

**PUBLIC HEARING
CITY OF COTTONWOOD SHORES
THURSDAY - MAY 7, 1998**

- 1. CALL TO ORDER BY MAYOR DALE PICKENS AT 7:12 P.M. ROLL CALL BY CITY SECRETARY SUE PORTER: COMMISSIONER RAY WHITIS, COMMISSIONER FRANK PFEIFER BOTH PRESENT - QUORUM IN ATTENDANCE.**

MAYOR DALE PICKENS THEN INTRODUCED THE COUNCIL TO THE AUDIENCE. MAYOR PICKENS WELCOMED THE ATTENDEES AND DESCRIBED THE PURPOSE OF THE PUBLIC HEARING BY READING THE PUBLIC NOTICE PUBLISHED IN THE HIGHLANDER, THE OFFICIAL NEWSPAPER OF THE CITY, I.E., TO RECEIVE PUBLIC COMMENTS ON THE PROPOSED INITIATION OF ANNEXATION OF CASTLE ACRES RESUBDIVISION AND A PARCEL OF LAND CALLED A .367 ACRE TRACT PARTICULARLY DESCRIBED IN VOLUME 721, PAGE 516, REAL PROPERTY RECORDS, BURNET COUNTY, TEXAS.

- 2. THE MAYOR THEN CALLED ON MR. BRYAN HICKS, AS THE FIRST TO SIGN IN AND INDICATE HIS WISH TO SPEAK. MR. HICKS IS AN ATTORNEY: IT WAS NOT MADE CLEAR WHO HE WAS REPRESENTING AT THIS MEETING. HE ASKED THE FOLLOWING QUESTIONS:**

A. WHAT IS THE CURRENT POPULATION OF THE CITY OF COTTONWOOD SHORES (HEREINAFTER CALLED 'CWS') AND HOW DID THE CITY DETERMINE THAT FIGURE?

COUNCIL RESPONSE: WE CANNOT GIVE YOU AN EXACT AMOUNT AT THIS TIME. THE ESTIMATE IS BETWEEN 900-1100.

B. WAS THE WATER SERVICE PROVIDED TO CASTLE ACRES ORIGINALLY BY A PRIVATE WATER CORPORATION? DID THE CITY ACQUIRE THE SYSTEM RECENTLY? HAS THE CITY EXPANDED ITS SERVICES IN CASTLE ACRES? IS THERE A WATER PLANT THAT IS DEDICATED JUST TO CASTLE ACRES? DID YOU PURCHASE THE STOCK IN THE CORPORATION OR DID YOU PURCHASE THE ASSETS OF THE CORPORATION? DO YOU KNOW WHAT HAPPENED TO THE WATER SUPPLY COMPANY?

COUNCIL RESPONSE: YES, THE SYSTEM WAS PURCHASED FROM A PRIVATE COMPANY IN 1991 OR 1992. THE SYSTEM WAS UPGRADED, AND HAS EXPANDED SERVICE TO ANY NEW RESIDENTS. CASTLE ACRES IS SERVED BY THE CWS WATER PLANT LOCATED IN CASTLE TERRACE. WE PURCHASED THE ASSETS, THE LAND, INVENTORY, THE PLANT.....THE CITY HAS DEEDS TO THE PROPERTY AND THE OLD STORAGE TANK. WE HAVE THE RECORDED DEEDS AND OTHER DOCUMENTS AT CITY HALL. WE DO NOT KNOW WHAT HAPPENED TO THE WATER SUPPLY CORPORATION AFTER YOU PURCHASED THOSE ASSETS?

MR. HICKS: I NOTICE ON THE SERVICE PLAN THAT YOU HAVE FOR THE ANNEXED AREA THAT IT DISCUSSED WASTE WATER SERVICE.... IS THERE ANY CENTRALIZED WASTE WATER SERVICE IN THE AREA PROPOSED TO BE ANNEXED?

RESPONSE: THERE IS WASTE WATER (SERVICE) CURRENTLY AVAILABLE TO THE NORTH SIDE OF HIGHWAY 2147 (LAKE SIDE). NONE IS CURRENTLY ON THE SOUTH SIDE.

MR. HICKS: OKAY, BECAUSE I NOTICE ON THE SERVICE PLAN THERE IS NO PLAN FOR CAPITAL IMPROVEMENT. ON THE LAST PAGE OF THE SERVICE PLAN, IT SAYS "NONE". SO, DO YOU INTEND TO PUT A SEWER MAIN UNDERNEATH HIGHWAY 2147?

RESPONSE: I WILL HAVE TO SPEAK WITH THE ATTORNEY ABOUT THE "NONE" YOU MENTION IN THAT. IF THE SEWER IS A CAPITAL IMPROVEMENT, WE ARE REQUIRED TO PROVIDE IT. YES, IF THIS ANNEXATION GOES THROUGH, WE DO PLAN TO SEEK APPROVAL TO BORE UNDER THE HIGHWAY TO THE SOUTH SIDE.

MR. HICKS: HAVE YOU LOOKED AT THE COST OF DOING THAT? DO YOU HAVE SOME IDEA OF HOW MUCH IT IS GOING TO BE?

RESPONSE: NO. WE HAVE RECENTLY BORED UNDER THAT HIGHWAY AND HAVE THAT COST AND IT WAS \$300 A FOOT AND THAT WAS MORE THAN WHAT WOULD BE REQUIRED FOR THIS.

MR. HICKS: HAVE YOU HAD ANY ENGINEERING WORK DONE..THE SEWER MAIN WOULD HAVE TO BE EXTENDED AND HOW FAR IT WOULD HAVE TO BE, ANY WORK AT ALL?

RESPONSE: NOT AT THIS TIME.

MR. HICKS: WHEN THE SEWER PROJECT WAS ORIGINALLY PUT IN, WAS THERE ANY ENGINEERING WORK DONE AT THAT TIME TO (ESTIMATE) HOW MUCH IT WOULD COST IF YOU WANTED TO EXPAND ACROSS HIGHWAY 2147?

RESPONSE: I HAVE NO HISTORY ON THAT PERSONALLY, I'D HAVE TO RESEARCH ON THAT.

MR. HICKS: DOES THE PRESENT ORDINANCE REGARDING THE SEWER IN CWS DEFINITELY REQUIRE THAT EVERYBODY IN THE CITY TAP ONTO THE SYSTEM?

RESPONSE: YES, WITHIN THE CITY.

MR. HICKS: OKAY, SO THESE PEOPLE IN CASTLE ACRES WOULD BE EXPECTED TO TAP ONTO THE SEWER.

RESPONSE: WE INTEND TO PROVIDE SEWER SERVICE TO THEM. YES, WE WOULD EXPECT THEM TO TAP ONTO THE SEWER. THERE IS A PERIOD OF TIME TO ACCOMPLISH THAT.

PAGE 3
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

MR. HICKS: BUT IT SAYS RIGHT HEREIN THE DOCUMENT THAT YOU'RE NOT GOING TO DO ANYTHING. SO....

RESPONSE: IF YOU'RE JUST SAYING THAT YOU HAVE A QUESTION ON THAT POINT, WE WILL HAVE TO HAVE THE ATTORNEY SPEAK TO THAT AND IF NEED BE, CHANGE IT. WE WILL CORRECT IT IF IT NEED BE.

MR. HICKS: WELL, THE COUNCIL HAS THE OPTION AS TO WHETHER OR NOT TO PROVIDE THE SEWER SERVICE TO THE ANNEXED AREA. SO, DO YOU INTEND TO DO THAT?

RESPONSE: ARE WE REQUIRED BY LAW TO DO THAT?

MR. HICKS: I DON'T KNOW IF YOU ARE OR NOT. I'M ASKING YOU IF YOU HAVE ANY PLANS AT THIS TIME TO DO THAT. HAS THAT EVER BEEN DISCUSSED.

RESPONSE: I'M NO EXPERT ON IT BUT MY UNDERSTANDING IS THAT IT IS REQUIRED. IF THERE IS A QUESTION ON THAT, WHETHER IT IS REQUIRED, OR IS NOT REQUIRED, I DON'T HAVE AN ANSWER ON THAT.

MR. HICKS: OKAY, IF IT'S NOT REQUIRED, ARE YOU NOT GOING TO DO IT? ARE YOU PREPARED?

RESPONSE: AS FAR AS I KNOW, IT IS STATED PLAINLY IN THERE WHAT IS REQUIRED BY THE CITY TO ANNEX.

MR. HICKS: IN THE SERVICE PLAN? OKAY.

RESPONSE: THAT'S WHAT I COULDN'T UNDERSTAND: IT'S VERY PLAIN IN THE DOCUMENT IF YOU READ IT.

MR. HICKS: THAT'S WHAT I'M WONDERING, IT SAYS "EXISTINGSERVICE". NOW, THERE IS NO EXISTING WASTE WATER SERVICE OVER ON THE SOUTH SIDE OF HIGHWAY 2147, IS THERE?

RESPONSE: IT SAYS EXISTING SERVICE "WITHIN THE CITY". IF IT BECOMES PART OF THE CITY, IT'S REQUIRED THAT WE PROVIDE IT. SAME AS TO OUR (PRESENT) CITIZENS. WE ARE REQUIRED BY THE TEXAS CODE TO PROVIDE THE SAME LEVEL OF SERVICE AND THAT IS WHAT WE INTEND TO DO.

MR. HICKS: AND THAT'S WHY I WONDERED WHY YOU WEREN'T PLANNING TO EXTEND ANY WASTEWATER MAIN UNDER THE HIGHWAY. SO, IF YOU'RE TELLING ME THAT THAT'S WHAT YOU MEAN AND THAT YOU ARE GOING TO EXTEND (TO THEM) THE MAIN, THEN THAT'S FINE. LET ME ASK YOU THIS: WHAT DO YOU BASE YOUR ESTIMATE OF POPULATION ON RIGHT NOW? WHAT IS THE ESTIMATE BASED ON? SOME NUMBER LIKE 2.5 TIMES THE NUMBER OF WATER TAPS, OR 5 TIMES THE NUMBER OF TAPS?

PAGE 4
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

RESPONSE: IN THE PAST THREE OR FOUR YEARS....THE CWS USED TO BE A RETIREMENT OR VACATION PLACE ON THE LAKE. THAT HAS CHANGED. THERE USED TO BE ONE SCHOOL BUS COMING IN HERE AND NOW THERE ARE 4-5 SCHOOL BUSES. WE'VE HAD PEOPLE WITH FAMILIES MOVE IN. WE HAVE NOT TAKEN A DOOR-TO-DOOR CENSUS, WE'RE GIVING THAT ESTIMATE (900-1100) BASED ON GROWTH, THE NUMBER OF CHILDREN AND NEW FAMILIES THAT HAVE MOVED IN. (MR. BENTLEY MARTIN IN THE AUDIENCE STATES HERE THAT THE CHURCH USES 4 TIMES HOOKUPS AS AN AVERAGE).

MR. HICKS: ALL RIGHT, DO THE WATER HOOKUPS INCLUDE THE WATER SERVICE IN CASTLE ACRES AND CASTLE TERRACE?

RESPONSE: NO. WE HAVE DOCUMENTS AT CITY HALL TO SHOW WHICH ARE INSIDE THE CITY AND WHICH ARE OUTSIDE.

MR. HICKS: SO, YOU'RE SAYING THAT YOU'VE GOT THREE HUNDRED OR MORE INSIDE THE CITY. AND YOU CHARGE A DIFFERENT RATE FOR WATER FOR CUSTOMERS THAT ARE INSIDE THE CITY THAN YOU DO FOR CUSTOMERS OUTSIDE THE CITY?

RESPONSE: YES. IN THE CITY, IT IS A BASE OF \$14.00 FOR THE FIRST 2,000 GALLONS AND \$17.00 FOR THE FIRST 2,000 GALLONS OUTSIDE THE CITY.

MR. HICKS: SO YOU DO HAVE SOME DOCUMENTS HERE TONIGHT THAT SHOW THE EXACT NUMBER OF WATER HOOKUPS INSIDE THE CITY?

RESPONSE: NO, THEY ARE AVAILABLE AT CITY HALL.

MR. HICKS: ALL RIGHT, AND YOU ARE USING 4 PER HOOKUP AS A POPULATION BASE...DID YOU JUST PULL A NUMBER OUT OF THIN AIR? I'M NOT TRYING TO PIN YOU DOWN...I JUST WANT TO KNOW WHERE YOU GOT THAT FIGURE.

RESPONSE. I DID NOT SAY THAT.

MR. HICKS: LET THE RECORD REFLECT THAT I'M NOT TRYING TO PIN HIM DOWN. I JUST WANT TO KNOW WHERE IT CAME FROM...WAS THAT JUST BASED ON YOUR EDUCATED GUESS AS TO HOW MUCH THE POPULATION MIGHT HAVE INCREASED?

RESPONSE: IT IS THE GROWTH...S LOT OF THE PEOPLE IN AUSTIN AND BURNET COUNTY HAVE BEEN ESTIMATINGCAPCO, BURNET COUNTY, LCRA, PEC...

MR. HICKS: DID YOU GET SOME GRANTS FROM CAPCO, IS THAT WHY THEY WERE ESTIMATING THE POPULATION? WHAT DID THEY ESTIMATE IT, DO YOU KNOW?

RESPONSE: NO.....THEY'RE IN THE BUSINESS, I ASSUME.

PAGE 3
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

MR. HICKS: OKAY, I'VE TAKEN TOO MUCH OF YOUR TIME...THANKS FOR YOUR PATIENCE.

RESPONSE: ANY QUESTIONS WE DID NOT HAVE AN ANSWER, WE WILL HAVE ANSWERS TO YOU IN A REASONABLE AMOUNT OF TIME. THANK YOU, MR. HICKS.

MAYOR PICKENS NEXT CALLED ON MR. AND MRS. BILL SHULTZ. MR. SHULTZ SPOKE ON BEHALF OF BOTH PARTIES.

MR. BILL SHULTZ: WE ARE WHAT YOU CALL "PART TIMERS". WHETHER WE USE 800 OR 2,000 GALLONS, WE PAY THE SAME RATE. WE ARE TAPPED ONTO THE SEWER LINE WHICH WAS OUR OPTION. MY POINT IS, AND THE QUESTION I HAVE, IN THIS ANNEXATION, THE HIGHWAY...THAT THE CITY WOULD TAKE CARE OF THE MAINTENANCE ON THAT?

RESPONSE: NO, WE WOULD ANNEX IT AND THERE WILL BE NO CHANGE IN THE MAINTENANCE OF THE HIGHWAY. THE STATE WOULD CONTINUE TO TAKE CARE OF THAT.

MR. SHULTZ: OKAY, I'M SURE THAT'S ONE QUESTION A LOT OF PEOPLE HAD. THE CITY OF COTTONWOOD SHORES, I'M SURE IT'S A REAL FINE COMMUNITY. SO IS CASTLE ACRES. WE ARE NOT OTHER THAN JUST GOOD NEIGHBORS TO EVERYBODY IN THIS AREA. WE WOULD LIKE FOR YOU PEOPLE TO LEAVE US ALONE. YOU DON'T HAVE ANY PROBLEM WITH OUR CHECKS BOUNCING, WE PAY OUR WATER BILL ON TIME. IF THE STREET NEEDS REPAIR, I HAVE TO CALL THE STATE HIGHWAY DEPARTMENT TO DO IT. I'M HAPPY WITH THE WAY THINGS ARE RIGHT NOW...I'M NOT TAKING AWAY FROM WHAT YOU'RE TRYING TO DO, APPARENTLY YOU ARE TRYING TO BROADEN YOUR TAX BASE...DO YOU HAVE ANY IDEA WHAT FIGURES ...HOW THAT'S GOING TO BROADEN YOUR TAX BASE?

RESPONSE: JUST IN THE KNOWLEDGE THAT, YES IT WOULD. THAT IS NOT THE PRIME REASON WHY WE'RE REQUESTING THIS ANNEXATION...WE WANT TO REDUCE THE SPEED LIMIT ON HIGHWAY 2147.....THE STATE OF TEXAS WILL NOT DO IT BECAUSE WE DON'T OWN THE HIGHWAY....INSIDE THE CITY....THEY WILL SEND A SURVEY TEAM OUT HERE...

(MUCH DISCUSSION, DISAGREEMENT AS TO HOW TO ACCOMPLISH THIS WITH THE AUDIENCE FEELING NO ANNEXATION IS NECESSARY AND THE COUNCIL FEELING LAND MUST BE OWNED SOUTH OF THE HIGHWAY)

MR. SHULTZ: I'M NOT TELLING YOU HOW TO BE MAYOR, BUT I TELL YOU THAT TO BASE YOUR ANNEXATION PROCEEDINGS SIMPLY ON BEING ABLE TO CONTROL A SECTION OF HIGHWAY TO ME, IS PUTTING ME IN A BAD SITUATION, BECAUSE I TELL YOU WHAT...

RESPONSE: THAT IS NOT THE ONLY REASON....THAT IS A PRIME REASON, AND WE HAVE THE HISTORY ON THE SPEED LIMIT AND CORRESPONDENCE, TELEPHONE...

PAGE 6
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

MR. SHULTZ: WELL, I'LL TELL YOU WHAT...I'M NOT GOING TO MINCE WORDS, BUT I WILL GO ON RECORD, RIGHT HERE, RIGHT NOW, MYSELF AND MY WIFE, WE WOULD PREFER THAT...YOU LEAVE US ALONE. WE WILL PAY YOUR WATER BILLS, WE WILL PAY YOUR SEWER BILLS..AND IF THE CHECK BOUNCES, I'LL PAY YOU DOUBLE.....BUT ON THE ANNEXATION OF CASTLE ACRES, FOR MY PART OF IT, I WOULD SAY NO, AND I'M STANDING RIGHT HERE IN FRONT OF YOU AND I WILL HELP WHOEVER WANTS TO, DO WHATEVER THEY WANT TO, TO HELP STOP THIS. NOW I CANNOT BE ANY PLAINER THAN THAT BECAUSE I CANNOT... FOR THE LIFE OF ME TO SEE THAT THIS CAN EVER, EVER BE A BENEFIT FOR CASTLE ACRES. MY THREE MINUTES ARE UP, I GUESS. (WAS 10 MINUTES)

MAYOR PICKENS NEXT CALLED MS. GLORIA BLANTON WHO IS A CASTLE ACRES PROPERTY OWNER.

MS. BLANTON: IN 1991 I HAD TO GET ON WATER AND IN 1995 I CHOSE TO GO ON SEWER SERVICE. I'D LIKE TO KNOW WHAT ARE THE PROS AND CONS FOR ME (RE ANNEXATION).

RESPONSE: AN ADVANTAGE TO YOU IS THAT THE STATE CONTROLS THE HIGHWAY SPEED, WE WANT IT LOWERED TO PROVIDE MORE HIGHWAY SAFETY, POLICE PATROL, WATER SYSTEM MUST BE UPGRADED IN THE FUTURE - WE NEED YOU TO HELP....MAINTAINING YOUR GRINDER PUMPS. THE EXISTING LINES HAVE BEEN IN THE GROUND A LONG TIME...CASTLE ACRES REPRESENTS PERHAPS 7% OF OUR WATER CUSTOMERS.

MS. BLANTON: WELL, I AM AGAINST IT BUT I DON'T THINK THERE'S ANY STOPPING IT BECAUSE I KNOW YOU ARE COMPLYING WITH THE LAW BY HAVING THESE MEETINGS. I WANT YOU TO LEAVE US ALONE, TOO. MY HOMEOWNERS INSURANCE IS GOING TO GO UP BECAUSE THE FIRE DEPARTMENT IS NOT GRADED LIKE HORSESHOE BAY.

(GENERAL DISCUSSION ABOUT THE POLICE COVERAGE ON THE HIGHWAY, HOW D.O.T. SURVEYS TO DETERMINE SPEED LIMITS WITH MR. HICKS STATING THAT D.O.T. COMES OUT AND SURVEYS THE SPEED BEING USED AND ESTABLISHES A SPEED EQUAL TO WHAT IS DRIVEN BY 90% OF THE DRIVERS..)

PAGE 1
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

MAYOR PICKENS CALLS ON SHARON BEAUDOIN, OPERATOR OF SHARON'S SHUTTLE SERVICE ALSO A RESIDENT.

MS. BEAUDOIN: THESE ARE THE CONS, AGAINST THIS ANNEXATION: MY PROPERTY VALUE WILL GO DOWN, MY INSURANCE WILL GO UP. CASTLE ACRES WILL LOSE THE COOPERATION OF THE POLICE DEPARTMENTS OF HORSESHOE BAY, MARBLE FALLS AND THE SHERIFF'S OFFICE. I CAN APPRECIATE THAT CWS WANTS TO GROW; THERE'S A PLACE FOR EVERYBODY...LOWER INCOME.... CASTLE TERRACE LIVES IN FEAR YOU ARE TO TAKE CHARGE OF THEIR STREETS. I HAVE A SUGGESTION: WE WILL HELP YOU IF YOU LEAVE US ALONE - AND CASTLE TERRACE WILL, TOO, WE'LL HELP YOU WITH A TRAFFIC SPEED PETITION.

MAYOR CALLS MR. BOB SHAPER, NOT A KNOWN PROPERTY OWNER.

MR. SHAPER: I WAS INVOLVED IN THE ORIGINAL FORMATION OF CWS AND I DO HAVE SOME INTEREST, AND AS A CURRENT VERY CLOSE FRIEND OF SHARON BEAUDOIN.....I'M STRICTLY LOOKING FOR INFORMATION AT THIS POINT. HOW MANY LINEAR FEET DO YOU HAVE ALONG THE HIGHWAY....AND WHILE YOU'RE DIGGING FOR INFORMATION, HOW MANY ADDITIONAL FEET WOULD YOU GAIN FROM THIS ANNEXATION?

RESPONSE: I DO NOT HAVE THOSE FIGURES, THEY'VE BEEN OF NO INTEREST TO ME UNTIL THE PRESENT. I CAN GET THAT...

MR. SHAPER: WHY DON'T YOU HAVE THE ANSWERS TO THESE QUESTIONS?

RESPONSE: THAT WAS THE PURPOSE OF THE MEETING, TO GET THE QUESTIONS.....

MR. SHAPER: PARDON ME FOR BEING ARGUMENTATIVE, BUT YOU SEEM TO BE ON THE DEFENSIVE....NOW I WOULD ALSO LIKE TO KNOW WHAT THE TOTAL TAX BASE IS FOR CWS.....

RESPONSE: IF YOU REALLY DESIRE THAT INFORMATION, IT WILL BE AVAILABLE AT CITY HALL.

MR. SHAPER: DO YOU HAVE ANY IDEA OF THE ADDITIONAL TAXATION AS A RESULT OF THIS ANNEXATION....

WHEN ARE YOU GOING TO ANNEX CASTLE TERRACE, WHAT IS YOUR TIME FRAME...(MUCH GENERAL DISCUSSION ABOUT THIS AND THE RAW ACREAGE DIRECTLY SOUTH OF CWS' ENTRANCE.)

PAGE 8
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

RESPONSE: WE'RE NOT DISCUSSING THAT.....CHIEF ELLIS, WOULD YOU LIKE TO DISCUSS WHY WE CANNOT PATROL THE HIGHWAY AT THE PRESENT TIME?

CWS POLICE CHIEF WALTER ELLIS: WE HAVE 100% GOOD RELATIONSHIPS WITH THE OTHER LAW ENFORCEMENT AGENCIES. WE CANNOT BY LAW WORK TRAFFIC (GIVE CITATIONS) ON THE HIGHWAY AT THIS TIME. OUR PRESENCE MAY SLOW SOME PEOPLE DOWN SOME OF THE TIME. BUT WE SEE PEOPLE COMING ALONG 100 MPH FROM THAT HILL TO THE CURVE. YOU MAY NOT BE OUT, BUT YOUR CHILDREN MAY BE. WE DON'T HAVE A GOOD RELATIONSHIP WITH HORSESHOE BAY, MARBLE FALLS, THE SHERIFF'S DEPARTMENT? NO, THAT'S NOT RIGHT. IT'S BETTER THAN IT'S EVER BEEN BECAUSE THEY KNOW WE HAVE A DEPENDABLE POLICE DEPARTMENT NOW. THERE ARE FOUR OFFICERS NOW. AS FAR AS YOUR PROPERTY, YOUR WATER AND SEWER, I HAVE NO CONTROL, THAT'S NOT MY CONCERN. AS FAR AS PROPERTY SAFETY, YOUR KIDS - THAT IS MY BUSINESS. WE GOVERNED BY LAW. TO WORK THE HIGHWAY, IT MUST BE ANNEXED.

(MORE GENERAL DISCUSSION, WITH PEOPLE AGAIN BRINGING UP CASTLE TERRACE AND DEMANDING ANSWERS TO THE QUESTIONS BEING ASKED)

RESPONSE: EXCUSE ME. THE CITY SECRETARY WILL COMPILE A LIST OF YOUR QUESTIONS AND WE WILL MAIL YOU THE ANSWERS. BILL? THEY WILL BE MAILED TO YOU. I EXPECT...BY THE FIRST OF THE WEEK.

BILL SHULTZ: WHEN YOU HAD YOUR APRIL 16TH MEETING AND YOU DISCUSSED ANNEXATION OR WHATEVER.....MY QUESTION IS, WAS YOUR MIND MADE UP THEN, IN STONE, REGARDLESS OF OPPOSITION? ARE WE NOT GOING TO HAVE A SAY, OR IS THIS A CUT AND DRIED DEAL? STATE LAW SAYS YOU CAN (ANNEX WITHOUT OUR CONSENT).

RESPONSE: WE HAVE TO FOLLOW THE PROCEDURE.

BILL SHULTZ: SO YOU'RE GOING TO FOLLOW PROCEDURE AND THEN DO IT, REGARDLESS OF WHAT WE THINK.

RESPONSE: WE HAVE A PROCEDURE TO GO BY.

BILL SHULTZ: YOU'RE TELLING ME THAT YOU COULD POSSIBLE CHANGE YOUR MIND?

SHARON BEAUDOIN: WHAT CAN WE DO TO HELP YOU, BESIDES THIS? YOU NEED TO DO SOMETHING, PICK ON US.

RESPONSE: WE NEED A NEW WATER TANK....MORE CAPACITY OF STORAGE WILL HELP EVERYBODY. WE'RE HOPING TO GET A GRANT FOR IT.....ABOUT THE QUESTION ABOUT TAXES. WE HAVE GOT SOME BASIC FIGURES....OUR TAX RATE IS \$0.3650 PER \$100 VALUATION. IF THE ANNEXATION GOES THROUGH, THE EFFECTIVE RATE WILL MAKE IT GO DOWN. INCREASES IN YOUR TAXES ARE IN THE RANGE FROM \$39 TO \$1,470.

PAGE 9
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

(MORE GENERAL DISCUSSION, TAXES, NEEDS OF CITY, LCRA-SHACKELFORD PROJECT...WOULD IT ALSO BE IN THIS ANNEXATION, MC'FLY'S, EVERGREEN SUBDIVISION, PRESENT CWS CITY LIMIT PERIMETER)

RESPONSE: THAT LCRA IS LEASED LAND. I DON'T KNOW HOW THE ANNEXATION WOULD EFFECT IT. I DON'T KNOW. WE'RE LOOKING AT THE FUTURE. THEY HAVE BIG PLANS....THAT'S GOING TO CREATE A MUCH LARGER TRAFFIC PROBLEM THAN WE HAVE NOW.

KEN GUMM: WE NEED WIDER HIGHWAY, TURN LANES, MAYBE SIGNAL LIGHTS.

RESPONSE: AS I'VE STATED BEFORE, WE WILL COMPILE A LIST OF QUESTIONS AND PROVIDE ANSWERS AND MAIL IT TO YOU. MR. WEED?

BOB WEED: IS THE PURPOSE OF THIS MEETING TO CAUSE YOU TO THINK ONE WAY OR ANOTHER ABOUT WHETHER YOU SHOULD PUSH THIS ON US OR IS THIS MERELY A FORMALITY? WILL OUR CONCERNS INFLUENCE YOUR DECISION - IN GOOD CONSCIENCE?

RESPONSE: WE ARE VERY WELL AWARE NOW OF YOUR OPINION.

BOB WEED:CAN YOU STAND UP AND TELL US THAT THIS IS REALLY GOOD FOR US?

RESPONSE: I DON'T THINK THAT WE CAN TELL YOU THAT WE KNOW WHAT IS BEST FOR YOU BETTER THAN YOU DO. WE ARE LOOKING AT THE FUTURE, SEE THINGS THAT NEED TO BE DONE AND CAN BE DONE. I DON'T THINK IT CAN BE DONE WITHOUT THIS ANNEXATION.

BILL SHULTZ: I THINK THAT ANNEXATION TO CONTROL TRAFFIC IS A PRETTY (FLIMSY) EXCUSE.

(MORE GENERAL DISCUSSION, EXPRESSING THE OPINION THAT THE CITY NEEDS CASTLE ACRES "BUCKS" AND SO THIS IS GOING THROUGH AND THAT THE CITY IS USING CASTLE ACRES TO GET AT CASTLE TERRACE)

MAYOR PICKENS: I WANT TO THANK YOU ALL FOR COMING. I'VE HEARD YOUR COMMENTS, I UNDERSTAND YOUR CONCERNS. I'M SURE IF I WAS OVER THERE AND NOT HERE, I WOULD HAVE THE SAME CONCERNS. THANKS TO THOSE OF YOU WHO SPOKE, YOU DID VERY WELL.

MS. BEAUDOIN: SO WHERE DO WE GO FROM HERE - WHAT'S THE BOTTOM LINE?

RESPONSE: THERE WILL BE ANOTHER HEARING. IT WILL BE POSTED AT THE CITY HALL. THE MEETING WILL BE ON THE 21ST AT 7:00 P.M.

PAGE 10
FIRST PUBLIC HEARING
CASTLE ACRES ANNEXATION

(MORE GENERAL DISCUSSION)

MR. WEED?

BOB WEED: WILL YOU HAVE A TOWN HALL, A MEETING....AT THIS NEXT MEETING WILL YOU BE PREPARED TO GIVE US SOME ANSWERS, HOW YOU ARE GOING TO PROVIDE US WITH A SEWER SYSTEM....CAN YOU BE PREPARED TO GIVE US A TIME...WHEN IT WILL BE AVAILABLE....

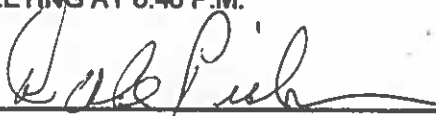
RESPONSE: WE DO HAVE THAT INFORMATION AND WE WILL BE PREPARED...WE CAN GIVE IT TO YOU AT THAT TIME. WE KNEW THERE WOULD BE A LOT OF QUESTIONS...

UNKNOWN FEMALE PARTICIPANT: HOW YOU, IF YOU GO AHEAD AND ANNEX US, WHICH WE DON'T WANT, WOULD YOU ANNEX CASTLE TERRACE?

RESPONSE: PROBABLY ON DOWN THE ROAD A LITTLE WAY. SEVERAL YEARS.

MAYOR PICKENS ADJOURNED THE MEETING AT 8:48 P.M.





DALE PICKENS, MAYOR



SUE PORTER, CITY SECRETARY

**NOTICE OF FIRST PUBLIC HEARING
CITY OF COTTONWOOD SHORES
LOCATION: CIVIC CENTER
4111 COTTONWOOD DRIVE
TIME: 7:00 O'CLOCK P.M.
DATE: THURSDAY, MAY 7, 1998**

AGENDA

1. CALL TO ORDER AND ROLL CALL.
2. DISCUSSION FOR THE PURPOSE OF RECEIVING PUBLIC COMMENTS ON THE PROPOSED INITIATION OF ANNEXATION PROCEEDINGS OF THE CASTLE ACRES RESUBDIVISION AND AN ADJOINING AND ADJACENT .367 ACRE TRACT OF LAND SITUATED IN THE F.ENGLEKING SURVEY NO. 811, ABSTRACT NO. 284, AS MORE PARTICULARLY DESCRIBED IN VOLUME 721, PAGE 516, REAL PROPERTY RECORDS OF BURNET COUNTY, TEXAS.
3. ADJOURNMENT.

(INCORPORATED FOR REFERENCE IS THE PUBLIC NOTICE ALSO POSTED AND PUBLISHED IN THE HIGHLANDER NEWSPAPER ON APRIL 21, 1998.)

I CERTIFY THAT THE ABOVE NOTICE WAS POSTED AT CITY HALL, 3915 COTTONWOOD DRIVE, COTTONWOOD SHORES, TEXAS, ON THIS THE 22ND DAY OF APRIL, 1998.

ATTEST:

A circular seal of the City of Cottonwood Shores, Texas, is partially visible on the left side of the page. It features a five-pointed star in the center and the words "CITY OF COTTONWOOD SHORES, TEXAS" around the perimeter.
Sue Porter
**SUE PORTER
CITY SECRETARY**

Dale Pickens
DALE PICKENS, MAYOR

(THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR ACCOMMODATIONS FOR INTERPRETIVE SERVICES MUST BE MADE 48 HOURS PRIOR TO THE MEETING. PLEASE CONTACT THE CITY SECRETARY AT *830)693-3830 FOR FURTHER INFORMATION)