people getting what they want from this council? He states that people are thinking council is dragging its feet. He states that we now have an opportunity to have a first rate hotel built in this community and

council should be behind it 100 percent. He states rumors around town is that this city council will do whatever is necessary for a business not to make it, that's a bad reputation to have. He states we need to get on top of these issues.

Stephanie Smith 20606 Branding Iron, Lago Vista states she is once again bring up sidewalks. She states would like to see sidewalks on Thunderbird, Dawn, Bar K, Lohman and Boggy.

Michael Penner, 20722 Camel Back states moved here from Las Vegas, found city very welcoming. He states would like to work with Tessera for a sports complex for the kids.

Chess Brooks, 20631 Highland Lake Loop, Lago Vista states lived here 10 years and owned property since 1980. He states that he has seen County Club go thru many changes and hopes that the City and Mr. Otwell will work something out so the people have a decent place to eat.

PUBLIC HEARING:

1. Mayor Kruger stated the purpose of the public hearing in regards to consider the amendment of the Land Use Assumptions and Capital Improvements Plan and possible amendment to the impact fees, and to discuss the proposed ordinance amending the Land Use Assumptions, the Capital Improvements Plans, and amendment to the water and sewer impact fees.

Mayor Kruger opened the floor for questions or direction from Council.

D'Anne Gloris questioned who gathered the information for the charts provided.

Mayor Kruger stated that he would let David Harrell answer the question.

David Harrell, Director of Development Service states our engineering consultants, Tim Haynie Jr with Haynie Consulting prepared data/report with questions provided by Council Member Dale Mitchell.

Ed Tidwell questioned are these our current fees?

D'Anne Gloris and Dale Mitchell stated current fees.

David Harrell presented staff report: The City is undertaking an update the Impact Fee Land Use Assumptions & Capital Improvement Projects report in order to review the accessed City impact fees. Every five years the State requires municipalities to review their accessed impact fees through a detailed analysis in accordance with Sec. 395 of the Texas Local Government Code (TLGC).

Impact fees are accessed on new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development. Under Sec. 395.012 TLGC, impact fees can only pay the costs associated with constructing capital improvements or facility expansions, including and limited to construction contract price, surveying and engineering fees; land acquisition costs, including land purchases, court awards and costs, attorney's fees, and expert witness fees; and fees actually paid or contracted to be paid to an independent qualified engineer or financial consultant preparing or updating the capital improvements plan who is not an employee of the political subdivision. Impact fees cannot be used to maintain existing infrastructure.

On October 16th the Council approved an Ordinance to move the public hearing to November 20th. The public hearing is a requirement under Sections 395.053 and 395.054, Texas Local Government Code. At this time the Council should hear the staff presentation, open the public hearing concerning the Ordinance, hear any public input, and announce consideration of the proposed Assumptions, Plan, and Fee at their December 18th meeting date.

At their October 30th meeting the Impact Fee Advisory Committee made the following findings and made a unanimous recommendation (6-0) on the below motion:

1. The Land Use Assumptions and Capital Improvements Plans underlying the \$3,000 water and \$2,115 wastewater calculations are consistent with State law and good engineering practices.
2. The Advisory Committee finds the data and methodology underlying the impact fee calculation are reasonable and useful for City purposes.
3. By a 6-0 vote, the Advisory Committee concurs with the methodology used in the calculation of the \$3,000 water and \$2,115 wastewater calculations.

The Advisory Committee recommended the water fee be raised from \$1,250 to \$3,000 and the wastewater fee be raised from \$1,250 to \$2,115 with the stipulation it be revisited in one (1) year.

Tim Haynie Jr with Haynie Consulting Engineers presented PowerPoint presentation.

Dale Mitchell stated on page 21 there were only four towns included in this study, he pulled the 2008 study and it had an entire listing of other cities and requested David Harrell to contact and see if he could get an update.

D'Anne Gloris stated we have our six thousand plus residents that should not be paying for new development and new development should be paying for new projects.

Tim Haynie Jr stated that is what impacts fees are for, new development.

D'Anne Gloris questioned when would the council be voting on new rates and when would they be effective.

Melissa Byrne Vossmer and Mayor Kruger stated December 18th, the next council meeting.

David Harrell stated that staff would suggest to give a two or three month window to let people know the fees have been increased. Only fair that builders are aware.

Melissa Byrne Vossmer stated the window was in the discussion to let builders know in case they are in negotiations for contracts or under contract, they would miss their window of opportunity to recoup.

Mayor Kruger stated he thinks that Tessera is fixed, he thinks that in their contract it states the number.

D'Anne Gloris questioned the houses not built in Tessera.

David Harrell stated Tessera development agreement refers back to the impact fee that is in effect at the time the building is built, they actually tie into the new impact fee.

Melissa Byrne Vossmer stated that questioned came up and was researched, but we will double check.

Darrell Hunt questioned will these new rates effect the Jonestown Hollows.

Mayor Kruger stated that the contract reads that the fees will be what it is at that time. Fees are based on what the fees are in Lago at that time.

Ed Tidwell questioned the suggested growth of 4.67% is that independent of these fees, is that based on what our current fees are now if we raised them would that stymie the growth out here for a developer if we only grow by 1% .

Tim Haynie Jr stated the 4.67 is based on the data collected from our surrounding neighbors and what we think we are going to do here over the next 10 years.

Melissa Byrne Vossmer stated the one of the reasons the document that showed the comparisons was generated so you can see where we are at in relation to area cities.

Mayor Kruger stated that the proposed increase seems to keep us competitive with the surrounding areas, or under.

D'Anne Gloris questioned are the residential and commercial rates different.

Tim Haynie Jr stated yes, depends on the water line requested for commercial building.

Dale Mitchell stated what's important on this is that this is projecting the growth for the next ten years and we will revisit next year to see if growth to compare. If growing faster, impact fees should go up because we will have capital improvement projects going in to meet that growth. If we do not adopt a reasonable impact fee closer to the maximum allowed then that means we are charging the current city residents that are already here more property tax or water, waste water rates in order to take care of that future growth. Rare to see a developer or builder back off building new residents due to a raise in impact fees to where it should be.

Melissa Byrne Vossmer stated the only time she has experienced when trying to develop moderate family housing.

Mayor Kruger opened the floor for public comments.

Mike Penner 20722 Camel Back stated concerned about fees for home owner builder. Good idea to revisit growth in a year.

Steven Sorrit questioned people building houses are going to absorb these fees or add to cost of house.

Mayor Kruger stated there is a need for lower price housing, \$150,000 to \$200,000, in this area and it does need to be taken into consideration.

D'Anne Gloris questioned when meeting with Impact Fee committee did you receive input from the local builders.

Dale Mitchell questioned did we float this by any builders that are in town.

David Harrell stated we did not formally do this, but at the stake holders meeting to change our ICC codes, we did make them aware there would be impact fees changes, as far as the people that attended, they had no issue related to it.

D'Anne Gloris stated really surprised that there was no discussion from the builders.

David Harrell stated under the law we did have to post public notice in the paper and follow the local Texas government code.

Melissa Byrne Vossmer stated we did meet with a developer earlier this week and they requested that we waive the impact fee, by law we cannot do that and then they asked about the tap fee, could we help them with that. They are building moderate priced homes.

D'Anne Gloris stated she has noticed spec homes being built towards the airport and how the fees would affect them. The growth will need to be paid for and shouldn't be paid for by the current resident.

Melissa Byrne Vossmer stated the Impact Committee is represented by both the development and real estate community and at a vote of 6 to 0 did recommend these levels and to revisit in a year.

Mayor Kruger closed the public hearing and stated will take action next council meeting.

PRESENTATIONS:

2. Ann Murrow announced the annual Christmas Tree Lighting will be Monday, December 1st at 6:00 P.M.
3. Shay Roalson with HDR updated the Council on the status of Water Treatment Plant #3.
4. James Le Blanc updated the Council on the Street Overlay project.

ACTION ITEMS:

5. On a motion by D'Anne Gloris, seconded by Darrel Hunt, the Council voted unanimously to approve the purchase of a 2015 Chevrolet 2500 Van as opposed to a Chevrolet Colorado pick-up truck for the new Parks and Recreation Department.
6. On a motion by Darrel Hunt, seconded by Dale Mitchell, the Council voted unanimously to approve the purchase of a 2015 Chevrolet truck to replace a critically worn-out truck in the Public Works Water Services Fleet.
7. On a motion by Darrel Hunt, seconded by D'Anne Gloris, the Council voted unanimously adopted Ordinance O-28-14, an Ordinance of the City of Lago Vista, Texas, establishing minimum Municipal Court Fines for persons who elect to pay such fines by mail, in person at the Court Clerk's office, or at a time other than a scheduled court date with the judge; and providing severability, open meetings and effective date clauses.
8. On a motion by D'Anne Gloris, seconded by Ron Smith, the Council voted unanimously to approve the implementation of the new Pay Plan effective January 1, 2015.
9. On a motion by Darrel Hunt, seconded by Ed Tidwell, the Council voted unanimously to approve Resolution R-30-14, a Resolution by the City Council of the City of Lago Vista, Texas authorizing Randy Kruger, Mayor, to cast a ballot for Tom Moody, duly voted on by the Council, to serve on the Board of Directors of the Travis Central Appraisal District for a 2 year term beginning January 1, 2015.
10. On a motion by Dale Mitchell, seconded by Ed Tidwell, the Council voted unanimously to approve to consider Planning and Zoning Commission recommendation to develop Request For Proposals to provide a Comprehensive Plan Update and establish a timeline.

WORK SESSION:

11. Ron Smith updated the Council on Texas Municipal League Resolutions.
12. The Council discussed plans for their annual retreat.
13. Reports: October, 2014 Departmental Reports
 - A. Airport
 - B. Municipal Court
 - C. Utility Department
 - D. Street Department
 - E. Development Services
 - F. Police Department
 - G. Library
 - H. Golf Course
 - I. Finance

FUTURE MEETINGS:

14. The Council scheduled items for future Council meetings.

EXECUTIVE SESSION:

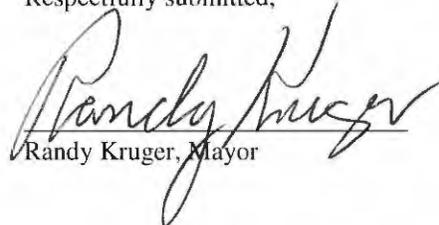
15. At 9:37 P.M. Mayor Kruger announced the Council will convene into executive session pursuant to Sections 551.071, 551.072 and 551.074 Texas Government Code, and Section 1.05, Texas Disciplinary Rules of Professional Conduct to consult with legal counsel regarding;
- a) Status of eminent domain actions;
 - b) Claim or possible claim related to easements;
 - c) Discussion concerning status of negotiations with possible hotel venture;
 - d) Discussion regarding standards and criteria for City Manager's performance evaluation.

ACTION ITEMS:

16. At 11:35 P.M. the Council reconvened into open session.
- a) No action was taken regarding the status of eminent domain actions;
 - b) No action was taken regarding the claim or possible claim related to easements;
 - c) No action was taken regarding the discussion concerning status of negotiations with possible hotel venture;
 - d) No action was taken regarding the discussion regarding standards and criteria for City Manager's performance evaluation.

Mayor Kruger adjourned the meeting at 11:36 P.M.

Respectfully submitted,


Randy Kruger, Mayor

ATTEST:


Belinda Kneblick, Assistant City Secretary

On a motion by Council Member Darrel Hunt, seconded by Council Member Ed Tidwell, the above and foregoing instrument was passed and approved this 18th day of December.