

CITY OF LAKEWAY CITY COUNCIL MEETING
Action Minutes of Regular Session
Monday, July 18, 2011, 6:30 p.m.
Lakeway City Hall, 1102 Lohmans Crossing Road, Lakeway, Texas

1. **Establish Quorum and Call to Order.** Present: Mayor Dave DeOme, Mayor Pro Tem Bruce Harris, Councilmembers Joe Bain, Dee Ann Burns-Farrell, Dave Taylor, Alan Tye, and Dennis Wallace.
2. **Pledge of Allegiance** was led by Mayor DeOme.
3. **Citizens Participation** – No one spoke.
4. **Financial Report.**
 - Staff report by Al Tyson, City Treasurer.
5. **Consider approving an electric utility franchise agreement with Austin Energy (first reading).**
 - Staff report by Steve Jones, City Manager.
 - Citizen participation – No one spoke.
 - Council discussion/action – Discussion drew comparisons with current PEC franchise agreement; it was also noted that there would be no extra cost to City residents, **Councilmember Burns-Farrell moved to approve an electric utility franchise agreement with Austin Energy. Councilmember Taylor seconded the motion, and it passed by unanimous vote, approved 7-0.**
6. **Consideration and approval of an ordinance by the City Council of the City of Lakeway, Texas authorizing the issuance of "City of Lakeway, Texas General Obligation Refunding Bonds, Series 2011",** levying an annual ad valorem tax, within the limitations prescribed by law, for the payment of the bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds; authorizing the execution of a paying agent/registrar agreement, a purchase and investment letter, and an escrow and trust agreement; complying with the provisions of the depository trust company's letter of representations; delegating the authority to the mayor and certain members of the city staff to execute certain documents relating to the sale of the bonds; and providing an effective date.
 - Staff report by Steve Jones, City Manager.
 - Citizen participation – No one spoke.
 - Council discussion/action – The City's financial consultant, Allen Westerman of SAMCO Capital Markets, Inc., recommended refunding the bonds at a lower interest rate, which would produce a savings of approximately \$54K over the life of the bonds. **Councilmember Burns-Farrell moved to approve an ordinance by the City Council of the City of Lakeway, Texas authorizing the issuance of "City of Lakeway, Texas General Obligation Refunding Bonds, Series 2011. Councilmember Taylor seconded the motion, and it passed by unanimous vote, 7-0.**

7. **Special Use Permit: Rough Hollow Yacht Club.** A request from Rough Hollow Yacht Club, Ltd., the owner of the Rough Hollow Yacht Club located at 108 Yacht Club Cove (Rough Hollow, Section 11, Lot 1), for a Special Use Permit to conduct weddings and similar events at that location. *This agenda item was postponed.*
8. **Special Use Permit: Emmaus Catholic Church.** A request from Emmaus Catholic Parish for a Special Use Permit to continue to operate two modular buildings located at 1718 Lohmans Crossing Road (Emmaus Subdivision, Lot 1).
- Staff report by Shannon Burke, Director of Building and Development Services.
 - Citizen participation – Father Samuel Hose, pastor of Emmaus Church, gave a presentation illustrating the parish’s growing needs for continued use of the modular buildings. After the presentation, Karen Nail, 4 Lost Meadow Cove, The Hills, spoke to Council regarding her opposition to early morning and late night meetings held in the modular buildings, which results in disturbing noises to nearby residents as meeting attendees gather in the parking lot situated on the other side of a natural greenbelt barrier adjacent to their properties. George Wideman, 56 Lost Meadow Trail, The Hills, also cited the many nuisance type of noises that come from the parking lot when meetings are held there, particularly in the evening, which interfere with the enjoyment of his backyard in spite of the natural barrier of trees and brush. Louise Crookes, 212 Rivulet, Lakeway, who conducts the AA and AL-ANON meetings held in the modular buildings, stated for the record that her group meetings are held at noon.
 - Council discussion/action –After much discussion over the parking lot issues raised by neighboring residents, Mayor DeOme redirected the focus back to the item on the agenda. **Councilmember Burns-Farrell moved to approve a Special Use Permit for Emmaus Church to continue to operate two modular buildings located at 1718 Lohmans Crossing Road. Councilmember Wallace seconded the motion, and it passed by unanimous vote, 7-0.**
9. **Annexation: Lakeway Highlands, Phase 1, Sections 5 & 6.** A request from Las Ventanas Land Partners, Ltd., the owner of approximately 38.43 acres located on the north side of Highlands Boulevard west of Peninsula Way for annexation of the property.
- Staff report by Shannon Burke, Director of Building and Development Services.
 - Citizen participation – No one spoke at the first public hearing of this item.
 - Council discussion – Councilmember Bain raised a concern regarding the possibility future requests to re-plat the lots for a higher density of houses than the R-3 zoning would allow.
10. **Consider proposed regulations** regarding the short term rental of property in neighborhoods zoned for residential use.
- Staff report by Shannon Burke, Director of Building and Development Services.
 - Citizen participation – Dan Hall, 410 Seawind Street, stated that he opposes short term rentals because, in his view, they degrade property values. Edwin Terry, 409 Seawind Street, agrees there is a need for an ordinance and cited the strain on septic systems when numerous people are vacationing at a single home. Erich Swartz, 202 Finn Street, declared his opposition to regulating or licensing short term rentals. Michael Archuleta, 1201 Challenger, gave his view that there is no need for this type of ordinance, except as it might apply to Seawind.
 - Council discussion – Although the majority of Councilmembers supported the ordinance, Mayor Pro Tem Harris remained unconvinced of the need for this type of regulation but

stipulated that if the ordinance were to pass, that it should include condominiums as well, and the Mayor and other Councilmembers agreed. He also recommended that the revoking of a license be tied to a "conviction" rather than to "warnings". Councilmember Tye added that the Nuisance Ordinance has proven ineffective in most instances because it does not put any responsibility on the property owners; he also suggested posting a list of licensed rental properties with contact information on the City's website. Council directed Staff to proceed with proposed regulations.

11. Consider an ordinance regulating the operation and licensing of sexually oriented businesses.

- Staff report by Chessie Blanchard, Deputy City Manager.
- Citizen participation – No one spoke.
- Council discussion/action – **Councilmember Bain moved to approve an ordinance regulating the operation and licensing of sexually oriented businesses. Councilmember Burns-Farrell seconded the motion, and it passed by unanimous vote, approved 7-0.**

12. Consider an amendment to the Fee Ordinance, establishing the yearly license and permit fee for sexually oriented businesses.

- Staff report by Chessie Blanchard, Deputy City Manager.
- Citizen participation – No one spoke.
- Council discussion/action – Council primarily discussed raising the fee from the proposed fee of \$1800 to \$5000 for both the license and the renewal fees. **Councilmember Burns-Farrell moved to amend the fee ordinance establishing a yearly license and permit fee for sexually oriented businesses of \$5,000 initially and \$5,000 for each renewal. Councilmember Bain seconded the motion, and it passed by unanimous vote, approved 7-0.**

13. Consider an ordinance prohibiting the sale, possession and use of restricted smoking materials and associated paraphernalia.

- Staff report by Chessie Blanchard, Deputy City Manager.
- Citizen participation – No one spoke.
- Council discussion/action – **Councilmember Bain moved to approve an ordinance prohibiting the sale, possession and use of restricted smoking materials and associated paraphernalia. Councilmember Tye seconded the motion, and it passed by unanimous vote, approved 7-0.**

CONSENT AGENDA: All items may be approved by one Council vote. Members of the Council may pull items from the consent agenda for discussion.

14. Resolution 2011-07-18-01, Appointments to Boards and Commissions:

- Jesse Griffith, Board of Adjustment, Alternate Member.


15. Approve Minutes: Regular Council Meeting of June 20, 2011.

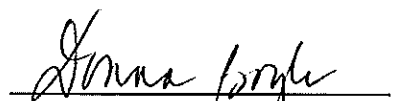
END CONSENT AGENDA

Councilmember Tye moved to approve the Consent Agenda items 14 and 15 as listed above. Councilmember Bain seconded the motion, and it passed by a unanimous vote, approved 7-0.

Mayor Pro Tem Harris commented on the great job Andra Deering, Director of Parks and Recreation, and the other staff members did with the July 4th event. Councilmember Burns-Farrell added how beautiful the new landscaping beds are, and how they are improving the look of the City.

Meeting adjourned at 8:40 p.m.


David P. DeOme, Mayor


Donna Boyle, City Secretary

