

Public Hearing
City of Cottonwood Shores, Texas
January 7, 1992

The meeting was called to order by Mayor Joseph F. Beyer at 7:05 p.m. at the Club House of the Property Owners Association of Cottonwood Shores located at 4111 Cottonwood Drive, Cottonwood Shores, Texas. Commissioners Adrian Gawlik and Mike Butler were in attendance. The accompanying sheet provides names of individuals attending who signed the register as requested. About 10 persons did not register.

Mayor Beyer explained that the meeting was intended to give individuals an opportunity to ask questions about the sewer project and to obtain their opinions for or against the proposed project. He gave a summary of the project:

-- Cost would be about \$1.7 million, with \$1.17 million financed by a grant and \$530,000 by a 40-year loan at a 5.875% interest rate from the Farmers Home Administration.

-- Participation would be mandatory.

-- Minimum rates were expected to be about \$14.00 for a user of 2,000 gallons of water, and \$1.60 for each 1,000 gallons over that, with the average bill expected to be about \$19.60. The City would be required to set rates sufficient to service the debt, accumulate reserves and cover maintenance and operations.

-- There would be no hook-up charges at the time of construction. The project includes a pump for those locations that need it and filling of septic tanks at no cost to the customer.

-- Farmers Home must be at all bid openings and approve all construction contracts.

COMMENTARY BY PARTICIPANTS AND RESPONSES

June Ashley said she needed convincing that we need a sewer system, stating that she owns two houses in Cottonwood and has no problems with septic. The Mayor responded that septic violations were an increasing problem. Additionally, he stated that many sections of the City could not now be developed because of unfavorable soil conditions.

Don Fortenberry stated that if you owned one lot, you could not get a permit for septic.

June Ashley asked why the city did not get a grant for road improvements instead of sewers. Commissioner Mike Butler said that when the application was started the City Commission felt that it was best to do the water and sewer upgrades first. The City did not want to build the roads and then have to tear them up to do water and sewer work.

Dr. Bob Schaper stated that he was a Commissioner when the City was incorporated and was in on the original planning. He said that under LCRA guidelines septic systems must be in working condition before a house can be sold and cited his own experience and costs to upgrade his own septic. He said the sewer system would be an asset to the community.

Russell Bennison asked how long we would be paying for a sewer system before we could use it, and how long it would take to build. Mayor Beyer said customers would not pay until they are connected and it was expected to take about a year or so to build the system.

An unidentified individual stated that he was perturbed because nothing had been done about the roads and now we are wanting to put in a sewer system.

Ashton Pitre said he had heard from someone with the Water Quality Control Board that any community in LCRA's jurisdiction will sooner or later have to be on a sewer system and that no septic permits would be issued.

Jim Smyrl said that if we do not approve this grant application does not mean that we will not be able to get another grant later. He feels that if sewer systems are mandated, grants will be available to do the work.

Don Fortenberry said that LCRA can set its own guidelines. That they are governed by the Texas Water Commission.

Quentin Martin, with LCRA, said that LCRA does not have a policy to force a city to have a sewer system. He answered several questions about LCRA's role in inspecting septic systems, and the regulations which it must follow in doing that.

Noah Thompson said that he moved from a mobile home with septic, which is one reason he moved to Cottonwood. He said that he has dealt with septic for many years and there are problems sooner or later. That is why he is all in favor of a sewer system.

Jim Robertson said that he has a septic system that is working now, but can foresee that there will be problems with septic eventually. He is for taking advantage of this opportunity for the loan/grant to build the sewer system.

J. C. Long said that he would rather see the sewer system than repair roads now, although he wants the roads repaired also.

Tony Satsky asked what guarantees we have that it will only cost \$14.00 a month. Mayor Beyer explained the terms of the contract being negotiated with Lake LBJ MUD, and that this was the current estimated minimum billing that was anticipated.

Jim Smyrl asked if we could not build the system for \$1.7 million, then could we turn the loan back. Mayor Beyer explained that Farmers Home must approve all bids before the loan is closed and that the City believes that the system can be built for that cost. He said that if the system costs more, it would require more City or loan money and that he did not believe that we could afford it under those conditions.

Ron Greiser asked if grants would be available later if we turned down this application, and how often these grants come up. He said the sewer system would improve the resale of a house, and felt it is better to do the sewer first rather than to pay for road work now and tear the roads up again to put in a sewer later. He said we should not stop progress.

In answer to a question, Tony Plumlee, project engineer, said the City has been working for nearly two years to get to this stage with the application and that we have no way of knowing when such grant money would be available or if we would qualify for it then. He said the attractive features of this loan/grant include the ability to bring the system from the home to the collection line, and that 68% of the cost would be covered by grant money.

Mayor Beyer asked for a show of hands to determine how many individuals still present at the meeting were FOR and AGAINST the project. The show of hands was 18 FOR and 17 AGAINST.

A 5-minute break was taken at 8:09 p.m.

In answer to a question, Mayor Beyer explained that the rate would include all costs to retire debt, provide reserves and maintain and operate the system. Jim Smyrl asked for an exact breakdown of these estimated costs. Mayor Beyer stated he did not have that information immediately at hand, but would have it before the Special meeting at which the City would decide whether or not to continue with the application.

In answer to a question, Mayor Beyer said that the estimated rates were based on 272 customers and that the rates could be more if we had fewer customers and could be less if there are more customers.

Dr. Bob Schaper asked if everyone would need a grinder pump and was told that only those few homes below grade level would need one.

In answer to a question, Tony Plumlee said that the expense to fill in septic tanks is included in the cost of construction.

Glen Wallace said that he cannot imagine the community not taking advantage of this opportunity. He said he would like more information on expenses and costs of the project.

Frank Feist said that it would help to sell a home to have a sewer system.

In response to a question about estimated construction costs, Tony Plumlee said that the costs of construction were based on providing service to those areas which now have homes, not to run sewer lines in undeveloped areas. In response to a question as to confidence the system could be built for the estimated cost, Mr. Plumlee said that his company's estimates of construction costs are based on many years of water and sewer work in Horseshoe Bay and other areas which have similar soil conditions.

Ron Greiser said he believed it was more feasible to pump our effluent to the Lake LBJ Mud and let them worry about treatment problems than to have to hire people and operate our own treatment plant.

Bill Hennessy wanted to know what guarantees we have that there will be no cost overruns. Mayor Beyer stated that the City has confidence that the engineering firm it has chosen has made a reliable estimate and that Farmers Home would have to approve all bids before the loan is made. He also pointed out that the work would be covered by performance bonds and liability coverages.

Dr. Bob Schaper asked how we expected to do maintenance. He was told that minor work would be done by our own people who also serve the water department and that work outside their capability would be done by outside contractors.

In answer to a question by Mrs. Don Fortenberry, Mayor Beyer said that inspectors were required at all times to protect the City's interest during construction.

The meeting adjourned at 9:05 p.m.

Respectfully,

Shirley Pitts
Shirley Pitts
City Secretary



Joseph F. Beyer
Joseph F. Beyer
Mayor

January 7, 1992

Mike Butler

Louy Blumberg

Don Schweitzer

Noah Thompson

Mary Thompson

Claudia Lu Stout

Don & Ruby Fortley

June D. Ashley

Ed Maughan

Patti Magnorn

Imogene Thompson

Bene Queen

Jle Long

Tony Letsky

Calvin & Hunter

Ruben Rodriguez

Victor Bennett

John W. Parkhandt

Don Shultz

E. L. Koch

Ilen Wallace

Marieann Rattiff

D. Geisler

Lynton Pike

Kon L. Luster

Frank Feist

Jim ROBERTSON

Ray McBride

Pat Graham

Russell Bemison

Paul Vasterling

City of Cottonwood Shores

3915 Cottonwood Drive

MARBLE FALLS, TX. 78654

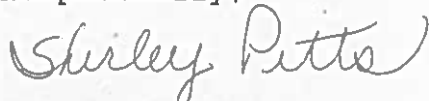
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PUBLIC HEARING NOTICE

The City of Cottonwood Shores will be holding a Public Hearing on January 7, 1992 at 7:00 P.M. at the Property Owners Association Clubhouse located at 4111 Cottonwood Drive, Cottonwood Shores, Texas to obtain citizen input on a proposed wastewater treatment project.

All interested citizens are encouraged to attend and participate in the discussion.

Respectfully,



Shirley Pitts
City Secretary/Clerk

I certify that the above notice was posted on the bulletin board located at 3915 Cottonwood Drive and 4111 Cottonwood Drive, and that the Highlander was notified this 20th day of December, 1991 at 12:00 P.M..