

City of Wimberley
City Hall
221 Stillwater
Wimberley, Texas 78676
Minutes of Regular Meeting of City Council
February 21, 2013 at 6:00 p.m.

City Council meeting called to order at 6:00 p.m. by Mayor Bob Flocke.

Mayor Flocke gave the Invocation and Councilmembers led the Pledge of Allegiance to the United States and Texas flags.

Councilmembers Present: Mayor Bob Flocke and Councilmembers Tom Talcott, Mac McCullough, Matt Meeks, Steve Thurber, and John White.

Staff Present: City Administrator Don Ferguson and City Secretary Cara McPartland

Citizens Communications

Dr. Deborah Koeck felt that wastewater needs for central Wimberley and irrigation needs for Blue Hole Regional Park should be treated as separate issues to be addressed by their respective appointed boards.

1. Consent Agenda

- A. Approval of the minutes of the Regular City Council meeting of February 7, 2013
- B. Approval of minutes of the Special City Council meeting of February 6, 2013
- C. Approval of the January 2013 Financial Statements for the City of Wimberley

Councilmember Meeks moved to approve all Consent Agenda items, as presented. Councilmember Talcott seconded. Motion carried on a vote of 5-0.

2. City Administrator Report

- Status report on development activity in the City of Wimberley

City Administrator Ferguson reported on residential/commercial building permit statistics, indicating increased commercial activity, and conditional use permits, which show an increase in vacation rental applications. Information was also provided on other zoning activity, including alcohol permitting, secondary residences, Wimberley Planned Development District amendments, variances, and subdivisions. He was pleased with the City's streamlined process for building permit issuance and noted extenuating circumstances for occasional delays.

- Status report on central Wimberley water quality issues

City Administrator Ferguson reported that Council will be updated when results of enhanced water testing become available. He advised that new certificates of occupancy are required for newly purchased downtown properties, which includes verification of septic system compliance under current standards. Various testing methodologies and associated costs were discussed.

- Status report on the development and operation of the Blue Hole Regional Park

City Administrator Ferguson reported on preparations for the upcoming summer season, reservations for special events, and an employment opportunity for a part-time maintenance worker.

- Status report on the operation of the Wimberley Municipal Wastewater Treatment Plant

City Administrator Ferguson reported that the plant is operating well within limits.

- Status report on the Ranch Road 12/Old Kyle Road Improvement Project

City Administrator Ferguson anticipated project completion by the end of March. He reported on project-related utility line relocations, temporary street closures, sidewalk/traffic island installations, landscaping, curbs, and drainage work.

- Status report on the proposed partnership between the City of Wimberley and the Wimberley Independent School District (WISD) relating to the construction of tennis courts at the Blue Hole Regional Park

City Administrator Ferguson reported that the WISD Board has declined to partner with the City of Wimberley on construction of tennis courts at Blue Hole Regional Park, citing concerns expressed over students having to leave the campus. He noted that the WISD Board included the construction of three (3) new lighted tennis courts next to the existing courts, with restrooms and a concession facility, in WISD's upcoming bond election on May 11, 2013.

In response to statements made at last night's community meeting at the Wimberley Community Center, Councilmember Thurber stated for the record that Blue Hole Regional Park is not operating at a loss.

3. Ordinance

Consider approval of an amended ordinance of the City of Wimberley, Texas, ordering a joint election with the Wimberley Independent School District on May 11, 2013; establishing early voting locations and polling places for the election; making other provisions for the conduct of the election; and providing for findings of fact, severability, conflicting provisions, governing law, proper notice and open meeting, and an effective date. (*City Administrator*)

City Administrator Ferguson explained that the proposed amendment would allow the WISD to join the City of Wimberley in a joint election on May 11, 2013, with both entities to share the costs of contracting with the Hays County Elections Division to conduct the joint election.

Councilmember White moved to approve the item, as presented. Councilmember Thurber seconded. Discussion clarified that WISD voters will be casting ballots on a bond issue, not on election of board members. Motion carried on a vote of 5-0.

4. Discussion and Possible Action

- A. Discuss and consider possible action accepting the *2012 Racial Profiling Report for the Wimberley City Marshal* and approving the Racial Profiling Policy for the Wimberley City Marshal. (*Wimberley City Marshal Wayne Acton*)

City Administrator Ferguson introduced City Marshal Acton, who presented background information on Tier 1 racial profiling requirements/exemptions, types of information collected, and reporting period. City Administrator Ferguson noted that the *2012 Racial Profiling Report for the City of Wimberley City Marshal* does not show any indication of racial profiling.

Councilmember Thurber moved to approve the item, as presented. Councilmember McCullough seconded. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action regarding a proposed economic development agreement with Mariposa Ranch Road 12 LP, relating to a planned senior housing development in Wimberley, Hays County, Texas. (*City Administrator*)

This item was heard after Agenda Item 4E.

Per Council's prior direction to City staff, City Administrator Ferguson presented the draft agreement, which the developers hope will help them obtain a more favorable ranking in the highly competitive Texas Department of Housing and Community Affairs (TDHCA) funding process. The agreement calls for the developers to: create at least two (2) new jobs within the City of Wimberley; comply with all applicable City Code requirements; and, make a contribution to Blue Hole Regional Park of \$3,000 per acre based on the final survey (current estimate is approximately \$25,500). In return, the City agrees to waive the developer's permit fees in an amount estimated at \$16,323, but in no event to exceed \$19,500. No building permits shall be issued until the developers meet their obligations under the agreement.

Discussion addressed specificity of agreement language relating to Park contributions and use of a Chapter 380 economic development agreement to help improve the developers ranking in the TDHCA funding process.

Councilmember Thurber moved to approve the item, as presented. Councilmember Talcott seconded. Motion carried on a vote of 5-0.

- C. Discuss and consider possible action regarding the proposed development of a wastewater system to serve central Wimberley and the possible implementation of an ad valorem tax to fund development of such a system. (*City Administrator*)

Mayor Flocke asked that discussion and action on this item be separated to allow for his presence during the portion related to possible implementation of ad valorem taxation and his recusal on the portion related to the proposed development of a wastewater system to serve central Wimberley.

Councilmember McCullough commented on statements made at last night's community meeting regarding his decision to not recuse himself on central Wimberley wastewater issues. He noted his decision was based on prior conversations with legal counsel and felt that his personal decision to participate in discussion and action should be defended.

City Administrator Ferguson stated that funding timelines dictate the need for imminent action, particularly given the diminished possibility of creating a Municipal Management District (MMD) as a funding mechanism.

Mayor Flocke felt that the issue of apportioning the burden of any potential city-wide ad valorem tax should be addressed first to allocate what users of the system would pay compared to citizens who are not connected to the system, as well as what tax rate should be imposed.

City Administrator Ferguson reminded that construction of a collection system is required, regardless of which option is selected.

Discussion addressed:

- Relationship of size of tax base to individual taxpayer cost
- Need for an ad valorem tax base to secure low-interest financing
- City's \$100,000 annual commitment toward system funding
- Allocation of costs
- Viability of the Aqua Texas option, including Aqua Texas' assumption of debt for boring under Cypress Creek
- Possibility of selling of the joint City of Wimberley/Guadalupe Blanco River Authority (GBRA) Certificate of Convenience and Necessity (CCN) to Aqua Texas
- Direction to staff to provide various scenarios of costs/funding options, including specific percentages for shared cost allocations among the City and system users
- Use of the aforementioned CCN as collateral for financing
- CCN's importance as a means of protecting customers through rate control

Council reached consensus on direction to staff to provide multiple cost sharing scenarios (using split percentages of 80/20, 70/30, and 50/50) and to present information on CCNs, including terms of the City of Wimberley/GBRA joint CCN. No vote was taken.

Mayor Flocke and Councilmember Meeks recused themselves from the meeting at this time.

Mayor Pro-tem White assumed duties as presiding officer.

City Administrator Ferguson requested direction based on recent community meetings to narrow Wastewater Management Life Cycle Cost Comparisons (*attached to these minutes*) to exclude certain options. Discussion included which options to exclude, option(s) that would require the City to incur additional Park landscape watering costs, use of potable groundwater for irrigation at Blue Hole Regional Park in the event treated effluent cannot be utilized, reducing the size of the proposed service area, and viability/cost-effectiveness of Option 5 (connection to Aqua Texas).

City Administrator Ferguson noted the concept of regional rates under the Aqua Texas option and reminded that there are annual Aqua Texas charges in excess of \$276,000, as part of the system's annual ongoing operations and maintenance (O & M) costs, which are in addition to capital costs. Discussion continued on reducing the service area size and prioritizing specific properties that need connection to centralized wastewater service (such as property owners who must "pump and haul" on a regular basis).

Mayor Pro-tem White stated Council's consensus to direct staff to eliminate Options 1 and 2 from future cost sharing presentations. No vote was taken.

Mayor Flocke and Councilmember Meeks returned to the meeting at this time.

Mayor Flocke assumed duties as presiding officer.

- D. Discuss and consider possible action on a proposal to involve the City of Wimberley Water Wastewater Advisory Board in the current discussions relating to the proposed development of a central Wimberley wastewater system. (*Place Three Councilmember Matt Meeks*)

Councilmember Meeks felt that Council needs input from the City's boards/commissions, even though some only meet monthly. Mayor Flocke stated that advisory board/commission members must be willing to meet more often, if needed, to provide recommendations to Council on a timely basis. Discussion established that Council welcomes board/commission participation and does not wish to exclude members from weighing in on any issue. It was stressed that the Water Wastewater Advisory Board was not deliberately excluded from consideration of central Wimberley wastewater service.

No vote was taken.

- E. Discuss and consider possible action regarding a request for a variance from the City of Wimberley's regulations for on-site sewage facilities (OSSFs) relating to a proposed assisted living facility on Lot 3 of the Cedar Ridge Estates Subdivision located on Carney Lane, Wimberley, Hays County, Texas (*City Administrator*)

This item was heard after Agenda Item 4A.

City Administrator Ferguson explained that this variance request is based on a lot size requirement included in Hays County's OSSF regulations, which were adopted by the City approximately three (3) years ago, when the City assumed responsibility from the County for permitting septic systems within city limits.

The applicant is proposing construction of a sixteen (16)-bed assisted living facility on Lot 3 of Cedar Ridge Estates Subdivision, which is a half-acre lot that is properly zoned for such use. While the half-acre lot size meets State minimum acreage requirements, under City OSSF regulations, the OSSF's projected output of sewage would require that the facility be built on a lot at least 3.77 acres in size. It was noted that an engineered septic system design for the proposed development has been developed and complies with all City and State design and treatment standards. City Administrator Ferguson anticipated bringing updated OSSF standards to Council in the near future for consideration and action.

Because the subject property is properly zoned for the planned use and the proposed septic system is in compliance with City and State design and treatment standards, City staff recommended approval of the variance, as requested.

Applicant Jerry Tochterman provided details on the engineered septic system to be installed for the subject property, projected water usage, and system capacity. He explained that connecting to Aqua Texas was cost-prohibitive.

Discussion addressed involvement of the City's advisory boards (such as the Water Wastewater Advisory Board and/or Planning and Zoning Commission) in making recommendations to Council on variance requests; subject system's design and capacity; projected number of gallons per day usage; and ensuring compliance with all applicable septic system regulations.

Councilmember Thurber moved to approve the item, as presented. Councilmember White seconded. Motion carried on a vote of 5-0.

- F. Discuss and consider possible action regarding a proposal to modify the landscaping design for the Ranch Road 12/Old Kyle Road Improvement Project to change the species and sizes of trees to be installed. (*City Administrator*)

City Administrator Ferguson explained that this proposed modification is in response to concerns expressed by several downtown merchants that the four (4) trees to be installed behind a decorative wall may impede visibility of business signage on the west side of the Square. He reviewed an estimate from the City's arborist that would allow for the planting of larger, taller trees at a cost to the City of approximately \$22,000 to \$27,500, depending upon how on-site resources are utilized.

Discussion addressed types of oak trees, durability of tree species, landscaping maintenance/irrigation, use of Fund Balance to pay for upsizing of trees, and possible contributions from merchants to help cover the City's upgrade costs.

Councilmember White moved to upsize the trees to the larger cathedral live oaks, as presented. Councilmember Thurber seconded. Motion carried on a vote of 5-0.

- G. Discuss and consider possible action approving the transfer of an amount not to exceed \$10,000 from the City of Wimberley General Fund Balance to fund the installation of irrigation meters for the Ranch Road 12/Old Kyle Road Improvement Project and amending the Fiscal Year 2013 City of Wimberley General Fund Budget to reflect the transfer. (*City Administrator*)

Because Wimberley Water Supply Corporation (WWSC) advised that their operating tariff does not allow sharing of meters, City Administrator Ferguson explained that two (2) separate meters are needed to allow for the year-round irrigation of landscaping improvements associated with the Ranch Road 12/Old Kyle Road Improvement Project. The estimated cost of each meter is \$4,400, as well as a Hays Trinity Groundwater Conservation District fee of \$300 fee per meter.

Councilmember Talcott moved to approve the item, as presented. Councilmember White seconded. Motion carried on a vote of 5-0.

- H. Discuss and consider possible action regarding a proposed joint election agreement with the Wimberley Independent School District relating to the May 11, 2013 Election. (*City Administrator*)

City Administrator Ferguson explained that the proposed agreement will allow the City and WISD to share polling places and appoint the same election officials to preside over the election. The City and WISD will share equally the election expenses charged by the Hays County Elections Administrator for conducting the election.

Councilmember Thurber moved to approve the item, as presented. Councilmember White seconded. Motion carried on a vote of 5-0.

- I. Discuss and consider possible action regarding the proposed revisions to the existing commercial lease agreement for off-site storage space currently leased by the City of Wimberley. (*City Administrator*)

City Administrator Ferguson recommended approval of the revised agreement, which changes the expiration date of the lease from January 10, 2013 to January 10, 2014. The monthly payment remains at \$525 in the revised agreement.

Councilmember Thurber moved to approve the item, as presented. Councilmember Talcott seconded. Motion carried on a vote of 5-0.

- J. Discuss and consider possible action relating to the annual performance review of the city administrator. (*Mayor Bob Flocke*)

Councilmember Thurber moved to continue this item until Council's next regular meeting on March 7, 2013. Councilmember White seconded. Motion carried on a vote of 5-0.

5. City Council Reports

- Announcements
- Future Agenda Items

City Administrator Ferguson announced that Council will be updated if State Representative Jason Isaac responds to Council’s request for reconsideration of his earlier decision to not sponsor legislation for creation of an MMD for central Wimberley wastewater service.

Hearing no further announcements or future agenda items, Mayor Flocke called the meeting adjourned.

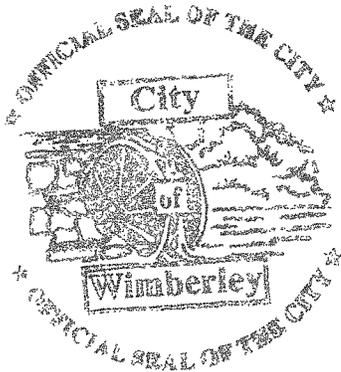
Adjournment: Council meeting adjourned at 8:07 p.m.

Recorded by:

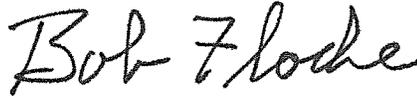


Cara McPartland

These minutes approved on the 7th of March, 2013.



APPROVED:



Bob Flocke, Mayor

**City of Wimberley
Wastewater Management Life Cycle Cost Comparison**

Option Number	1	2	3	4	5
	New 100,000 Plant, Subsurface Irrigation	Expand to 75,000 GPD, Subsurface Irrigation	Expand to 75,000 GPD, Wetlands and Discharge	Expand to 75,000 GPD, Discharge	Full Service, Connect to Aqua Texas
Option Description					
Collection System	\$2,140,000	\$2,040,000	\$2,040,000	\$2,040,000	\$1,885,250
Treatment Plant Cost	\$1,050,000	\$640,000	\$640,000	\$640,000	\$0
Aqua Transmission Cost	\$0	\$0	\$0	\$0	\$425,000
Irrigation Cost	\$2,484,000	\$1,863,000	\$30,500	\$30,500	\$0
Storage Cost	\$180,000	\$135,000	\$300,000	\$300,000	\$0
Wetland Cost	\$0	\$0	\$225,000	\$0	\$0
Discharge Cost	\$0	\$0	\$18,750	\$18,750	\$0
Subtotal Construction Cost	\$5,854,000	\$4,678,000	\$3,254,250	\$3,029,250	\$2,310,250
Contingency (20%)	\$1,170,800	\$935,600	\$650,850	\$605,850	\$462,050
Planning and Design (15%)	\$878,100	\$701,700	\$488,138	\$454,388	\$346,538
Legal, Financial, Permitting	\$75,000	\$75,000	\$75,000	\$75,000	\$50,000
Debt Reserve	\$398,895	\$319,515	\$223,412	\$208,224	\$158,442
TWDB Loan Origination	\$154,971	\$124,132	\$86,796	\$80,895	\$61,555
Total TWDB Loan	\$8,531,766	\$6,833,947	\$4,778,445	\$4,453,607	\$3,388,834
Aqua CIAC	\$0	\$0	\$0	\$0	\$673,619
Total Project Cost	\$8,531,766	\$6,833,947	\$4,778,445	\$4,453,607	\$4,062,453
Annual O&M of new system	\$177,973	\$153,275	\$165,556	\$164,056	\$35,992
Annual O&M to maintain Deer Creek	\$0	\$0	\$0	\$0	\$60,000
Annual Aqua charges	\$0	\$0	\$0	\$0	\$276,408
Total Annual Costs	\$177,973	\$153,275	\$165,556	\$164,056	\$372,400
NPV of annual costs	\$2,863,875	\$2,466,446	\$2,664,076	\$2,639,939	\$5,702,967
Total NPV	\$11,395,640	\$9,300,393	\$7,442,521	\$7,093,546	\$9,765,420
LUEs Served	215	215	215	215	182
NPV Cost per LUE	\$53,003	\$43,258	\$34,616	\$32,993	\$53,656

Note: Wimberley annual O&M escalated at 2% per year. Aqua annual charges held constant for 5 years and then escalated 2% per year. Discount rate assumed to be 4%.