



# CITY OF SUNRISE BEACH VILLAGE to

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Sunrise Beach Village, Texas 78643-9283

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Tommy Martin, Mayor  
Fred Butler, Mayor Pro Tem  
Hank Gath, Council member  
Dan Gower, Council member  
Mike Byrd, Council member  
Ruth Stanley, Council member

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## Stated Council Meeting Minutes

A stated meeting of the above-named council was held on November 15, 2018 at 2:30 p.m. at the Civic Center, 124 Sunrise Drive, Sunrise Beach Village, Texas 78643-9283.

### 1. Call to Order and Establishment of Quorum.

Mayor Pro Tem Butler called the meeting to order at 2:30 p.m. declaring that a quorum was present. Council members present were Mayor Pro Tem Fred Butler, Mike Byrd, Hank Gath, Dan Gower and Ruth Stanley. Mayor Tommy Martin was not in attendance; therefore, Mayor Pro Tem Butler presided over the meeting. There were six (6) audience attendees present. Also, in attendance was City Secretary Linda Wendling, Comptroller Sandy Peshorn and Code Compliance/Enforcement Officer Danyelle Morgan.

[Due to the Civic Center receiving water damage from the October 2018 Llano River Flood, the Stated Council Meeting was held in the Sunrise Beach Tax Office, also located at 124 Sunrise Drive, Sunrise Beach, Texas 78643-9283.]

### 2. Citizens to be heard.

- Mayor Pro Tem inquired if anyone signed up to speak. Secretary Wendling stated that the sign-in sheet was not present at the start of the meeting. Mayor Pro Tem Butler inquired from the audience if anyone would like to address the Council this afternoon and upon receiving no response, he moved onto the Consent Items.

### 3. Consent Items:

**a) Minutes of the Stated Meeting of October 18, 2018; and,**

**b) Financial Reports for the month of October 2018; and,**

**c) Ad Valorem Tax Collection Report for the month of October 2018.**

(Attachment A - C) Mayor Pro Tem Butler introduced the consent items by providing review of each bulleted item. **a) Minutes** – Council discussion ensued as to review of the meeting minutes and Councilmember Stanley stated that she did review the stated meeting minutes of October 18<sup>th</sup> and moved to approve same. There was a second; however, Mayor Pro Tem Butler reminded council that a motion will be entertained at the conclusion of the consent items. **b) Financial Reports** – Mayor Pro Tem Butler stated that Ms. Remore reviewed the financial reports for October and signed the financial report declaring that the transactions and documents accurately reflect the financial activity for the month of October and inquired if there were any questions; no questions were received.

**c) Ad Valorem Report** – Mayor Pro Tem Butler stated that as everyone is aware, we are beginning with a new tax year and provided highlight of the Ad Valorem Report; stating the budgeted taxes for the 2018/2019 taxes amount to \$803,854.15, there are no CAD supplements and \$77,704.15 has been collected as of October 31, 2018. Mayor Pro Tem stated that nine point sixty-seven percent (9.67%) of the taxes has been collected and there will be much more received in the upcoming months of January and February.

Councilmember Byrd moved to approve the consent items as presented. Councilmember Stanley seconded the motion. The motion carried by unanimous vote of the council members.

### 4. Discussion and/or possible action regarding a request submitted by the Phillips Family in relation to Unit GSLE, Lot 178. The Phillips Family is requesting a waiver regarding Ordinance 347, Section 52 (C), whereby the requirement of beginning construction six (6) months after

**demolition is waived allowing the Phillips, or any new owner thereof, twenty-four (24) months after demolition to begin construction. (Waiver Period: November 15, 2018 through November 16, 2020). Also, requesting a waiver to allow a boat dock to remain on Lot 178 during the same waiver period as stated above. If construction has not begun by November 16, 2020, the boat dock must be demolished. [Lot 177 is not combined with Lot 178; Lot 177 is already a cleared lot and has no reflection on the waiver request submitted.]**

(Attachment D) Mayor Pro Tem Butler introduced this item by reading the item's description to the meeting members and guests. Mayor Pro Tem Butler outlined the ordinance section involved in relation to this waiver request and stated that he is aware of the flood damage received on this property; including the following additional information;

- The existing residence requires demolition; however, the boat dock is approximately 1 ½ years old and in excellent condition; and,
- It may seem unfair to require a family to remove a good boat dock that is currently compliant with city code requirements, except for the above-referenced ordinance section.

Councilmember Gower moved to approve the resident's waiver as proposed. Councilmember Gath seconded the motion. The motion carried by unanimous vote of the council members.

**5. Discussion on executed Interlocal Agreement for the Provision of Disaster Relief Response with Llano County and surrounding sister cities; Texas Government Code, §§418.107(c) and 791.027.** (Attachment E)

Mayor Pro Tem Butler introduced this item by stating that Mayor Martin signed the above-referenced agreement with Llano County on the 29<sup>th</sup> day of October in attempt to expedite any recovery or relief processes. Mayor Pro Tem Butler stated that the council should pay attention to this binding agreement reading some sections aloud; including,

- Second page, MUTUAL OBLIGATIONS/GENERAL TERMS AND CONDITIONS, first bullet.
  - > "If the City requires additional time for payment of its proportionate share of disaster removal, reduction, disposal, and monitoring costs...." Whereby, Mayor Pro Tem stated the City is allotted a certain amount of time for payment; and,
- Second page, CITY OBLIGATIONS, third bullet.
  - > [The City Shall] "Reimburse to the County the City's share of any disaster debris removal, reduction and/or disposal costs not reimbursed by state or federal agencies. The calculation of the City's reimbursable cost to the County will be determined by its share of the actual volume of materials collected..." Whereby, Mayor Pro Tem stated that the City is in obligation of repayment if this flooding event is not declared a 'State or National Disaster' and we receive no federal relief funds, nor FEMA relief funds, etc.

Mayor Pro Tem stated that he wanted to ensure the council understood the Interlocal Agreement and would entertain questions. Council discussion ensued regarding calculation of volume such as cubic feet and definition of 'trailer load.' Councilmember Byrd inquired about the Counties responsibilities pertaining to residences which exist solely within Llano County and their jurisdiction versus residences that exist within Llano County's jurisdiction; however, also reside within Sunrise Beaches' jurisdiction.

Councilmember Butler provided an update from Commissioner Jones who stated that the Commissioner's Court is still in disagreement on ways to handle the flood fallout; including, debris pickup contracts, the County having no place for disposal due to their sites being completely full, lack of approval of another possible site due to expenses and LCRA permitting, and how much money the county will be willing to share. It was reiterated to the audience members and guests that the City understands the debris is beginning to become a health hazard, Commissioner Jones is hopeful that the cleanup process will be completed by Christmas. Additional discussion ensued entailing individual residents that paid to have debris removed themselves, some areas in Kingsland already having some debris removed but no other areas and TxDOT involvement, if any. Upon conclusion Mayor Pro Tem inquired if there were any additional comments and received none. [There is no action required as this Interlocal Agreement has already been entered.]

**6. Discussion and/or possible action on "Presentation by Linebarger Goggan Blair & Sampson, L.L.P.", in relation to Excess Funds proceeds in the amount of over \$3,900.00 awarded to the City of Sunrise Beach Village.** (Attachment F)

Mayor Pro Tem Butler introduced this item by providing the floor to Ms. Pickering, the City's representative tax attorney through Linebarger Goggan Blair and Sampson, L.L.P. Ms. Carrie Pickering addressed the meeting members and guests by stating that she is handing over a \$3,900.63 check from excess tax sale proceeds. Ms. Pickering provided explanation which included that this check related to the sale of a property due to a Court ordered Judgement in which the City placed tax liens, it is rare that a property within the City reaches the County steps for auction, and that this is the first occasion in a long time in which a tax sale on a property within the City of Sunrise Beach was held. Ms. Pickering further stated that there was competitive bidding on the structure and property and therefore the final bid received was in excess of the minimum required; therefore, the final proceeds are deposited into the Court Depository for a two-year period to ensure that there are no further claims, liens, inheritance/petitions upon the Court providing for additional liabilities which may tie into the sale of the parcel. Upon conclusion of the two-year period, each entity is reimbursed proportionality. These payments include but are not limited to taxes for school, county, emergency services, county road and bridges, municipal, etc. Council discussion ensued.

Ms. Pickering introduced Mr. Billy Rogers who is based out of Austin and will be working with Ms. Pickering within Central Texas. Mr. Rogers introduced himself to the meeting members and guests, providing his bio information and stated he is pleased to be working within the Central Area.

**7. Discussion and/or possible action on contract renewal of the Hill Country Humane Society Shelter/Adoption Center annual agreement.**

**• Request from City Secretary to remove this item from the agenda rotation unless/until such time as a written annual agreement is received from the Hill Country Humane Society.**

Mayor Pro Tem Butler introduced this item by stating that there has been no new information received from the Hill County Humane Society and upon request from Secretary Wendling, that it be removed from the agenda rotation until any information is provided which would enable a forward action by Council. Upon Council discussion this item will be removed from the agenda rotation.

**8. Discussion and/or possible action on City of Sunrise Beach excess equipment and boat.**

(Attachment G) Mayor Pro Tem Butler introduced this item by stating that Police Chief Brock is currently unavailable and provided the floor to Code Compliance/Enforcement Officer Danyelle Morgan. Officer Morgan addressed the meeting members and guests by stating that the Maintenance Department is purchasing a new vehicle and will be utilizing the Durango as a trade-in and the City is getting rid of the old tractor that Jerry Metcalf used for mowing the airport as it has been replaced with three (3) zero-point turn mowers and therefore is no longer of use to the City.

Mayor Pro Tem addressed the Police Department excess equipment by providing explanation that due to the flood the Police Boat and trailer are no longer functional and needs to be declared as excess in order to remove the inventory from capital outlay and the Police Department is taking care of that process. Mayor Pro Tem Butler stated that the final items on this request are for four (4) radios that the Police Department would like to offer to the Sunrise Beach Volunteer Fire Department; however, the items must be declared as excess in order to complete that transaction. Therefore, if the Council agrees it requires a motion to declare all of this as excess, removed from capital outlay, and dispose of it properly. Councilmember Gower moved to declare the equipment as excess and have it removed from capital outlay. Councilmember Byrd seconded the motion. The motion carried by unanimous vote of the council members.

**9. Discussion and possible action on Ordinance 359, Water Department Final FY18 and First Budget Amendment of FY19.** (Attachment H)

Mayor Pro Tem Butler introduced this item by providing the floor to Comptroller Peshorn. Ms. Peshorn addressed the meeting members and guests by reviewing "Appendix A" of Ordinance 359 for the Water Department; highlighting that \$191,480.57 was the net income and the last page illustrates that \$91,480.57 will be distributed to the Back-up Power reserve fund and \$100,000.00 will be distributed to the Interest & Sinking Bond Reserve fund for the debt repayment. Mayor Pro Tem Butler ensured that council reviewed the third page and understood the distribution as outlined. Comptroller Peshorn provided explanation that the first amendment for the FY19 budget is inclusive; highlighting, that the far right-hand column under 2019 Proposed Amount displays the amounts originally proposed and the next column to the left identifies the changes in income, interest, taxes, insurance and fees. Comptroller

Penshorn stated that the bottom line of the budget did not change; however, items were adjusted to be more in-line with recent information received. Mayor Pro Tem Butler provided further explanation by specifying that figures were replaced due to using 'proposed' figures and then making required adjustments once final billings, interests, worker's compensation figures, etc., were received. Mayor Pro Tem Butler stated that although it is not a requirement to ensure the bottom-line does not change, as information brought forth by Comptroller Penshorn, the City chose to do so anyway.

Councilmember Byrd moved to approve Ordinance 359 as presented. Councilmember Gower seconded the motion. The motion carried by unanimous vote of the councilmembers.

**10. Discussion and possible action on Ordinance 360, City Final FY18 and First Budget Amendment of FY19.** (Attachment I)

Mayor Pro Tem Butler introduced this item by stating that there was a slight change on the first page of Ordinance 360; however, that change did not affect the budget figures as attached. Comptroller Penshorn addressed the meeting members and guests by reviewing "Appendix A" of Ordinance 360; stating the final page illustrates a net income of \$51,921.38 and provided the explanation of distribution to the Reserve Fund including, \$10,000.00 to Low Water Crossing Upgrades, \$12,000.00 to Construction Permit Reserves and \$29,921.38 into the General Fund Reserves. Mayor Pro Tem ensured that the council reviewed and understood the final page and the distribution of funds thereof. Comptroller Penshorn stated that the FY2019 first amended figures relate to the same as above; adjusting proposed figures with the final numbers received. Mayor Pro Tem Butler reiterated the financial figures which changed, the bottom line remained the same and the FY19 budget looked well.

Councilmember Gower moved to approve Ordinance 360 as presented. Councilmember Gath seconded the motion. The motion carried by unanimous vote of the councilmembers.

**11. Discussion and/or possible action on 2019 Sunrise Beach Holiday Schedule; mirrored from Llano County's 2019 Holiday Schedule.** (Attachment J)

Mayor Pro Tem introduced this item by stating this is the standard number of holidays that the City has provided in the past to the employees and it does reflect the same Holiday Schedule that Llano County has adopted. Councilmember Stanley moved to approve the 2019 Holiday Schedule as presented. Councilmember Byrd seconded the motion. The motion carried by unanimous vote of the councilmembers.

**12. Announcements:**

Mayor Pro Tem Butler stated that there would be a few additional announcements due to updates being received from Commissioner Peter Jones.

\* Mayor Pro Tem Butler announced that the construction on the 2900 bridge has commenced and the work is expecting to be concluded towards the middle or end of April 2019. So far, the construction is going well, and things are moving rapidly. Mayor Pro Tem Butler said he is pleased to announce that there is an extra effort being brought fourth here; a large amount of equipment is already present, as well as material and construction crews. The construction even began before the ground-breaking ceremony.

\* Mayor Pro Tem stated that Councilmember Byrd attended the recent meeting this past Tuesday evening with the TCEQ and Save the Sandy Creek organizers regarding the Collier Sand Crushing; stating that Commissioner Jones reported it to be a rather disappointing meeting as nothing substantial was provided other than a lot of people stating that they did not want this to happen for various reasons such as health concerns. Mayor Pro Tem Butler stated that this meeting was in reference to 'air quality' and there are two 'air quality' permits; highlighting,

> The first 'air quality' permit has already been approved because it's done by a rule; in other words, if a company submits a permit request and if the request meets all the stated requirements then the TCEQ is required to approve; and,

> The second is the contested hearing that many, including the Council, have voiced against and stated that Councilmember Mike Byrd would provide update.

Councilmember Byrd addressed the meeting members and guests by stating that this meeting is regarding the sand crusher; providing explanation that when the company removes the sand, for the sand

that is too large the company will utilize the sand crusher and to mitigate the dust they will utilize water. Councilmember Byrd continued that Collier has failed to identify how they will obtain that amount of water because it will take approximately 50,000 gallons a day which will quickly use of aquifers in a short amount of time. The general public contests this and stated that in addition Llano County has never had a monitor in relation to same and the County does not intend to hire a monitor so how will anyone know the amounts of water involved; basically, how will we measure.

Councilmember Byrd stated the consensus of the meetings he's attended is that the TCEQ will probably approve this, we can push for a contested hearing which will reinforce our Resolution 246. The future steps after that process would be their obtaining approval through the Texas Parks and Wildlife and the LCRA. In addition, Llano County could then step in and engage noise and light pollution standards; therefore, the avenues are not closed. Currently we are still pushing for a contested hearing as we have until December 7<sup>th</sup> to file those complaints with the TCEQ. In addition, Councilmember Byrd has drafted a proposed letter which will reinforce Resolution 246, which was signed on June 26, 2018 and he encourages the public to file their complaints and the City to submit the attached letter of complaint.

Council and audience discussion ensued throughout Councilmember Byrd's update and all questions were responded to as posted. Additional discussion ensued regarding the 'water side' of TCEQ departments not speaking with the 'air side' of TCEQ departments and therefore a lot of valued, instructive information is being lost. Mayor Pro Tem Butler encouraged all residents to make their comments heard by contacting the TCEQ.

[City Hall took a forward action the following day to file the proposed letter to complaint and refile Resolution 246 with the TCEQ, once again requesting a contested hearing. This forward action took place on November 19<sup>th</sup> and was done so via electronic, fax and regular mail.]  
(Attachment K & L)

\* Mayor Pro Tem Butler commented on the damage to the Civic Center, stating that our Maintenance Department removed damaged material and a contractor has been hired to spray foam into one of the walls with another contractor committing to replace and repair all the damaged walls by December 1<sup>st</sup> so that the upcoming holiday events would not be adversely affected. Pro Tem Butler provided the floor to Councilmember Stanley regarding the financial assistance in relation to this restoration. Councilmember Stanley stated that the CCAA (Citizens for Community Action Association) voted and approved to pay five thousand dollars (\$5,000.00) of the sixty-one thousand-dollar (\$6,100.00) repair invoices. Mayor Pro Tem Butler stated that the CCAA meets monthly at the Civic Center and their primary function is to maintain the Civic Center, continue Citizen events, and assist or perform certain fundraising events done via citizen donations and hard work of the CCAA members. Mayor Pro Tem stated their efforts are appreciated by the Citizens and that the monthly meetings are always open to the public with new members always being welcomed to attend.

Mayor Pro Tem moved forward with the regular, posted announcements:

● **City Offices will be closed on November 23 and 24<sup>th</sup> in observance of the Thanksgiving Holiday.**

● **Ms. Gay Dippel is offering new classes in Sunise Beach on Tuesdays and Thursdays at 9:00 a.m. at the Civic Center entitled, "Absolute Embodiment – a visible feeling". Dates, prices and more information are located at the sign-in sheet.** Mayor Pro Tem stated that due to the temporary closure of the Civic Center Ms. Gay Dippel will be conducting her classes at the Federated Church until the completion of the Civic Center repairs.

● **There will be no Municipal Court held in the month of December unless an emergency should arise.** Upon inquiry Court Clerk Wendling stated that the court docket is running smoothly and therefore there will be no court in December.

\* Mayor Pro Tem stated that there was one final announcement regarding debris removal, stating that a letter was received which was signed by Judge Mary Cunningham and the Mayors of the City of Llano, City of Horseshoe Bay and the City of Sunrise Beach. Mayor Pro Tem read the third paragraph into record for the meeting members and guests, "Please be patient as we work through this difficult and trying process. One of the biggest challenges will be debris cleanup. While our various communities may have routine trash pick-up, the massive debris left as a result of this historic flood is outside our usual trash service

contracts. Each of us must do our part to sort and move debris and ruined appliances to the road easement as part of the process. We have started crafting contracts and searching for appropriate debris removal contractors who can deal with the volume of debris in our communities and county. As soon as possible we will contract with an appropriate firm and the current piles of debris will be collected and discarded. However, it cannot be done in a few days. The process is cumbersome and may take weeks to complete. Please know it is our highest priority and will be done as quickly as possible.” Mayor Pro Tem Butler stated that the exiting Judge Mary Cunningham provided the letter and due to not being reelected there will a new Judge Ronald “Ron” Cunningham taking office soon.

\* Councilmember Byrd made a comment by introducing the two different types of insulation; the open insulation which is not waterproof and is easily destroyed versus the closed insulation which hardens and helps prevent access for insects and is waterproof. Council and audience discussion ensued with Code Enforcement Officer Morgan stated that the contractor’s machine broke down during an earlier service call however it has already been taken to Waco for repair and the completion of the Civic Center will still be done by December 1<sup>st</sup>.

Mayor Pro Tem Butler inquired if there were any more announcements and upon receiving no response, adjourned the meeting.

**13. Adjournment.**

The meeting adjourned at 3:11 p.m.

/s/ Linda A. Wendling  
**Linda A. Wendling, City Secretary**

12/21/2018  
**Date**