



City Council Regular Meeting
Tuesday, February 24, 2015 at 6:00 pm
Bastrop City Council Chambers, 1311 Chestnut St. Bastrop, Texas 78602

1. CALL TO ORDER – Mayor Kesselus called the meeting to order at 6:00 pm.

Council Members Present

Kenneth W. Kesselus, Mayor
Dock Jackson, Place 1
Kay Garcia-McAnally, Place 3
Kelly Gilleland, Place 5

Absent

Joseph Beal, Place 2
Willie DeLaRosa, Pl.4/Mayor Pro-Tem

Guest Speakers

Aaron Landis, Dvlpmnt Assoc. Austin Habitat for Humanity
Paula Lowe, Partner Pattillo, Brown & Hill LLP

City Staff in Attendance

City Manager Michael H. Talbot
City Attorney Jo-Christy Brown
Chief Financial Officer/ACM Karla Stovall
Assistant Chief Financial Officer/ Tracy Waldron
City Secretary Elizabeth Lopez
City Engineer Wesley Brandon
IT Director Andres Rosales
Parks & Utility Director Trey Job
Planning/Development Director Melissa McCollum
Police Chief Steve Adcock
Assistant Police Chief James Altgelt

2. PLEDGES OF ALLEGIANCE – Members of the Boy Scout Troop 187

3. INVOCATION – Samuel Birrell, Member of the Boy Scout Troop 187

4. PRESENTATION - Mayor Kesselus welcomed Aaron Landis, Development Associate from Austin Habitat for Humanity who addressed the Council and thanked for the opportunity to commence their project at 1905 Wilson Street that will benefit two families. They will be required to meet program requirements which includes working 450 hours on their home and 450 hours on their neighbor's home. Mayor Kesselus, Council Members Gilleland, McAnally, Jackson and City Manager Talbot extended a warm welcome to Habitat for Humanity for their efforts to educate and help our community members.

Mayor Kesselus took a moment to read a letter from Council Member Beal that expressed his recent participation in the Austin City Council Policy discussions.

Austin Mayor Alder invited him as an expert on neighborhood, transportation, and water issues and policies; with over 50 years of experience on water issues (12 of which were with Lower Colorado River Authority). As a twenty year resident of Bastrop he has served on the Bastrop City Council with pride for a number of years, but attended the meeting as an individual. He offered them advice in efforts to help them solve their water issues, because surrounding communities are dependent on their economic viability.

Since his participation at this meeting, the urgency of Austin's water situation has escalated. On February 18th, LCRA issued a released that stated they had underestimated the amount of water available to serve Austin and area residents. Their preliminary 2014 data reflect the Highland Lakes drought is now the most severe drought the region has experienced since construction of the lakes in the 1930's." As a result, the prolonged record-dry conditions have decreased the inventory of water, which decreases the LCRA water availability by 100,000 acre-feet (an acre-foot of water is 325,851 gallons) per year.

This is an issue that is facing Central Texas and other areas of the State, therefore we need to develop additional water sources. Therefore it is critically important for our community to be a proactive part of this discussion so we are not left behind.

5. PROCLAMATION – In recognition of "Love Your Pet Day, February 20, 2015", Mayor Kesselus read the Proclamation and presented it to Council Member McAnally.

6. CITIZEN COMMENTS – Mary Liz Singleton accepted Mayor Kesselus' invitation to citizen comments and voiced her opinion regarding the recent article in the Bastrop Advertiser. She expressed her dismay of Council Members Beal's attendance at the City of Austin Council Meeting, where he supports the purchase of water under Bastrop and Lee Counties. She phrased an inappropriate word in describing Council Member Beal action, at which time Mayor Kesselus interjected and requested that she reconsider her words. She promptly changed her comment and continued to express her non-support of Council Member Beal's attendance or professional insight regarding the purchase of water in Bastrop and Lee Counties. Ms. Singleton requested the Councils consideration to adopt a resolution assuring the Bastrop Citizens that Council Members will not support any efforts to sell Bastrop County water to any entity and expressed her support to purchase additional water rights for the City of Bastrop.

7. ANNOUNCEMENTS – Mayor Kesselus announced that on February 24, 2015 he had received Gary Gutierrez's resignation as a member of the Bastrop Economic Development Corporation. The Council members joined him in expressing their appreciation for his years of service to the Bastrop Community.

Mayor Kesselus invited City Manager Talbot City Manager Talbot who recommended the Council's attention to the following items on his bi-weekly information report:

C. Update on the Long Term Water Supply Project – City Manager Talbot advised the Council Members he had returned from a trip to Houston on February 23, 2015 to participate in a meeting with the Regional Manager for US Fish & Wildlife. Our presentation included the City's justification for needing additional water, an outline of the City's utilization of "Best Practice Methods" by the City which have been established by US Fish & Wildlife for constructing this project, a topographic map of the City's site, a diagram showing what areas of the site have/had vegetation coverage, a description of how the drilling rig would set-up and utilized in drilling of well, photos of the surrounding area, and a site plan showing what the site will look like upon completion of the project.

E. Update on Alley B – City Manager followed up on a citizens concern regarding the additional lighting in the Alleys. He initiated an inventory of all lights within Alley A, B, C, and D in the Downtown area. We will need to determine who is responsible for the lights costs (Property Owner or the Public/City). BEDC provided approximately \$450,000.00 in funding to improve and upgrade the infrastructure to enhance the area to improve the economy for business located in the Downtown area. To date, more money has been spent by the BEDC and the City in Alley B than in any other Alley within the Downtown area. He will continue his evaluation and provide a full report for the Councils consideration on March 24, 2015.

J. Update on the CBD Parking/Traffic Study – City Manager Talbot informed the Council that on February 20th, that the stripping for the First Phase of the Parking/Traffic Study had been completed in the Downtown area. The two-point parking spaces are now 25' L and 8' W on Pine Street, from Water to Main Street. On February 24th, we will begin monitoring the parallel parking on Pine Street and both parking lots located on the north and south of Pine Street. City Manager Talbot requested the Council's consideration and approval of two proposed signage's along Main Street advising drivers that their vehicles should not extend beyond the striping. The Council granted the City Manager authorization to order and erect the signage along Main Street.

H. Update on the Comprehensive Plan – City Manager Talbot informed the Council Members that the project is underway and he took a moment to acknowledge Planning Development Director Melissa McCollum for her dedication and continuous efforts on this project. Mayor Kesselus echoed the accolade and thanked her for her patience in providing the Council Members insight and explanation of the project.

A. CONSENT AGENDA

- A.1 Approval of Minutes for meetings held on February 10th, 2015.
- A.2 Approval of the statutory denial, for a period of 180 days from the date of Council action on this request for the Colony MUD 1D Section 1 Phase A, Preliminary Plat (42 residential lots) being approximately 24.155 acres out of the Jose Manuel Bangs Survey A-5 within Area A of the City of Bastrop, Texas Extra Territorial Jurisdiction (ETJ).
- A.3 Approval of the statutory denial, for a period of 180 days from the date of Council action on a request for the Colony MUD 1D Section 1 Phase B, Preliminary Plat (57 residential lots) being approximately 29.885 acres out of the Jose Manuel Bangs Survey A-5 within Area A of the City of Bastrop, Texas Extra Territorial Jurisdiction (ETJ).
- A.4 Approval of the statutory denial, for a period of 180 days from the date of Council action on this request to REPLAT LOTS 1-4, Block C, Lots 1 and 2, Block D and a Portion of Reserve E4 within the Colony MUD 1E Section 1 located in Area A of the City of Bastrop, Texas Extra Territorial Jurisdiction (ETJ).
- A.5 Approval of the statutory denial, for a period of 180 days from the date of Council action for the Final Plat of the XS Ranch Road off of FM 969 within Area A of the City of Bastrop, Texas Extra Territorial Jurisdiction (ETJ).
- A.6 Approval of the statutory denial, for a period of 180 days from the date of Council action on the AMENDING PLAT of Lots 1-728, 1-729, 1-730, 1-731 and 1-732 Tahitian Village Unit 1, Block 12 to combine 5 lots into 1 lot at the corner of Koko Court and Mahalo Court in the Bastrop, Texas city limits.

Mayor Kesselus requested for a motion. **MOTION-** Council Member Gilleland made motion to approve Consent Agenda items, Seconded by Council Member McAnally and motion carried unanimously 3-0.

B. PUBLIC HEARINGS, ORDINANCES, & OTHER ITEMS ELIGIBLE FOR CONSIDERATION AND/OR ACTION

C. OLD BUSINESS

D. NEW BUSINESS

D.1 CONSIDERATION, DISCUSSION, AND POSSIBLE ACTION REGARDING THE APPROVAL OF AN AGREEMENT TO RESCIND, REVOKE AND ABROGATE THE PRIOR/EXISTING LEASE OF REAL PROPERTY BY AND BETWEEN THE CITY OF BASTROP, TEXAS AND THE BASTROP HOMECOMING COMMITTEE, INC. AND CONSENT FOR FUTURE LIMITED USE OF CITY RODEO ARENA PROPERTY. (Talbot)

City Manager Talbot acknowledged this as an important step being taken by the Homecoming Committee. He added that the City would incur the electricity costs of the ticket booth as long as no additional power/electric demands were needed. Mayor Kesselus acknowledged the effort and welcomed comments from the Homecoming Committee. He requested to authorize the City Manager to sign the agreement on the Council's behalf.

Council Member Gilleland requested to include a time frame stipulation to respond to request for use of the facility and/or alcohol vending. The members of the Homecoming Committee accepted a ten (10) day response period. Mayor Kesselus requested a motion.

MOTION- Council Member Gilleland made motion to approve the approval of an agreement to rescind, revoke and abrogate the prior/existing lease of real property by and between the City of Bastrop, Texas and the bastrop homecoming committee, Inc. and consent for future limited use of city rodeo arena property AND will reflect a ten (10) day response time on the use of the facility and/or alcohol vending. Seconded by Council Member Jackson and motion carried unanimously 3-0.

D.2 CONSIDERATION, DISCUSSION AND POSSIBLE ACTION ON PRESENTATION AND ACCEPTANCE OF THE CITY OF BASTROP, TEXAS COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2014 (Talbot)

City Manager Talbot introduced and welcomed Paula Lowe, Partner Pattillo, Brown, & Hill LLP as the new auditing firm. Ms. Lowe addressed the Council and provided them a copy of the Comprehensive Annual Financial Report for the Year ended September 30, 2014. She outlined the various sections of the report and advised the Council of that the City had received the highest mark. City Manager Talbot commended Chief Financial Officer Karla Stovall and Assistant Chief Financial Officer Tracy Waldron for their exemplary efforts. Mayor Kesselus and the Council also extended their appreciation to CFO Stovall, Asst. CFO Waldron, and look forward to working with Pattillo, Brown, & Hill Auditing Firm for years to come. Mayor Kesselus requested a motion.

MOTION- Council Member Jackson made motion to accept the Comprehensive Annual Financial Report for the year ended September 30, 2014, Seconded by Council Member Gilleland and motion carried unanimously 3-0.

D.3 CONSIDERATION, DISCUSSION AND POSSIBLE ACTION REGARDING THE APPROVAL OF THE FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS AMENDING ARTICLE 12.04 OF THE CITY CODE, ENTITLED SCHEDULES, RELATED SCHOOL SPEED ZONES AND DEVICES TO DENOTE SAME; DIRECTING THAT SIGNS BE ERECTED TO REFLECT THIS CHANGE; ESTABLISHING FINES AND PENALTIES FOR VIOLATIONS OF THE CODE; ENACTING A 180 DAY MORATORIUM ON ENFORCEMENT OF PARKING TIME LIMITS IN PORTIONS OF THE CENTRAL BUSINESS DISTRICT, AS ENCODED IN SECTION 12.06.004 OF ARTICLE 12.06, ENTITLED "RESTRICTED PARKING ZONES"; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.(Talbot)

City Manager Talbot requested the Council's consideration and approval on the First Reading of an Ordinance amending Article 12.04 of the City of Bastrop's Code of Ordinances. Mayor Kesselus requested a motion.

MOTION- Council Member McAnally made motion to approve the First Reading of an ordinance of the city council of the city of bastrop, Texas amending article 12.04 of the City Code, entitled Schedules, related school speed zones and devices to denote same; directing that signs be erected to reflect this change; establishing fines and penalties for violations of the code; enacting a 180 day moratorium on enforcement of parking time limits in portions of the central business district, as encoded in Section 12.06.004 of article 12.06, entitled "restricted parking zones"; providing a severability clause; and providing an effective date AND to have the Second Reading placed on the Consent Agenda for final approval. Seconded by Council Member Gilleland, motion carried unanimously 3-0.

At 7:50 pm, Mayor Kesselus moved into Executive Session to discuss the items 1, 2, and 4 as reflected herewith.

E. EXECUTIVE SESSION

E.1 The Bastrop City Council will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, *et seq.* to discuss the following:

1. SECTION 551.071(1)(A)-Consultation with Attorney concerning:(1) potential, pending, threatened, and/or contemplated litigation or claims, including but not limited to: Pine Forest Unit #6/HOA, Local Code Enforcement Issues, and/or legal issues related to a pending protest of City Well No. 1; and/or
SECTION 551.071 (2) matter upon which the Attorney has a duty and/or responsibility to report to the governmental body, and/or any other matters posted on the agenda
2. SECTION 551.072- Deliberation regarding real property: Regarding the purchase, exchange, lease, disposition, or value of real property
3. SECTION 551.074- Personnel Matters:
 - a) Review of the City Manager's Staff Restructuring Plan
 - b) Personnel - City Manager / BEDC Executive Director
4. SECTION 551.086 - Certain Public Power Utilities: Competitive Matters.

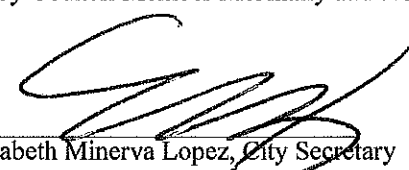
E.2 The Bastrop City Council will reconvene into open session to discuss, consider and/or take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

At 9:26 p.m., Mayor Kesselus reconvened into regular session.

MOTION- Council Member McAnally made motion to authorize the City Manager to execute an amended agreement with the LCRA, Seconded by Council Member Gilleland, motion carried unanimously 3-0.

F. ADJOURNMENT – Council Member Gilleland moved to adjourn, seconded by Council Member McAnally and the meeting adjourned at 9:30 pm.

Approved 
Kenneth W. Kesselus, Mayor

Attest 
Elizabeth Minerva Lopez, City Secretary

February 20, 2015

Mayor Ken W. Kesselus
City of Bastrop
1301 Church Street
Bastrop, Texas 78602

Dear Mayor Kesselus:

In light of the fact that some of our residents had questions about my participation in a recent Austin City Council policy discussion, I wanted to provide you and the rest of the Council with some additional background, which I have outlined below.

On February 9, 2015 I was invited by new Austin Mayor Steve Adler to participate in a Council discussion addressing water issues, neighborhood issues, and transportation and mobility matters within the City of Austin.

Mayor Adler asked me because I am an expert on water issues and policies, having spent my entire 50-year career (including 12 years at LCRA) on water issues. Although I am a 20 year resident of Bastrop and have served on the Bastrop City Council with pride for a number of years, I went there as an individual. And I believe I gave them good advice - figure out your water issue and solve it now because surrounding communities are dependent on your economic viability."

To summarize my council remarks:

- Cities upstream of Bastrop utilize water from a single source - the Highland Lakes on the Colorado River (Austin and much of Williamson County are the major users).
- While Austin and the Central Texas region has and continues to experience massive population growth and a booming economy, it is a fact that this single source of water is dwindling.
- The LCRA has issued statement after statement warning that this water system is experiencing tremendous stress and is reaching unprecedentedly low levels.
- Austin needs to diversify its water supply now for the benefit of the region.

Why is this important to all of us in the Bastrop community? Because as you know, surrounding counties are dependent on Austin's continued growth for sustained economic success. The bottom-line for us is that so goes Austin, so goes Bastrop.

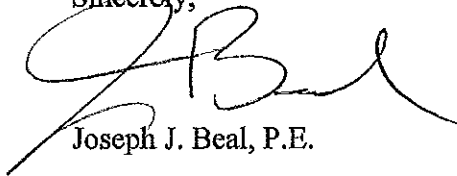
Since my participation in this meeting, the urgency of Austin's water situation has only escalated. On February 18 the LCRA issued a release that stated they had underestimated the amount of water that is available to serve Austin area residents:

"Preliminary 2014 data shows the drought gripping the Highland Lakes is now the most severe drought the region has experienced since construction of the lakes began in the 1930s.

As a direct result of the prolonged record-dry conditions and record-low inflows from the streams and tributaries feeding the Highland Lakes, the "firm yield," or inventory of water LCRA can provide reliably every year, has been decreased by about 100,000 acre-feet, to 500,000 acre-feet per year. (An acre-foot of water is 325,851 gallons.) Further reductions in firm yield are possible as the drought continues."

So the issue we all face today is not whether communities in Central Texas (and around the state for that matter) need to develop additional water resources, but rather where, when and at what cost. Urban areas are going to get the water they need one way or the other and I think it is critically important for our community to be a proactive part of this discussion or we could be left behind.

Sincerely,

A handwritten signature in dark ink, appearing to read 'J. Beal', with a stylized flourish at the end.

Joseph J. Beal, P.E.

Attachment: LCRA firm yield announcement

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Drought conditions worsen along Highland Lakes

Record-low inflows in streams and tributaries contribute to revised water inventory estimate

Feb. 18, 2015

Preliminary 2014 data shows the drought gripping the Highland Lakes is now the most severe drought the region has experienced since construction of the lakes began in the 1930s.

As a direct result of the prolonged record-dry conditions and record-low inflows from the streams and tributaries feeding the Highland Lakes, the "firm yield," or inventory of water LCRA can provide reliably every year, has been decreased by about 100,000 acre-feet, to 500,000 acre-feet per year. (An acre-foot of water is 325,851 gallons.) Further reductions in firm yield are possible as the drought continues.

LCRA staff provided its revised firm yield estimates in an update to the LCRA Board of Directors during a Water Operations Committee meeting on Feb. 18.

In the presentation, staff reported preliminary data shows the Highland Lakes are now in a new "critical period" marking the driest conditions on record, eclipsing the 1947-57 drought that until now was the worst on record for this region.

"We're in a historic drought like we've never seen in our lifetimes," said Phil Wilson, general manager of the Lower Colorado River Authority. "Based on our preliminary analysis of 2014 data, we are now in a new critical period. As a result, our reliable inventory has been reduced by 100,000 acre-feet a year, to 500,000 acre-feet per year. Even in these conditions, however, lakes Travis and Buchanan remain significantly above their all-time lows, thanks to smart water management decisions and excellent water saving efforts by our customers throughout the lower Colorado River basin."

The most water used by firm customers in a single year was about 250,000 acre-feet in 2011, far below the estimated 500,000 acre-feet per year firm yield.

Lakes Travis and Buchanan are the primary water supply reservoirs for many cities in Central Texas. On Feb. 18, the lakes stood at about 717,000 acre-feet, or 36 percent of capacity, – almost 100,000 acre-feet higher than the all-time low combined storage of 621,221 acre-feet, or 32 percent of capacity, seen in 1952.

The revised estimate of the firm yield changes the amount of water available for sale in the future, but does not impact existing contracts, such as those held by the City of Austin and other firm customers. Since 2008, the average annual increase in new firm water commitments has been about 350 acre-feet per year.

"LCRA has water available to meet all our existing contracts," Wilson said. "The good news is the reservoirs are doing what they were designed to do – capturing water when it rains and holding it for use during droughts. At the same time, LCRA continues to aggressively work to expand the region's water supplies – including building a new reservoir near the Texas coast – to make sure our region has the water it needs for future growth."

Late last year, LCRA broke ground on the Lane City Reservoir in Wharton County. Once complete in 2017, the reservoir will be capable of adding up to 90,000 acre-feet per year to the water supply.

It's important to note the firm yield is unrelated to trigger levels in the 2010 Water Management Plan. The state-approved plan, which determines how water is allocated in a drought, sets out three triggers that must be met before the LCRA Board issues a Drought Worse Than Drought of Record (DWDR) declaration. Those triggers are:

- 24 months since lakes Travis and Buchanan were full.
- Prolonged low inflows worse than inflows during the 1947-57 drought.
- Combined storage in lakes Travis and Buchanan at less than 600,000 acre-feet.

After a DWDR declaration, LCRA would cut off Highland Lakes water for remaining interruptible customers and would impose mandatory across-the-board water use cutbacks of 20 percent for firm customers. Current estimates show the earliest combined storage could hit 600,000 acre-feet is the May-June time frame.