

## **Horseshoe Bay Council Comments**

**By Council Member Elaine Waddill**

The City of Horseshoe Bay City Council meeting was held July 19, 2022, at 3:00 p.m. Mayor Clinesmith called the meeting to order, and invocation was given by Father Ruben Patino of St. Paul the Apostle Catholic Church, followed by pledges to the American Flag and the State of Texas Flag.

An opportunity for Public Comment was provided as the first item on the Council Agenda. Several residents expressed concerns regarding current and future water availability for the City of Horseshoe Bay and surrounding areas. Questions were posed regarding whether the City is continuing to look for additional resources for water availability and where the source of additional water may be found in the area. Clinesmith clarified that we are currently under contract with the Lower Colorado River Authority (LCRA) and are finalizing a new contract for additional water availability to increase our firm water guarantee for 20 years (the maximum time they allow).

Donald Beeman, President of the Horseshoe Bay POA, presented a plaque to the City of Horseshoe Bay for their involvement and help in supporting the Independence Day event at Quail Point. He stated that everyone had a wonderful celebration and that he and the POA Board of Directors truly appreciated help in making the event such a wonderful experience for our community.

Margie Cardenas, Finance Director, provided an update to the Council on current financials. The City is at 75% for both major funds, General and Utility Fund, they are both very stable. The General fund has received 89% of their budgeted revenues while spending 69% of the budgeted expenditures. The Utility Fund has received 78% of the budgeted revenue and spent 65% of their expenditures. The capital projects such as vehicles, heavy equipment, generators, etc. have been purchased or have been placed on order as of this time.

A Public Hearing for the Creation of the Monarch Ridge Public Improvement District (PID) was held. The Public Hearing is the first step in the PID process. The city will have six months after the close of the public hearing to negotiate the details of the development agreement to determine if the PID will move forward and to finalize the city expectations/benefits. At any time, the city or the developer may discontinue negotiations and terminate the PID process. Mayor Clinesmith underscored that a PID does not in any way put a financial burden on the City as the property owner acquires their own bond funds and is obligated (along with future homeowners in their development) for the payment of that bond. Currently, Escondido in Horseshoe Bay is an example of an enriched property development formed with a PID. The Monarch Ridge Development team presented the general nature of the proposed authorized improvements, an estimated cost of the authorized improvement, the proposed district boundaries, proposed method of assessment. Additional information will be made available as the process continues to unfold.

Mayor Clinesmith and Ron L. Mitchell, Vice Chairman/President/CEO of the Horseshoe Bay Resort signed an Agreement for Acceptance of donated property to accommodate the new City Center. The Resort ownership has made this donation of land to be utilized for the proposed new City Center located on FM 2147. The property is a 3.50 acres tract out of the Summit Rock subdivision. The Council accepted and approved and expressed sincere appreciation for the collaboration and support.

Finance Director Margie Cardenas presented the draft FY2023 for Property Tax rate. The draft budget assumes a \$.21368 General Fund O&M rate and a Debt Service (I&S) rate of \$0.05632 for a total rate of \$0.27000. This tax rate is based on the estimated tax assessments from Llano and Burnet County as of June 1, totaling \$3.045 billion. The certified valuations will be available after July 25.

The staff provided a Property Tax Projection table. The table illustrates the estimated revenue that has been included in the current 5 year forecast for the General Fund, with an estimated 6.61% revenue increase in FY2023, using the tax rate of \$0.27000. The table also uses \$0.2700 (current tax rate) as a proposed tax rate for the coming 5 years. Council discussed the proposed tax rate of \$0.27000 and voted to continue the rate.

The Council was presented with two requests for extensions on properties currently under construction. One property request was a third request, and the second property was for a fifth request. The owners each discussed the specific issues requiring the additional extension requests. After discussion the Council voted to allow the additional re-permits based on the fee required by the City of Horseshoe Bay.

In 2007 the City of Horseshoe Bay passed an ordinance prohibiting bee keeping in the City Limits of Horseshoe Bay. Since then, community awareness of the contributions honeybees make to the health of our environment has increased amongst residents. Honeybees are a benefit to our community by providing pollination of gardens, trees, and flowers, not to mention sweet tasting honey! The newly opened Nature Park has two beehives ready for population and staff has received calls from residents requesting permission to have beehives on their property. In response to their interest and requests, Development Services Director, Sally McFeron, presented a proposed Ordinance to address beekeeping and establishes requirements for beekeeping and beehives which would only be allowed under specific safety conditions on large acreage homesteads with annual permits and inspection.

The Council reviewed and approved items on the Consent Agenda. Updated information was provided regarding a Salary Survey Findings and Merit Compensation Adjustments. After review and discussion the Council voted to approve the separate item.

As the month of July begins to wind down, the temperatures continue to climb. Please remember to drink plenty of water and take care of yourself in the extreme heat – and use all precaution to avoid fires. Don't forget to mark your calendar to join us at our August 30, City Council meeting.