

CITY OF CASTLE HILLS
REGULAR CITY COUNCIL MEETING
MINUTES OF AUGUST 11, 2009

The City Council of the City of Castle Hills convened at 6:00 p.m. on the 11th day of August, 2009, in the Council Chambers of the City of Castle Hills, 209 Lemonwood Drive, Castle Hills, Texas.

The attendance roster included Andrew Winter, Felicitas Meyer, Bill Martin, Frank Paul, Greg Smith, William Beuhler, Betty Howard, Doris Cannon, Lupe Ochoa, Patrick Murnin, Christopher Leone, Sandra Schlinger, Robbie Casey, Dwayne Rathburn, Terry Carter, Dwight Juettemeyer, Bernard Juettemeyer, Susana Rios, LaVerne Japhet, Isaac Gevain, L. Johns, J. Poage, Gilbert R. Cruz, Pamala Farris, Jaclyn Camacho, Helen and Bill Schluter, Jose Martinez, Luke Martinez, Ann Fitzgibbons, Brother William Dooling, Joan Buerschinger, Evangeline O'Sullivan, Joe Rodriguez, Wayne Carter, and Grace Delgado.

I. OPENING

- A. QUORUM - Present and composing a quorum of the City Council were Mayor Marcy Harper, Steve McGuire, Douglas Gregory, Marcella Huff, Bruce Smiley-Kaliff, and Tom Davis.

Staff present was Interim City Manager Rita Hoyl, City Secretary Linda Gill, City Attorney Michael S. Brenan, Court Administrator Wendy Reyes, Police Chief Donny Davis, Fire Chief Jerry Riedel, and Public Works Director Rick Harada.

- B. INVOCATION – Bill Martin

- C. PLEDGE OF ALLEGIANCE – LaVerne Japhet

- D. CONSIDERATION OF THE MINUTES OF THE CITY COUNCIL MEETING HELD ON JULY 14, 2009.

Motion: Councilman Smiley-Kaliff moved to approve the minutes of the city council meeting held on July 14, 2009. The motion was seconded by Councilman McGuire and passed with a unanimous vote.

- E. CONSIDERATION OF THE MINUTES OF THE SPECIAL CITY COUNCIL MEETING HELD JULY 27, 2009.

Motion: Councilman Davis moved to approve the minutes of the special city council meeting held July 27, 2009. Councilman Smiley-Kaliff seconded the motion. The motion passed unanimously.

- F. CONSIDERATION OF THE TREASURER'S REPORT FOR THE MONTH OF JULY, 2009.

Motion: Councilman Gregory moved to approve the Treasurer's Report for the month of July, 2009. Council member Davis seconded the motion. The motion passed with a unanimous vote.

II. ANNOUNCEMENTS

A. INTRODUCTION OF NEW CITY EMPLOYEES.

Interim City Manager Hoyl introduced Terry Leone and Satin Williams, both new part time employees in the Administration Department, and Genevieve Mendoza, who is a new police officer.

B. PRESENTATION BY LUPE G. OCHOA, CENSUS 2010.

Lupe G. Ochoa thanked the City of Castle Hills for providing space to train the 2010 census takers. She said that April 1, 2010 is Census Day. She encouraged all citizens to participate by filling out the questionnaires they will be receiving in late March, 2010. She explained that the 2010 census will be used to determine the number of senators and representative that Texas will have and assured everyone that the information they give will be confidential and protected for 72 years.

III. CITIZENS TO BE HEARD

Felicita Meyer of 102 Cobblestone Court recounted the problems that occurred near her home when excavation took place under the house at 100 Cobblestone and piles of dirt were left sitting along the streets and between houses for weeks. She expressed her thanks to Ms. Hoyl for her help in resolving the problems in just a few days. Ms. Meyer mentioned an incident at City Hall when a resident, cited for violation of water restrictions, became so upset with his treatment by city staff that he hired a lawyer. She stressed the importance of treating residents decently, instead of just throwing a piece of paper at them. Ms. Meyer said that the state of the city's streets is terrible. She said, if the city is going to have a bond election, now would be the time to do it before interest rates go up again.

Terry Carter of 125 S. Winston said she wanted to thank Antonian for creating new ingress/egress on West Avenue at their own expense. She added that it is much better for everyone because people entering and exiting the school can see much better. She commented on the need to address the traffic problem on Fox Hall Lane and Winston Lane that is caused by the nearby commercial day care center. She suggested the problem could be solved if Castle Hills First Baptist Church would close the entrance on Winston Lane. Ms. Carter mentioned that there is a problem with people feeding the deer in that area.

Joyce Buie of 222 Carolwood announced that the Woman's Club and the Homeowners Association will be sponsoring *Shop Castle Hills* and asked everyone to watch for advertising in the coming weeks. She said it was a way to

show appreciation for the businesses in Castle Hills. She reminded everyone that Saturday at 7:00 p.m. is Movie Night on the Commons. She said the movie will probably start around 8:00-8:15 and invited everyone to come.

Robbie Casey of 144 Cas Hills said that she wished something could be done about the pick-ups parked in driveways with their hoods up and parts laying all over the place. She said that she knew of three on Honeysuckle that looked like that. She proposed residents talk to each other and develop pride in their properties to increase their value.

REPORTS

- Interim City Manager Rita Hoyl gave the July Investment Report, Building and Health Inspection report, and Code Enforcement Activities in July. She indicated to Councilman Gregory that she would have the information he requested regarding investments that the city can consider at the next meeting.
- Police Chief Donny Davis gave the July, 2009 Police Activity and STEP Report. The chief extended thanks to the officers who worked Sunday morning because of a demonstration at Castle Hills First Baptist Church. He also thanked the Fire Department and Public Works for being there and Councilman Smiley-Kaliff who bought everyone breakfast after it was over.

Councilman Smiley-Kaliff said that he would like to get a breakdown of the costs related to Sunday morning because of the demonstration. He said that he would like to send Fred Phelps a bill.

- Fire Chief Jerry Riedel presented the July, 2009 Fire Incident and Activity Report.
- Public Works Director Rick Harada gave the July, 2009 Activity Report for his department.
- Court Administrator Wendy Reyes presented the Municipal Court Activity Report for July, 2009.

V. OLD BUSINESS - None

VI. NEW BUSINESS

A. DISCUSSION ON A PROPOSAL FROM SAWS TO PROVIDE BILLING AND TECHNICAL SERVICES IN SUPPORT OF CASTLE HILLS STORM WATER MANAGEMENT PLAN.

Lou Lendman from the Finance Department of San Antonio Water System (SAWS) introduced himself and said that he was available to answer any questions concerning the proposal SAWS submitted for

billing the city's storm water fee and providing technical services. He said that Castle Hills would be the first community that SAWS provides technical services. He asked that a letter be sent out announcing the fee.

In response to questions from council members, Mr. Brennan said that the storm water regulations are new for the state, and they have percolated down from the federal government. He said that cities have to develop storm water management plans; and ultimately, the city is responsible for all storm water disposition in the city. Mr. Brennan said it is his understanding that the state is permitting cities to charge fees to help with the cost, and the intention at present is to not charge residential properties, but to charge commercial or industrial properties. He said that charging the fee would not increase the city's liability. Mr. Brennan said that state laws concerning water disposition by private property owners are still in effect and prohibit any act that causes more water flow on a property than what was there originally. He said that the storm water regulations are new, and the council needed to be briefed. Before the storm water fees can be charged, an ordinance creating a Storm Water Fund must be written and a notice published in the newspaper three times, including the ordinance in full, stating the date and time that a public hearing will be held. The publication is to ensure everyone possible becomes aware that the city is going to charge a new fee.

Mr. Brennan said that he is reviewing the ordinance and needs to get with the city engineer to make sure everything is proceeding as needed before a public hearing is scheduled. He suggested that the council would need to have a special meeting to study the details. The mayor proposed to Ms. Hoyle that it be included in one of the special meetings already scheduled. No action was taken.

B. DISCUSSION ON FINDINGS OF THE ONSITE SEWAGE FACILITY COMMITTEE (OSSF).

Greg Smith, chairman of the Onsite Sewage Facility Committee, read through the minutes of the committee's August 4th meeting. He recognized Andy Winters from Bexar County and Dwayne Rathburn from SAWS who were in attendance to answer questions. Mr. Smith commented that the committee agreed that they had done the job they were charged with and that the current Castle Hills ordinance needed to be changed.

Responding to questions from council member Huff, Mr. Smith said that there are 150 septic tanks in Castle Hills, and they are between 20 and 40 years old. Mr. Smith called on Dwayne Rathburn from SAWS, who explained that he is the authorized agent of Bexar County TCEQ, who approves septic tanks in Bexar County. Mr. Rathburn said that, over the last 40 years, the basic changes in septic tanks, unless you are talking about the newest aerobic systems, are that the tanks are a little more regulated, a little better designed; but they are basically the same as they

were 40 years ago. He described how a septic tank is designed and how it works. Mr. Rathburn said the average lifespan of a well maintained septic tank is undetermined. He recalled some septic systems that lasted 100 years. He said that a well maintained septic system is pumped every 5 years, and the solid waste is taken to a dump site and handled as hazardous material.

Council member Huff asked how many septic systems in Castle Hills were within the 200' distance and how many would require lift stations. Mr. Smith answered that he could not answer that because there are so many different terrains in Castle Hills. He said that the failure rate of lift stations is 100% in probably three years. The people Mr. Smith knows and services in Castle Hills with lift stations have failures about every 18 months.

Councilman McGuire noted that the Texas Department of Health has a strong preference for a central processing sewage system, and the Bexar County ordinance recognizes that. The problem is that it is not always cost effective to do anything other than an onsite septic tank; and while a septic tank can be very effective, it has to be monitored. He said the ordinance passed in Bexar County in 2006 requires that septic tanks are licensed. Mr. Smith indicated that, of the 150 septic tanks in Castle Hills, about 50% of them are licensed. He added that Mr. Winter, who is an environmental engineer, has offered his staff to go through the systems in the city and bring them up to date. The city only has to request his services. Councilman McGuire stressed the one thing that has to come out of this study is a way to ensure that 100% of the city's septic systems maintain compliance with state and county regulations. .

In answer to questions from Councilman Smiley-Kaliff, Mr. Winter related that in the preamble of state regulations, it states that there is a preference for municipal sewer systems because of the high density of homes on smaller city lots. You must have at least 1/2 acre for an effective septic system. Mr. Winter said that a well maintained septic system would be less of a threat to public health than a municipal sewer system because of quantity. He said a break in the SAWS sewer line would cause a spill on the city streets of thousands of gallons of sewage; whereas, a spill from a septic tank would amount to only a thousand gallons. He stated that nature can take care of such small spills in a matter of days.

The mayor said that her concern is that a percentage of the septic tanks in the city are undersized because small houses have been added onto over the years, and more people live in them. She said that there are also problems with the lateral lines. Mayor Harper indicated that a phase-in plan would be needed to bring those property owners into compliance. She asked why the state, in the next five years or so, is going to come down on cities that have septic systems on less than a 1/2 acre.

Mr. Winter explained that Bexar County is not going come in and certify all the city's septic tanks, but they can go through their records and see who in Castle Hills has an expired system and send them a notice that they need to renew that system. The property owner would have 10 days to contact the county and acknowledge that they need to do something, and the county would then give them 30 days to do it. It would all be at the owner's expense. Mr. Winter said that he would suggest the city allow the county six months to conduct a project of this magnitude because; although the inspection fees are only \$35, the owner will spend \$300 to \$400 to have his septic tank drained in order to get it licensed.

Mayor Harper said she suspected it would take years bring everyone into compliance, and residents would spend thousands of dollars. She recognized residents in the audience waiting to speak.

Jim Poage of 117 Fox Hall Lane said that there are aerobic systems in Castle Hills, and he has one himself. He added that there is an ordinance in Castle Hills that says if you live within 200' of a sewer line, then you must connect. He said that he spent \$25,000-\$30,000 to connect to the sewer with the approval of the city manager and the city attorney, only to be told that he needed a septic system. He took the sewer connection out because he could not get a Certificate of Occupancy. He stressed to the council that whatever ordinances they put in place, they should think about them and enforce them fairly, not capriciously. He said that he lives within 200' of a sewer line and was forced to put in a septic system.

Terry Carter of 125 South Winston Lane spoke in favor of keeping the city's septic systems where possible. She said they are safe, they are sanitary; and conclusions of numerous studies have found that they are not only acceptable, but they are desirable.

Joe Rodriguez of 110 South Gardenview expressed his concern for all the residents of Castle Hills, not just Fox Hall. He said that he wanted equity for all residents and he would research conflicts of interest and commissions.

Susana Rios questioned the number of septic systems and commented that, not knowing how many there are in the city is proof that they are not being monitored. She said that, if they failed, they would not only hurt the neighbors; but they would also hurt the aquifer.

Mr. Brennan asked Mr. Winter about Bexar County's rule #10 in its 2006 rules that requires connection to the sewer if a property is within 200' of the sewer line. Mr. Winter said that 200' is the reasonable distance to connect to the sewer if there is gravity flow. The cost would be about the same as putting in a septic system. He added that, if there is a currently working septic system on the property, the rule would not apply.

Mr. Smith thanked Mr. Winter and Mr. Rathburn for coming to speak to the council. He told the council that the committee had done its job. He indicated that they concluded that the city's sewer ordinance needs to be revised.

The mayor announced a break at 8:00. The council reconvened at 8:15.

- C. CONSIDER AN ORDINANCE DISSOLVING THE OAK WILT FUND, TRANSFERRING FUNDS INTO THE GENERAL FUND OF THE CITY AND DEPOSITING ALL FUTURE FEES COLLECTED FROM OAK TREE PERMITS INTO THE GENERAL FUND.

Mayor Harper explained that the ordinance to dissolve the Oak Wilt Fund came out of the budget meeting. She said that the money can be used in the General Fund.

Evangeline O'Sullivan of 115 East Castle Lane came forward to voice her opposition to dissolving the fund.

Motion: Council member Smiley-Kaliff moved to adopt the ordinance to dissolve the Oak Wilt Fund, deposit the funds into the General Fund and deposit all future fees collected from Oak tree permits into the General Fund. Councilman Gregory seconded the motion. The motion carried unanimously. Ordinance No. 1025 as passed and approved is captioned as follows:

ORDINANCE NO. 1025

AN ORDINANCE AMENDING CHAPTER 13, GARBAGE AND REFUSE, SECTION 13.501.7 OF THE CODE OF ORDINANCES, TO DIRECT PERMIT FEE PROCEEDS INTO THE GENERAL FUND OF THE CITY.

(A copy of Ordinance No. 1025 is attached and made a part of the Minutes)

- D. CONSIDER AN ORDINANCE AMENDING CHAPTER 30, YARDS, BY RENAMING THIS CHAPTER TITLE AND LIMITING THE DURATION OF USE OF TEMPORARY PORTABLE STORAGE UNITS.

Ms. Hoyl referred to the temporary portable storage pods that can be seen in residential areas where refurbishing or remodeling is being done. She explained that the reason for the ordinance is to limit the time a temporary storage unit can be used. Mr. Brennan clarified that fines for violation of the ordinance are defined in the City Code. He said the ordinance will limit the term a temporary portable storage building can be used to 45 days. The ordinance also renames the chapter title.

Motion: Councilman Davis moved to pass an ordinance amending Chapter 30, Yards, by renaming the chapter and limiting the duration of use of temporary portable storage units. Council member Huff seconded the motion. The motion passed unanimously. The ordinance as passed and approved is captioned as follows:

ORDINANCE NO. 1026

AN ORDINANCE AMENDING CHAPTER 30, YARDS, BY RENAMING THE CHAPTER TITLE AND LIMITING THE DURATION OF USE OF TEMPORARY PORTABLE STORAGE UNITS.

(A copy of Ordinance No. 1026 is attached and made a part of the Minutes)

E. CONSIDER AN ORDINANCE AMENDING PERMIT FEES AND IMPLEMENTING BUILDING PLAN REVIEW FEES.

The mayor remarked that amending the permit fees and charging plan review fees came up in the budget workshop. She said that Ms. Hoyl recommended increasing permit fees due to Castle Hills having the lowest permit fees in a survey among area cities. The city has also been doing building plan reviews at no additional cost; whereas, other cities charge an additional fee over and above the building permit fee. She said that passing an ordinance amending the current fees would bring Castle Hills in line with similar cities in the area.

Motion: Councilman Smiley-Kaliff moved to adopt an ordinance amending permit fees and implementing building plan review fees. Seconded by Councilman Gregory, the motion passed unanimously. The ordinance as passed and approved is captioned as follows:

ORDINANCE NO. 1027

AN ORDINANCE AMENDING CHAPTERS 5, 8, 13, 18 AND 30 OF THE CODE OF ORDINANCES BY ADOPTING NEW FEES.

(A copy of Ordinance No. 1027 is attached and made a part of the Minutes)

F. CONSIDER AMENDING THE FY 2009 BUDGET IN THE AMOUNT OF \$2,000 FOR PAYMENT TO DISPOSE OF RECYCLABLE MATERIAL COLLECTED IN THE CITY OF CASTLE HILLS.

Ms. Hoyl said that this amendment to the FY 2009 budget would cover payments to Greenstar for disposal of the city's recyclables. Rather than

coming to council every month, Ms. Hoyl suggested amending the budget.

Motion: Councilman Smiley-Kaliff moved to amend the FY 2009 budget in the amount of \$2,000 for payment to dispose of recyclable material collected in the City of Castle Hills. Council member Huff seconded the motion. The motion passed unanimously.

G. CONSIDERATION OF THE PROPOSED FY 2010 CITY BUDGET.

Ms. Hoyl presented the proposed FY 2010 city budget using Power Point. She said the proposed budget resulted from the three budget workshops held and must be filed with the City Secretary for 30 days before adoption by the council.

Joe Rodriguez of 110 South Gardenview asked to comment and said that he was unable to find the capital lease that the city entered into last year.

Ms. Hoyl quickly went through items in the proposed budget that reflected changes. She mentioned that there were no salary increases for the staff, except department heads who needed to be brought up to a level commensurate with similar cities in the area. She indicated that employee insurance still showed a 12% increase, but expectations were that it would be much higher. She said firm numbers should be in next week on the 19th. TMRS remained at the phase-in rate of 12.28%. She said there were no other changes to salaries and benefits.

Ms. Hoyl discussed increases in permit fees and Certificate of Occupancy fees. She said property tax income is estimated at \$2,227,004 if council sets the tax rate at .458668, which will be discussed later on the agenda. The Police Department is still looking at training for SWAT and should have information at the next budget workshop. The Fire Department lowered EMS fees by \$50,000 due to a proposal from a new EMS provider, which is still being reviewed.

Ms. Hoyl went over Capital Expenditures of \$1,400 for an irrigation meter at the monument sign at Jackson Keller and Travertine. The mayor said that she thought they weren't going to put the meter in the 2010 budget because there won't be any planting this year. Ms. Hoyl said it could be discussed in the next budget workshop. She said the proposed budget also included \$8,300 for fencing the vacant lot where Public Works stores equipment.

Councilman McGuire encouraged citizens to come to the next budget workshop. Councilman Davis thanked the citizens and staff who attended the previous workshops. Mayor Harper personally thanked Ms. Hoyl for doing a great job presenting the budget and answering questions. No action was taken.

H. CONSIDERATION OF PLACING A PROPOSAL TO ADOPT A TAX RATE UP TO \$0.458668/\$100 ON THE AGENDA OF A FUTURE COUNCIL MEETING.

Ms. Hoyl explained that this is a necessary agenda item. If the council sets a tax rate above the effective tax rate of \$.424693, they will have to hold two public hearings. If the council wanted to set a rate higher than the effective rate, they must vote to put it on a future agenda specifying the desired rate. She said the rollback rate is \$.458668. Using Power Point, Ms. Hoyl presented several scenarios indicating the effect of the different tax rates on the 2009 average value of a homestead in Castle Hills, which is \$203,537. She gave a brief history of the tax rates in Castle Hills and commented that the rate has decreased over the past seven years.

Motion: Brief discussion led to a motion by Councilman Smiley-Kaliff to place adoption of the proposed tax rate of \$0.458668 on the September 8, 2009, regular council meeting agenda. Councilman McGuire seconded the motion. The motion passed with a unanimous vote.

I. CONSIDERATION OF SCHEDULING PUBLIC HEARINGS FOR THE FY 2010 TAX LEVY.

Ms. Hoyl explained that, since they are adopting a rate higher than the effective tax rate, two public hearings must be held. She suggested two dates that would allow enough time to publish the hearings in the newspaper.

Motion: Council member Huff moved to hold the two public hearings for the tax levy at 6:00 p.m. on August 27th and at 6:00 p.m. on September 2nd as recommended by the interim city manager. Councilman Davis seconded the motion. The motion passed unanimously.

J. CONSIDERATION OF SCHEDULING A PUBLIC HEARING FOR THE FY 2010 BUDGET.

Ms. Hoyl suggested scheduling a public hearing on the budget at one of the meetings for the tax levy public hearings.

Motion: Council member Smiley-Kaliff moved to hold a public hearing for the FY 2010 budget at the meeting on September 2nd. Councilman Gregory seconded the motion. The motion passed unanimously.

K. APPOINTMENT OF MEMBERS TO A COMMITTEE TO STUDY PROPOSED LOCATIONS FOR RESIDENTIAL STREET LIGHTING TO BE ACQUIRED USING CEID FUNDS.

Mayor Harper appointed Robbie Casey and Frank Paul to serve with her on a committee to study locations for residential street lighting. Council member Smiley-Kaliff nominated Terry Carter.

Motion: Council member Huff moved to appoint a committee composed of Mayor Harper, Robbie Casey, Frank Paul, and Terry Carter to study proposed locations for residential street lighting to be acquired using CEID funds. Seconded by Councilman Smiley-Kaliff, the motion passed unanimously.

- L. MAYOR TO ORDER DRAFT PROPOSAL OF THE FY 2010 CITY BUDGET TO BE FILED WITH THE CITY SECRETARY AND AVAILABLE FOR TAXPAYER INSPECITON UNTIL THE NEXT REGULAR CITY COUNCIL MEETING TO BE HELD ON SEPTEMBER 8, 2009.

Mayor Harper so ordered.

VIII. ADJOURNMENT

The mayor adjourned the meeting at 8:49 p.m.

These minutes were approved on the 8th day of September, 2009.

APPROVED:

Marcy Harper, Mayor

ATTEST:

Linda Gill, City Secretary