

City of Wimberley
 City Hall
 221 Stillwater
 Wimberley, Texas 78676
Minutes of Regular Meeting of City Council
 May 2, 2013 at 6:00 p.m.

City Council meeting called to order at 6:30 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, Matt Meeks, Steve Thurber, and John White. Councilmember Mac McCullough was absent.

Staff Present: City Administrator Don Ferguson, City Secretary Cara McPartland, City Attorney Tom Pollan, and Financial Advisor Jennifer Douglas

Citizens Communications

No citizen comments were heard.

1. Consent Agenda

- A. Approval of the minutes of the Special Joint meeting with the Planning and Zoning Commission of April 12, 2013
- B. Approval of the minutes of the Regular City Council meeting of April 18, 2013
- C. Approval of the minutes of the Special City Council meeting of April 25, 2013

Councilmember White moved to approve all Consent Agenda items, as presented. Councilmember Talcott seconded. Motion carried on a vote of 4-0 for Consent Agenda Items 1A and 1C and a vote of 3-0 for Consent Agenda Item 1B. Councilmember Thurber abstained from voting on Consent Agenda Item 1B.

2. City Administrator Report

- Status report on the proposed creation of the Needmore Ranch Municipal Utility District

City Administrator Ferguson reported that legislation has been passed by the Texas Senate and its likely approval by the House is imminent. He advised that Hays County Precinct Three Commissioner Will Conley is working with State Representative Jason Isaac and the Needmore Ranch property owner on amendments to the bill that are hoped to address public concerns. News was received yesterday indicating that the property owner is not amenable to most of the proposed changes in the legislation.

- Status report on central Wimberley water quality issues

City Administrator Ferguson reported on upcoming post-Market Days dye testing to help identify sources of pollution.

- Status report on the Blue Hole Regional Park *Concert in the Park* Series

City Administrator Ferguson reported that the successful Concert in the Park series was attended by over 800 people, who donated slightly more than \$1,600 to the Park.

- Status report on the development of a downtown pocket park

City Administrator Ferguson reported on a possible partnership with the Wimberley Rotary Club to for phased development of a small park on cleared property located on the east side of the Lumberyard property on Old Kyle Road.

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

City Administrator Ferguson reported that the project is being finalized, including plans by the contractor to smooth out the crosswalk on the north side of the Square and to perform minor finishing work related to drainage and parking stops. Lettering on the low wall in front of the newly planted trees is expected to be installed soon. Plans are underway for a community celebration of project completion to be held in late May. There was brief discussion of upcoming changes to traffic control signs installed as part of the project.

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

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

3. Discussion and Possible Action

- A. Discuss and consider possible action regarding the method of financing to be used by the City of Wimberley to close on the \$650,000 Texas Water Development Board (TWDB) loan recently approved for the planning and design of a central Wimberley wastewater system. (*City Administrator*)

City Administrator Ferguson explained that current plans call for the loan to be evidenced by the TWDB's purchase of \$650,000 Combination Tax and Revenue Certificates of Obligation (COs) issued by the City. The closing of the loan commitment and release of funds requires that Council adopt a bond resolution, receive approval of the resolution from the Attorney General, and provide those documents necessary to satisfy all specific conditions stated in the TWDB's loan commitment resolution. The loan would be paid off over a ten-year period, with an annual debt service payment of \$75,000.

Unlike general obligation bonds, the City is not required to hold a bond election to approve the COs, unless a valid petition is received by the City from five percent (5%) of the registered voters in the City. If a bond election is required, it could not be held earlier than November

2013, which would significantly delay loan closing and possibly result in the City having to pay a higher interest rate on the loan.

Alternatively, to expedite the closing process, the City could issue tax notes secured by a pledge of taxes, revenues, or future bond proceeds, and like COs, may be secured by a combination of taxes and other revenues. No election would be required, nor could one be forced by petition. The loan would be paid off over a period of seven years, with an estimated annual debt service payment of \$90,000, which is still within the Council's prior commitment to pledge \$100,000 annually from the General Fund. Like COs, the City could use existing wastewater system and General Fund revenues to fund the debt service payments. Should existing funding not exist, the City would be obligated to levy an ad valorem tax to fund the debt. If the City chooses tax notes as its financing approach, the City may be required to seek authorization from the TWDB to utilize tax notes, rather than COs. Due to the loan closing deadline, City Administrator Ferguson recommended approval of the tax note approach to financing, which would require amendment of the loan pledge.

Specialized Public Finance, Inc. Financial Advisor Jennifer Douglas spoke of another alternative in the form of revenue bonds, which are secured solely by revenues of the operating system. However, she pointed out that this alternative is considerably more expensive than the options presented by City Administrator Ferguson. She stated the fastest, most efficient method at least cost to the City, is the tax note approach, with interest rates similar to those for COs. She explained that the primary difference between tax notes and COs is the maximum repayment term, which is seven and ten years, respectively. It was noted that the shorter term approach also incurs lower cost to the City in the amount of total interest paid. If a voted CO option is pursued (should a bond election be required), loan closing and release of funds would not occur until January 2014. With a CO, if a bond election were not required, Ms. Douglas anticipated release of funds by August 15, 2013. With tax notes, she noted that the City could pledge a combination of revenues and taxes, and anticipated a mid-to-late August timeframe for loan closing and release of funds.

The City's bond counsel, Tom Pollan, advised that his communication with TWDB legal staff confirmed the tax note approach as viable. He noted the need for the City to receive formal approval to alter the pledge, which requires that an item be placed on TWDB's agenda for action.

Discussion addressed:

- Percentage of registered voter petition signatures needed to force a bond election and the deadline for filing said petition
- Differences in cost to the City between tax notes and COs, with tax notes generally more cost-effective due to lower amount of interest paid and lack of election-related costs
- Benefit of tax note approach in meeting loan closing deadlines, securing the lowest interest rate, and expediting the planning and design phase of the project

Flite Acres resident Gail Pigg stated that there are ongoing unaddressed concerns brought up at the April 18th TWDB meeting and that the City has not received appropriate public input on the project. Ms. Pigg felt exercising the option to petition for a bond election would allow for more

time to further discuss the project and form a task force. She said this looks like a way to circumvent the voice of the public. She felt that Council should think long-term about a plant at Blue Hole and the costs of constructing such a plant.

In response to Ms. Pigg's concerns about opportunity for public input, City Administrator Ferguson advised that there are a number of required public hearings as part of the planning process, regardless of which financing method is selected.

Dr. Deborah Koeck of 1 Spalding Circle spoke on statements made by TWDB members at their April 18th meeting regarding the petition process available to concerned citizens and encouraging all parties to work together to define and solve the City's wastewater challenges. Dr. Koeck did not favor tax notes and felt that tonight's agenda attempts to "illegally disenfranchise all citizens of Wimberley." She stated that the City could issue tax notes without citizens' knowledge or notification, and without an option for a petition process. Dr. Koeck felt that City Council is attempting to circumvent the petition process and put in place an ad valorem tax. She asked each Council member to declare his intention for the record on this process and called for an end to bickering and maneuvering. Dr. Koeck asked that a solution be found that works for all of Wimberley and not just those who appear to be furthering their own financial agendas at the expense of the residents of the downtown area.

In response to Dr. Koeck's statements about tax notes, City Administrator Ferguson reiterated that public hearings allowing opportunities for public input are required to be posted should Council decide to issue tax notes, rather than COs.

Mayor Flocke stressed that the recently approved \$650,000 TWDB loan is for the planning and design phase of the project to help determine the best option for the type of plant and its location, which are issues to be discussed locally, as pointed out by TWDB members.

Councilmember White favored the issuance of COs, as originally submitted in the TWDB loan application.

Councilmember Thurber felt that the public discussion on this issue has been extensive and favored tax notes as the most time- and cost-effective financing method, due to lower interest costs on a shorter term loan, the cost to the City of holding a bond election, and to the possible rise in interest rates, if the loan closing is delayed. He cited the City's commitment to contribute \$100,000 annually, which will more than cover the debt service. He felt that potentially delaying the loan closing via the CO option does not further solving the long-standing problem of too many septic systems in too small of an area.

Councilmember Meeks favored the issuance of COs, as originally submitted in the TWDB loan application.

Councilmember Talcott favored the CO option, in order for the public to have the opportunity to initiate the petition process.

Mayor Flocke stated that all the arguments have been heard and that nothing new on this issue has been presented by the public for several months. He stressed that the TWDB loan is for planning and design, and not construction of the system, which will also undergo an extensive public notification/hearing process. If there is public objection to having a central wastewater system, he stated that now is the appropriate time to kill such efforts by those wishing to do so. If the objection is related to the proposed facility's location or specifications, then the appropriate time to raise those objections is after the planning and design phase, but before the construction phase of the project. He favored moving forward with the planning and design phase and stated that there will be opportunity for a public vote later on the construction phase.

Councilmember Thurber moved to approve the resolution, as presented to Council, authorizing the city administrator, financial advisor, and bond counsel to proceed with amending the TWDB application for financial assistance, to utilize tax notes, rather than COs.

Motion died for lack of a second.

Councilmember White moved to proceed with the financing approach as originally submitted to the TWDB, which utilizes COs. Councilmember Talcott seconded. Motion carried on a vote of 3-1. Councilmember Thurber voted against.

Councilmember Thurber read from a written statement titled "Comments to Wimberley City Council and Citizens Re: TWDB Planning Loan Application." He addressed specific allegations in varying degrees of detail. Copies of this statement were made available to the public at the meeting. *The full text of Councilmember Thurber's written statement is attached to these minutes.*

City Administrator Ferguson advised Council that future agenda items will be scheduled relating to the issuance of the COs.

- B. Discuss and consider possible action on issues relating to the possible creation of a Public Improvement District (PID) to help fund development of a central Wimberley wastewater system. (*City Administrator*)

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 advised that staff is proceeding per Council's direction at its workshop held on April 29, 2013, but placed this item on the agenda, should Council wish to further discuss this issue.

Discussion clarified staff's direction to establish "class" designations, including a class that would defer mandatory connection to a central wastewater system for certain property owners. Discussion acknowledged the difficulty of financial modeling if there is not a time-specific period for connection to the system for those who previously made significant expenditures on private septic systems.

Mary Kate Brown, 250 Cedar Hollow, stated she is not against a City sewer system, but is against the proposed financing mechanisms. She stated her concerns about a PID echo her concerns about a previously proposed Municipal Management District (MMD). She felt the issue that needs to be addressed is the need for wastewater within the entire area of the City's Certificate of Convenience and Necessity (CCN). She stated that the City has an obligation to provide wastewater for everybody within its political boundaries. Ms. Brown cited an earlier study by Alan Plummer Associates with a phased approach for wastewater service and expressed concerns about expanding service beyond the initial phase that encompasses central Wimberley. In response to Councilmember Thurber's inquiry about the financing mechanism for a project that would include the entire CCN area, Ms. Brown stated that a PID for the entire CCN area could be used with deferments for certain properties. When asked by Councilmember Thurber about cost estimates for such an expanded project, Ms. Brown replied that she could set up a non-profit organization and research specific costs and questioned the accuracy of Council's current cost information. She felt that formation of a PID creates a "slippery slope" that could lead to the City creating PIDs everywhere the City needs to address an issue, such as funding road repairs and drainage work. Ms. Brown stated that the City should serve everyone in its political boundaries, and if the City does not have the tax base to hold onto its CCN, it should be relinquished. She stated that flow calculations are incorrect and that as soon as properties are connected to the system, the wastewater plant will not be able to handle the capacity and require expansion.

Councilmember Thurber and Ms. Brown expressed differing opinions about flow statistics as presented by professional consultant(s); adequacy of the plant's initial and future capacity, and estimated water usage from private wells. Ms. Brown reiterated her position that she does not oppose a sewer system, but is against the proposed financing methods. Ms. Brown asked if Council would like to address conflict of interest allegations surrounding Councilmember McCullough.

Mayor Pro-tem White reminded Ms. Brown that the agenda item she is speaking on is related creation of a PID.

Steve Klepfer commented that Texas Commission on Environmental Quality (TCEQ) has put the City on very clear notice to deal with its pollution problems. He wondered how many of those in opposition who live on properties upstream from polluted waterways "would feel if they were one of the ones who couldn't let their children or infants or their grandparents swim in the creek." He said that Ms. Brown wants to make this a \$100,000,000 problem, but stated that we are going to have to deal with this one step at a time. Mr. Klepfer wanted to stress that comments made by TWDB members to those expressing opposition at their April 18th meeting (which he attended) about the availability of a petition process were not an admonishment to the City, as characterized by tonight's earlier speaker(s). He noted that TWDB is a bank that approved the City's loan application to help deal with what they believe is a very worthy problem. Mr. Klepfer stated people keep saying things that are not true over and over in the hopes they become true and asked that people keep the greater good in mind.

Dr. Deborah Koeck stated that the misbehaving and maneuvering need to stop and felt that there should be agreement to disagree. In agreement with her daughter's (Mary Kate Brown) earlier

comments, Dr. Koeck did not favor creation of a PID, nor its proposed boundaries. She felt that Council responded to her daughter in an inappropriate way and stated that “this was not a question and answer session of the Council for the speakers.” She acknowledged disagreement on certain points, but objected to the reaction to her daughter’s comments. Councilmember Thurber stated that he apologized if Dr. Koeck or Ms. Brown found such reaction objectionable. Dr. Koeck appreciated the apology, but did not agree with how this issue has been framed. She recognized there are environmental problems, but stated we do not know which septic systems are leaking. City Administrator Ferguson reminded Dr. Koeck that this agenda item is limited to the issue of PID creation. Dr. Koeck stated she disagreed with the PID boundaries and thought they should include all of the City’s CCN area, and not just the small area downtown. She believed that a small group should not be asked to pay for a septic system for one-hundred percent of the City and felt it should be spread evenly among property owners within the entire CCN. Dr. Koeck stated that Council fears it will be voted out of office if it approves an ad valorem tax, which she said the public has been explicitly against.

Mayor Pro-tem White asked for direction from Council on its desire to provide any further direction to staff. Hearing none, it was agreed that City Administrator Ferguson proceed in accordance with direction given at Council’s workshop meeting held on Monday, April 29, 2013. No vote was taken.

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

Mayor Flocke assumed duties as presiding officer.

C. Discuss and consider possible action regarding the proposed Fiscal Year 2013 Street Improvement List for the City of Wimberley. (*Transportation Advisory Board*)

City Administrator Ferguson presented the prioritized Fiscal Year 2013 Street Improvement List, as recommended by the Transportation Advisory Board. He explained the criteria for scoring, including system role (reflecting the street’s importance in the City’s transportation system) and condition grade. He noted that total costs have risen from approximately \$2,600,000 in Fiscal Year 2011 to approximately \$3,500,000 in Fiscal Year 2013. In the event of equally scored streets, it was agreed that the street with the highest ranked system role would take priority and tied system role scores could be reevaluated after receiving public input.

Councilmember Talcott moved to recommend approval of the Fiscal Year 2013 Street Improvement List, as presented. Councilmember Thurber seconded. Motion carried on a vote of 4-0.

D. Discuss and consider possible action regarding a proposal to allocate proceeds from the Blue Hole Regional Park’s annual *Concert in the Park* series to the *Friends of Blue Hole* to fund future development and maintenance projects at the Park. (*Parks and Recreation Advisory Board*)

City Administrator Ferguson presented the Parks and Recreation Advisory Board's unanimous recommendation to allocate proceeds to *Friends of Blue Hole* for future maintenance and development projects, rather than using these proceeds to help fund daily Park operations.

Councilmember Thurber moved to approve allocating the proceeds from the Blue Hole Regional Park's annual *Concert in the Park* series to the *Friends of Blue Hole* on an annual basis to help fund future development and maintenance projects at the Park. Councilmember Meeks seconded. Discussion clarified that the proceeds will not be deposited in a City bank account, but will be donated to *Friends of Blue Hole* to be maintained as an endowment. Motion carried on a vote of 4-0.

- E. Discuss and consider possible action regarding a request from the Wimberley Village Library for fee one (1) youth day passes to the Blue Hole Regional Park. (*City Administrator*)

City Administrator Ferguson reviewed past Council actions on similar requests for passes to be given away by the Library to select participants in the upcoming Summer Reading Program. Mayor Flocke felt that a policy should be in place for these types of requests to be handled administratively and not decided by Council in the future.

Councilmember Talcott moved to approve the donation of ten (1) one-day youth passes to the Library. Councilmember White seconded. Motion carried on a vote of 4-0.

Discussion clarified that staff is to develop a policy for future requests to be handled administratively.

- F. Discuss and consider possible action regarding plans for the *2013 Blue Hole Concerts for the Park* at the Blue Hole Regional Park on June 7-9, 2013. (*City Administrator*)

City Administrator Ferguson provided information on the three-day live music event featuring a wide variety of more than fifteen (15) artists. He detailed key dates/times, swimming area hours, food/beverages, security, insurance, parking, T-shirt sales, volunteer recruiting, and the silent auction. Proceeds from the event will be used to help fund future development and maintenance of the Park.

Friends of Blue Hole Executive Director Steve Klepfer provided a brief history of his organization, including its mission, funds raised to date, and ongoing efforts to raise funds for maintenance and future development of the Park. He noted that five percent (5%) of every donation received is placed in an endowment fund to help the City pay for future maintenance of the Park. Mr. Klepfer encouraged a strong volunteer force to defray costs and thanked City staff for its work on this important fundraiser. City Administrator Ferguson advised that the City is helping financially with marketing efforts to get the word out about this event.

Councilmember Thurber moved to approve the plans, as presented. Councilmember White seconded. Motion carried on a vote of 4-0.

G. Discuss and consider possible action regarding the proposed route for the Wimberley Fourth of July Parade on July 4, 2013. (*City Administrator*)

City Administrator Ferguson reported that the route is the same as the last few years, with the City providing some assistance with barricades and law enforcement. He noted that Council action is required by Texas Department of Transportation (TxDOT) and recommended approval of the proposed route.

Councilmember Thurber moved to approve the route, as presented. Councilmember Meeks seconded. Motion carried on a vote of 4-0.

4. City Council Reports

- Announcements
- Future Agenda Items

City Administrator Ferguson announced there may be a Special meeting called during the first week in July.

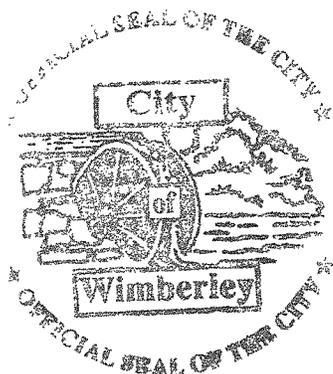
Hearing no further announcements or future agenda items, Mayor Flocke called the meeting adjourned.

Adjournment: Council meeting adjourned at 7:56 p.m.

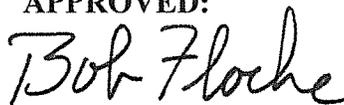
Recorded by:


Cara McPartland

These minutes approved on the 16th of May, 2013.



APPROVED:



Bob Flocke, Mayor

COMMENTS TO WIMBERLEY CITY COUNCIL AND CITIZENS

RE: TWDB PLANNING LOAN APPLICATION

May 2, 2013

As all of you know, the Texas Water Development Board (TWDB) held a hearing last month to evaluate the city's request for a loan to fund the planning of the proposed new sewer system for central Wimberley. At that meeting, a group of individuals who opposed the project presented to the board extensive written and verbal statements outlining their opposition.

It was very distressing to me that after two years of planning and public vetting, there is a significant amount of misinformation about the proposed system being circulated. Of course, much of it is simply due to rumor and misunderstanding by those who have chosen not to become informed on the issues. Sadly, it is also apparent that some of the misinformation has been purposely fabricated to mislead others.

This council, the Wimberley Water/Wastewater Advisory Board, WCIA, city staff, and numerous concerned citizens have devoted untold hours planning, evaluating and communicating with the public to determine the fairest and most cost effective way to implement wastewater service to our downtown area.

I support every citizen's right to express his or her opinion on this or any other issue. However, when these opinions turn into allegations that are not factual, are untrue and/or mean spirited, it becomes an affront to those who have worked very hard and long on this project. It is important that these types of allegations be addressed.

Before reviewing them however, it is appropriate to recall one of the cornerstones of this very important effort: In March 1996 the TWDB commissioned the Wimberley Regional Wastewater Planning Study. It states:

"The downtown square and central business district is one of the principal areas where wastewater collection and treatment facilities are needed, not only to take care of existing wastewater and water quality problems, but also to allow present activities to continue in the future. Based on past experience, it is not likely that any additional growth of the downtown area that generates increased wastewater loadings can be sustained without significant problems occurring. The shallowness of the soils and the limited available space will not support additional septic tank systems for wastewater treatment and disposal. Without action by local interests in the near future regarding the management and control of wastewater, these functions could be assumed by the County, or some state or federal entity, if deemed necessary for the protection of public health and welfare and the environment".

THAT WAS SEVENTEEN YEARS AGO!

Now let me address the allegations.

It is important to note that most of the allegations made will be addressed and answered in the planning and engineering process for which the proceeds of this loan will be used.

- *ALLEGATION: The project would only help clean up a small portion of Cypress Creek.*

FACT: The project will help clean up the most polluted part (approximately 3500 feet) of Cypress Creek before it flows into and pollutes the Blanco River. Let's not forget, pollution of the creek is a symptom of the real problem, too many septic tanks in too small an area.

- *ALLEGATION: The TCEQ has already denied funding once before due to the limited number of property owners that would be overburdened financially.*

FACT: TCEQ was not involved in the funding ----they don't fund projects. Four years ago, an approved loan from the TWDB for a very similar project was not implemented because the City of Wimberley refused to adopt an ad valorem tax to secure that loan and GBRA would not pledge their other system revenues.

- *ALLEGATION: Wimberley citizens were not involved in this current project until plans were already made.*

FACT: There were multiple studies previously conducted over the past two-three decades and that the current plans and work has these previous efforts as the core of its foundation.

Beginning almost two years ago, the original planning group, consisting of affected property owners, held two large public meetings to communicate ideas and receive public input. They also scheduled monthly informal, round-table meetings to do the same. Later, after the City assumed the task of public communication, there have been two very large community meetings, where detailed options were presented and individual citizen comments and questions were encouraged.

There also have been numerous system planning items on the City Council agendas, and many comments and opinions have been expressed by Wimberley citizens during those sessions.

- *ALLEGATION: The project cost will be 6 to 7 million dollars, and the projected numbers do not include operation and maintenance.*

FACT: Four years ago, the City, in partnership with GBRA, commissioned Alan Plummer Associates, Inc, Civil and Environmental Engineers, to develop the preliminary design for a sewer system for central Wimberley. This was the 8 million dollar project which was stymied by Wimberley's refusal to secure the loan with an ad valorem tax and GBRA's refusal to pledge their other system revenues.

Two years later Alan Plummer Associates was again enlisted to work with the property owners group to study possible cost-saving adjustments to the original plan. Five options were developed, and their characteristics and detailed cost estimates were presented to property owners in the proposed service area. Option 4 was selected---it is very similar to the

original GBRA concept, but with a smaller treatment capacity and fundamental changes in the disposal component, resulting in a significant cost reduction. Plummer's detailed cost estimate, including planning, design, legal, debt reserve, loan origination and contingency is approximately 4.5 MILLION DOLLARS. This number includes the initial planning costs, which will be funded by a small initial loan. The recommended option was adopted by the City Council.

Subsequently, rate calculations for each specific property were given to their owners. They included all charges, INCLUDING OPERATION AND MAINTENANCE COSTS.

● *ALLEGATION: The community is being asked to support an ad valorem tax to pay for the proposed project.*

FACT: As it stands now, the only pledge of an ad valorem tax is to secure the construction loan and only then if adequate funds are not available from plant revenues and other funds from city general operating funds. The sewer system would be solely funded by those benefitting from it.

● *ALLEGATION: There are too few property owners to be able to pay for the proposed system.*

FACT: Early on, the team of citizens involved in the planning process concluded that the fairest and most equitable plan would be for ONLY those who benefit from the system to pay for it, and to pay in proportion to the benefit they receive. Those beneficiaries fall into three categories (some fall into more than one category):

Category 1: Those who are connected to the system---they benefit by being able to conduct their businesses or lives without limitations on water use, public access to restrooms, use of land currently occupied by their septic system, fear of septic system failure leading to a shutdown, and reluctance of lenders to finance property with illegal septic systems.

Category 2: All property owners in the system service area---they benefit because a sewer line on their street increases the value of their property, whether or not that property has a building on it.

Category 3: All the citizens of Wimberley---they benefit by having their local waterways clean and unpolluted.

They would pay for the system cost as follows:

Category 1: CONNECTED USERS would fund approximately 40% of the system cost through a one-time connection fee and a portion of their monthly sewer bills (which would also include operation and maintenance costs).

Category 2: PROPERTY OWNERS IN THE SERVICE AREA would fund approximately 30% of the system cost through a yearly assessment based on the County appraised value of their property.

Category 3: ALL WIMBERLEY CITIZENS---the Wimberley City Council has agreed to acknowledge the benefit to all citizens and fund approximately 30% of the system cost (using operating funds only---no property tax money).

In 2012, the City commissioned Water Resources Management, LLC to translate the proposed system's 20-year debt service into SPECIFIC COSTS FOR EACH PROPERTY in the sewer service area. The resulting numbers, which included operation and maintenance costs, were not burdensome, and after reviewing their personal costs, well over 60% of the property owners endorsed the plan. The most recent proposal, which creates a Public Improvement District, will have very similar cost numbers.

To be even fairer, it is anticipated that there will be adjustments for residences, small businesses, those with newer septic systems, etc.

It might be noted that due to realistic modification of the system components, the cost of the proposed system is significantly lower than the plan proposed four years ago, and the cost to owners and users will therefore be much less.

● *ALLEGATION: The ability to meet the project debt is severely limited. There is no opportunity for growth in the project service area since the majority of properties are already built-out or have owners who want theirs to remain undeveloped.*

FACT: At least half of the non-public land in the service area is either undeveloped or underdeveloped. Some current owners may want their land to stay as it is, but history indicates successors or heirs very likely will not. Many properties with essentially built-out structures will likely add restrooms or kitchens when the sewer is available and their property use evolves.

● *ALLEGATION: The City's Blue Hole Park was designed to be self-sustaining and would rely solely on the small existing treatment plant which serves Deer Creek Nursing Home.*

FACT: In 2007, a group of 64 citizens met for several months with professional planners from the Lady Bird Johnson Wildflower Center to create the Blue Hole Master Plan. This plan, which was adopted by the Wimberley City Council, designated the current plant site as the location for a future, larger treatment plant to serve Central Wimberley and also provide needed irrigation for the Park.

The Blue Hole Park Master Plan states:

"Issues related to a Waste Water Treatment Plant on the site will partially dictate the timing and sequencing of development projects. An existing treatment plant must be removed; however, this cannot be done until a new plant is constructed. Three acres of the 129-acre site have been set aside for this purpose. Phase 1 assumes that the existing plant and associated drainage field remain in place. Phase 2 projects can be completed after the new plant is built, and the old facility has been removed."

- *ALLEGATION: The City's primary reason for advocating a sewer system for central Wimberley is to provide irrigation for expanded Blue Hole Park landscaping.*

FACT: The need for a central sewer system has been recognized by residents of the Valley for over 20 years, and there have been at least 5 attempts to establish one. The latest, four years ago, included the GBRA as a partner. It was created in a joint effort by City personnel, Alan Plummer engineers (see above), and the City's Water and Wastewater Advisory Board. Its single goal was exactly the same as the current proposal----to provide sewer service to central Wimberley. It also featured a treatment plant located adjacent to Blue Hole Park, and it also used the Park for convenient effluent disposal.

At that time, there was no significant public objection to the plant location and to the effluent irrigation, so it is surprising that the current, more environmentally sensitive proposal has encountered resistance.

Effluent must find a home somewhere, so being able to use it for irrigating our beautiful park is a fortunate win-win. However, IRRIGATING BLUE HOLE PARK IS NOT THE PURPOSE OF THE PROPOSED SEWER SYSTEM.

A number of the allegations regarding Blue Hole are perhaps due to an apparent misunderstanding about where the Park is located. A map included with the complaint letters shows it to be situated south of downtown Wimberley on the Blanco River where the Rio Bonito Resort is located. This is a significant distance from its actual park location, and would render a number of the environmental complaints invalid or irrelevant.

- *ALLEGATION: At its ultimate capacity, the proposed treatment plant would discharge 67,000 gallons of effluent per day into the Blanco River.*

FACT: Upon completion of the playfields and landscaping shown in the Blue Hole Master Plan, the Park will normally utilize the ultimate 75,000 gallons per day of effluent available from the planned treatment plant. In extreme wet weather, small, short-term river discharges may be necessary, but because the effluent will be of the highest quality and will meet all governmental requirements, there will be no health or environmental concerns.

- *ALLEGATION: Watering the Park with effluent will mean that it will seep downhill to Cypress Creek and pollute it.*

FACT: Over-watering, which might produce minor seepage, is easily controlled. However, as stated above, the Type I effluent produced by the new plant will be of the highest quality, and will meet all State health and environmental requirements. Therefore, any seepage would be safe and vastly superior to the currently polluted creek water. Also, due to the topography (uphill), any such seepage would not affect Cypress Creek.

- *ALLEGATION: An overflow or breakdown of the treatment plant could do major damage to Cypress Creek.*

FACT: Of course, even in a well-designed facility, there's still a very unlikely chance of a breakdown, but such a remote possibility should never prevent essential progress in any endeavor. Also, due to the plant's location, a spill would not flow into Cypress Creek.

Copies of these comments are available for your taking at the back of the room.

- *ALLEGATION: The property on which the plant is sited would be "taken" from the park in a "taking."*

FACT: The property on which the plant is sited is not and has never been located on park property.

In summary I would like to thank all of those involved in this project for their time and efforts. I am proud to work with Mayor Flocke, the entire council, city staff, WCIA, and the citizens of Wimberley in solving this problem. This is a good example of citizens and government working together to solve a problem. I believe through these efforts we have come up with a good plan, something that has eluded Wimberley for many years. Let's not lose sight of the problem which is the high concentration of septic systems in too small an area.

Steve Thurber

City of Wimberley City Council, Place 4