

CITY OF DRIPPING SPRINGS, TEXAS
MINUTES OF THE REGULAR CITY COUNCIL MEETING
AND BOARD OF ADJUSTMENT MEETING
Tuesday, August 8, 2017

A Regular Meeting of the City Council and Board of Adjustment of the City of Dripping Springs were held Tuesday, August 8, 2017, beginning at 5:00 PM in the City Hall, 511 Mercer Street, Dripping Springs, Texas.

Present: Mayor & City Council Members/Board of Adjustment

Mayor Pro Tem Bill Foulds
Council Member Wade King
Council Member John Kroll
Council Member Taline Manassian

City Staff/Appointed Officials

City Administrator Michelle Fischer
Deputy City Administrator Ginger Faught
Communications Coordinator Bonnie Gonzalez
Deputy City Secretary Debbie Loesch
Assistant City Attorney Laura Mueller
Special Counsel Dottie Palumbo
City Treasurer Gina Gillis
Dripping Springs Ranch Park Manager Lynne Dickinson
Planning and Zoning Commission Chair Mim James
Code Enforcement Manager Kyle Dannhaus
City Planner Megan Will
City Engineer Rick Coneway

With a quorum of the Council and Board of Adjustment present, Mayor Pro Tem Foulds called the meeting to order. It was noted that Mayor Todd Purcell and Council Member Travis Crow were not present at the meeting.

WORKSHOP. Proposed Fiscal Year 2018 City of Dripping Springs Budget and Ad Valorem Tax Rate.

A Workshop was held to discuss the proposed budget for fiscal year 2018 and the ad valorem tax rate for tax year 2017. There was discussion with no action taken.

Also, a report was given by Rick Coneway, City Engineer, regarding the FEMA Flood Plain study.

Following the close of the Workshop, the Open Meeting was recessed at 6:29 p.m.

The Open Meeting reconvened at 6:37 p.m. with Council Member Wade King leading the Pledge of Allegiance.

PRESENTATION OF CITIZENS. The following public comments were received from:

Vicki Lewis expressed concern regarding mobile food vendors on Mercer Street.

Wes Pitts commented on the wastewater and disposal permit.

Jeff Shaw, Managing Director of "Protect Our Water", commented on the Dripping Springs treatment plant settlement proposal. He would like to revisit with City Council and Staff.

CONSENT ITEMS.

A motion was made by Council Member Taline Manassian with a second by Council Member Kroll to move items G and H to the Regular Agenda and take action on these items separately in the general order of business. The motion carried unanimously.

A motion was made by Council Member Kroll with a second by Council Member King to approve the Consent Agenda items A-F and I-K as listed below. The motion carried unanimously.

- A. Approval of the Meeting Minutes for July 11, 2017 Regular City Council Meeting.
- B. Approval of City Treasurer's Report for July 2017.
- C. Approval of Resolution No. 2017:55: A Resolution of the City of Dripping Springs Accepting Maintenance Bonds for Drainage and Wastewater Improvements in Arrowhead Ranch, Phase 1B.
 - 1. Resolution No. 2017-55
 - 2. Maintenance Bonds
- D. Approval of Co-Sponsorship Application and Agreement for Fan Drive Program between the City of Dripping Springs, Family Eldercare, Dripping Springs Helping Hands, Dripping Springs Senior Activity Center, and the Dripping Springs Friends Foundation.
- E. Approval of Special Event Permit Application for the Dripping Springs Song Writers Festival from October 21-23, 2017.
- F. Approval of Co-Sponsorship Application and Agreement for Chase for the Cure 3 on 3 between the City of Dripping Springs and Chase for the Cure on October 21, 2017.
- G. Approval of Appointment of Kim Fernea to the Dripping Springs Economic Development Committee for a Term Expiring June 30, 2019.
- H. Approval of Appointment of David Edwards to the City of Dripping Springs Economic Development Committee for an Unexpired Term Ending June 30, 2018.
- I. Approval of Amendment to Business Class Service Agreement between the City of Dripping Springs and Spectrum (previously Time Warner Cable) to Upgrade Internet Bandwidth.
- J. Approval of Easement for Texas Gas Service for a Regulator Station at the corner of Event Center Drive and RR 12.
- K. Approval of Partial Extension of Lease of a portion of Veterans Memorial Park (Triangle) between the City of Dripping Springs and the Veterans of Foreign War Post 2933 and American Legion Post 290.

1. Lease Extension
2. Original Lease Documents

A motion was made by Council Member Manassian to table the appointment of Kim Fernea to the Dripping Springs Economic Development Committee to the next meeting. Council Member Kroll seconded the motion. The motion carried unanimously. *(See Item G above)*

A motion was made by Council Member Kroll to approve the appointment of David Edwards to the Economic Development Committee for a term ending June 30, 2018. Council Member Manassian seconded the motion. The motion carried unanimously. *(See Item H above)*

VARIANCES/SPECIAL EXCEPTIONS. *Consideration and possible action on:*

A. Variance Request from the Dripping Springs Code of Ordinance, Chapter 28 Section 28.04.018 (b) to allow cut/fill over 6 feet for Austin Java, located at 3799 East Hwy. 290, Dripping Springs, TX 78620, Applicant, Grayson Cox, P.E. KSA Engineering on behalf of Mirela Icehouse, LLC.

1. **Presentation.** A brief presentation was given by Grayson Cox, representing the applicant.
2. **Staff Report.** The staff report was given by Rick Coneway, City Engineer, stating that the applicant had met all of the requirements except for the cut and fill regulations. Allowing the cut and fill over 6 feet will not cause any additional drainage and therefore recommends approval.
3. **Planning & Zoning Commission Report.** Planning & Zoning Commission Chairman Mim James reported that the Commission had considered the application at their last meeting and based on the City Engineer's recommendation, the Commission voted unanimously to recommend approval to the City Council.
4. **Public Hearing.** The public hearing was opened for comments. Hearing none, the public hearing was closed.
5. **Variance to allow cut/fill over 6 feet.**

A motion was made by Council Member King to grant the variance to Chapter 28, Section 28.04.018(b) of the Code of Ordinances, City of Dripping Springs, as recommended by the City Engineer, to allow for the cut and fill over 6 feet. Council Member Kroll seconded the motion. The motion carried unanimously.

SUBDIVISIONS. *Consideration and possible action on:*

A. Westwood Subdivision-Preliminary Plat for approximately 680.012 acres located at 4116 US Highway 290 West, Shervin Nooshin, Stantec Consulting Services, Inc. on behalf of Scenic Land Holdings, LLC.

1. **Presentation.** There was no presentation given. However, the applicant was available for any questions.
2. **Staff Report.** The staff report was given by Rick Coneway, City Engineer, recommending approval of the preliminary plat.
3. **Planning & Zoning Commission Report.** Planning & Zoning Commission Chairman Mim James reported that the Commission had considered the preliminary plat at their last meeting and based on the City Engineer's recommendation, the Commission voted unanimously to recommend approval to the City Council.
4. **Public Hearing.** The public hearing was opened for comments. The following citizens made comments on the preliminary plat: Alex Huk, Mark Bleakley, Brad Rockwell, Connie Wierman, Paul Kaden, Aaron Scharff, Kip Duvall, Ann Shahan, Shelley Sealy, and Amelia Sweetheart. With no further comments, forthcoming, the public hearing was closed at 7:45 p.m.
5. **Preliminary Plat.** For Phase 1 and 2 only.

A motion was made by Council Member Kroll to approve the preliminary plat as presented as per the City Engineer's recommendation. Council Member Manassian seconded the motion. The motion carried unanimously.

ZONING. *Consideration and possible action on:*

- A. Ordinance No. 1220.143: An Ordinance of the City of Dripping Springs rezoning one tract at 410 Whisenant Lane ("Cortaro Subdivision"), out of the George W. Lindsay Survey, Abstract 289 totaling 34.78 acres from Single-Family Residential, Low-Density (SF-1) to General Retail (GR) and Single-Family Residential, Moderate Density (SF-2), and Single-Family Attached Residential, Garden Home (SF-5) Applicant Jon Thompson on behalf of AJAC Holdings, LLC.**

1. **Presentation.** Jon Thompson and Terry Jackson gave a brief presentation of the application for the rezoning of the tract at 410 Whisenant Lane on behalf of the applicant.
2. **Staff Report.** Anjali Naini, City Planner Consultant, reported that the applicant requested to rezone the property from SF-1 to S-2 (approximately 21.75 acres); rezone from SF-1 to GR (approximately 2.5 acres); rezone from SF-1 to SF-5 (approximately 1.27 acres). The current Zoning is SF-1 – Single-Family Residential Low Density. The Applicant would like to build homes on approximately $\frac{3}{4}$ acre lots, similar to Harrison Hills. Additionally, the Applicant would like the proposed lot closest to RR 12 to be rezoned to GR (General Retail) to allow for commercial development and would like the lot just west of it to be rezoned to SF-5 (Single Family Attached, Garden Home) to provide a buffer between RR 12 on the proposed GR lot and future homes in the subdivision. Staff recommends the rezoning request from SF-1 to SF-2 – Single Family Residential, Moderate Density (21.75 acres); rezoning from SF-1 to GR

- General Retail (approximately 2.5 acres); and rezoning from SF-1 to SF-5 – Single Family Attached, Garden Home (1.27 acre).
- 3. **Public Hearing.** The public hearing was opened for public comments. The following citizens made comments: Oscar Jones and Shirley Roberts. With no further comments, forthcoming, the public hearing was closed.
- 4. **Planning & Zoning Commission Report.** Planning & Zoning Commission Chairman Mim James reported that at the July 25, 2017 meeting, the Planning and Zoning Commission recommended approval of the requested zoning change to City Council.
- 5. **Ordinance No. 1220.143.**

A motion was made by Council Member Kroll to approve Ordinance No. 1220.143 per Staff's recommendation with new visual labeling of the uses within the property to avoid confusions. Mayor Pro Tem Foulds seconded the motion. The motion carried by:

Voting: Aye – 2 (Foulds, Kroll), Nay – 1 (Manassian), Abstain – 1 (King).

B. Ordinance No.1220.144: An Ordinance of the City of Dripping Springs rezoning one tract of landing totaling approximately 22.10 acres out of the EB Hargraves Survey, Abstract No. 240, in Hays County, Texas, from Agriculture District (AG) to Commercial Services District (CS), Applicant, Stan Ford on behalf of J.M. Assets, LP.

- 1. **Presentation.** John Walsh gave a brief summary of the rezoning request from agriculture district (AG) to commercial services district (CS)
- 2. **Staff Report.** Anjali Naini, City Planner Consultant, reported that the subject tract is currently in the City of Dripping Springs ETJ. It is located east of Sawyer Ranch Road and south of Hwy 290 and is adjacent to Belterra JM Assets Zoning Amendment August 3, 2017 Subdivision. The property totals 22.10 acres out of the EB Hargraves Survey, Abstract No. 240. The Applicant would like to develop a mixed-use Commercial property with the following potential uses: General Office, Medical Office, Neighborhood Retail, Limited Service Hotel, Self Storage (CUP required) and Multi-family. Staff recommends at this time that this item should be postponed to a date certain for September 12, 2017. This property is currently located in the ETJ and is scheduled to be voluntarily annexed into the city limits on September 12, 2017. Staff recommends approval of the zoning amendment request from AG to CS at the next City Council meeting.
- 3. **Planning & Zoning Report.** Planning & Zoning Commission Chairman Mim James reported that at their regular meeting on July 25, 2017, the Planning and Zoning Commission recommended to approve the requested zoning change.
- 4. **Public Comments.** Written comments received prior to the meeting from: Samantha Bethke, Ashley Burk, Richard Dwyer, Megan Pena, April Roche, Rod Napier, and Stacy Napier. Their written comments were noted for the minutes.

5. **Public Hearing.** The public hearing was opened for public comments. Hearing none, the public hearing was closed.
6. **Ordinance No. 1220.144.** The applicant has requested postponement of any action at this time.

A motion was made by Council Member Manassian to postpone any action on the matter to the September 12th City Council meeting. Council Member Kroll seconded the motion. The motion carried unanimously.

C. Ordinance No. 1220.145: An Ordinance of the City of Dripping Springs rezoning a tract of land at 603 W. Hwy 290, Dripping Springs, Texas, totaling approximately 13.72 acres, from Commercial Services (CS) to Multiple-Family Residential (MF), Applicant Jon Thompson on behalf of Dosia Mae Rippy Langston Life Estate.

1. **Presentation.** There was no presentation given.
2. **Staff Report.** Anjali Naini reported that the applicant is requesting to rezone this tract of land from Commercial Services (CS) to Multiple-Family Residential (MF) in order to develop an affordable apartment community utilizing Low Income Housing Tax Credits. The subject tract totals approximately 13.72 acres and is located between Hwy 290 West and Creek Road. This item was originally heard by the Planning and Zoning Commission during the June 27, 2017 P&Z meeting agenda, but was tabled per the applicant's request. The applicant is awaiting determination if the project will be granted tax credits through the Low-Income Housing Tax Credits program. Tax credits are competitive and awarded through the Texas Department of Housing and Community Affairs. Additionally, since the June P&Z meeting, the rezoning application was amended to request rezoning to MF. Originally, the Applicant requested rezoning to GR. The proposed project will consist of high-quality apartment homes that will be two stories tall and will contain approximately 72 units. The proposed project will consist of high-quality apartment homes that will be two stories tall and will contain approximately 72 units. The project will also include a tenant clubhouse, community courtyard, and a playscape. Prospective tenants will be thoroughly screened. The applicant is working on a utility agreement for the provision of wastewater, and expects to have a draft ready within the next month. The applicant would prefer centralized sewer service for this project if possible, but will be prepared to use septic in case the utility agreement doesn't work out. The applicant has requested to postpone the rezoning of the property from CS (Commercial Services) to MF (Multiple-Family Residential) during the September 12, 2017 City Council meeting.
3. **Planning & Zoning Report.** Planning & Zoning Commission Chairman Mim James reported that at the July 25, 2017 meeting, the Planning and Zoning Commission voted unanimously to recommend approval to City Council. Per the request of the Planning & Zoning, in light of comments from a citizen who

voiced concerns during the P&Z meeting, staff and the City Attorney are reviewing the possibility of conditioning the zoning approval to include a Western Springs Apartments Zoning Amendment Request Staff Report Page 2 of 6 increased setback, and checking the possibility of adding a conditional overlay to enforce the increased setback.

4. **Public Hearing.** The public hearing was opened for comments. Hearing none, the public hearing was closed.
5. **Ordinance No. 1220.145.** The applicant has requested postponement of any action at this time.

A motion was made by Council Member Kroll to postpone the matter to the September 12, 2017 Council meeting. Council Member King seconded the motion. The motion carried unanimously.

D. Ordinance No. 1220.146: An Ordinance of the City of Dripping Springs, rezoning the tract of land commonly known as A0289 George W. Lindsay Survey, Acres 25.7398, located in Dripping Springs Ranch Park at 1042 Event Center Drive, pursuant to Section 1.5.3 of the City of Dripping Springs Zoning Ordinance, Chapter 30, Exhibit A, from Agriculture Use (AG) to Public Park (PP), *City of Dripping Springs, Applicant.*

1. **Staff Report.** Kyle Dannhaus reported that this property was annexed by the City on April 12, 2016 and automatically zoned as Agriculture District (AG). The property is part of the Dripping Springs Ranch Park at 1042 Event Center Drive. Upon annexation properties are zoned temporarily as Agriculture District (AG). City Council initiated the zoning change from Agriculture (AG) to Public Park (PP). The rezoning process began with the placement of a Remote Automated Weather Station on this site.
2. **Planning & Zoning Commission Report.** The Planning & Zoning Commission Chairman Mim James reported that the Commission voted unanimously to recommended approval of the rezoning to City Council.
3. **Public Hearing.** The public hearing was opened for comments. Hearing none, the public hearing was closed.
4. **Ordinance No. 1220.146.**

A motion was made by Council Member King to approve Ordinance No. 1220.146 to rezone the 25.7398 acres located in the Dripping Springs Ranch Park at 1042 Event Center Drive, Dripping Springs, Texas, from Agriculture District (AG) to Public Park (PP). Council Member Kroll seconded the motion. The motion carried unanimously.

SIGNS. *Consideration and possible action on:*

- A. **Ordinance No. 1251.29: An Ordinance of the City of Dripping Springs Adding Section 26.03.006 to Chapter 26 of the Dripping Springs Code of Ordinances; Amending Variance Procedures for Master Sign Plans; and Providing for the Following:**

Findings of Fact; Amendment; Repealer; Severability; Codification; Effective Date; and Proper Notice and Meeting.

1. **Staff Report.** Laura Mueller, Assistant City Attorney, reported that the proposed ordinance is in response to a request to allow for administrative approval by the Sign Administrator to the Master Sign Plan with specific limitations.
2. **Planning & Zoning Commission Report.** The Planning & Zoning Commission Chairman Mim James reported that the Commission voted unanimously to recommend approval to City Council.
3. **Public Hearing.** The public hearing was opened for comments. Hearing none, the public hearing was closed.
4. **Ordinance No. 1251.29**

A motion was made by Council Member Kroll to approve and adopt Ordinance No. 1251.29. Council Member Manassian seconded the motion. The motion carried unanimously.

BUSINESS. *Consideration and possible action on:*

A. Appointment of Andrea Cunningham as City Secretary.

A motion was made by Mayor Pro Tem Foulds approve the appointment of Andrea Cunningham as City Secretary. Council Member Manassian seconded the motion. The motion carried unanimously.

B. Request from Exploratory Skate Park Committee for the City to approve a three-month extension to its Approval to Allow Skating Amenities to be built in Founders Memorial Park and to authorize the negotiation of a Donation Agreement.

A motion was made by Mayor Pro Tem Foulds to approve the three-month extension as requested. Council Member Kroll seconded the motion. The motion carried unanimously.

C. Request for the City to Sponsor Skating Events at the Dripping Springs Sports & Recreation Park and to temporarily close a portion of a parking lot for the events.

A motion was made by Mayor Pro Tem Foulds to approve the City to sponsor skating events at Dripping Springs Sports & Recreation Park and to allow for the temporary closure of a parking lot for the events. Council Member King seconded the motion. The motion carried unanimously.

D. Special Event Permit Application and Temporary Street Closure Permit Application for The Hill Country Rally for Kids Car Show on September 23, 2017 with a September 30, 2017 rain date.

A motion was made by Council Member King to approve the special event permit application and temporary street closure permit application for The Hill Country Rally for Kids Car Show on September 23, 2017 with a September 30, 2017 rain date. Council Member Manassian seconded the motion. The motion carried unanimously.

E. Recommendations Regarding Selection of Engineering and Land Surveying Support Services Firm for TIRZ Projects.

F. Recommendations Regarding Selection of Architect and Land Planning Support Services Firm for TIRZ Projects.

City Council considered action on items E and F in one single motion.

A motion was made by Mayor Pro Tem Foulds to approve the recommendations qualifying HDR, Inc. as the TIRZ Support Engineer and McCann Adams Studio as the TIRZ Support Architect and direct Staff to begin contractual negotiations. Council Member King seconded the motion. The motion carried unanimously.

G. Call for a public hearing on the proposed budget for fiscal year 2018.

A motion was made by Council Member Manassian to call for a public hearing to be held on September 19, 2017 at 7:00 p.m. to receive public comments on the proposed budget for fiscal year 2018 and direct the City Secretary to publish such notice as is required by state law. Mayor Pro Tem Foulds seconded the motion. The motion carried unanimously.

H. Creation of Hotel Occupancy Tax Grant Application Review Committee and Appointment of Committee Members.

A motion was made by Mayor Pro Tem Foulds to approve the creation of and the appointment of the following for a Hotel Occupancy Tax Grant Application Review Committee and Committee Members:

David Fraelic
Ashley Sansalone
Andrew Passino
Nick Dotin

To include 3 additional positions appointed by the Mayor and Mayor Pro Tem. Council Member Manassian seconded the motion. The motion carried unanimously.

EXECUTIVE SESSION. Mayor Pro Tem Foulds motioned to convene into executive session. Council Member King seconded the motion, which passed unanimously. The City Council for the City of Dripping Springs convened into executive session at 9:45 p.m. in accordance with the authority contained in the Texas Government Code Sections 551.071 (*Consultation with Attorney*), 551.072 (*Deliberations about Real Property*), 551.073 (*Deliberations about Gifts and Donations*), 551.074 (*Personnel Matters*), 551.076 (*Deliberations about Security Devices*), and 551.086 (*Economic Development*) and specifically as described below:

- A. Consultation with City Attorney Regarding Legal Requirements and Procedures for the Potential Creation of Certain Special Districts to Finance Improvements Benefiting the Heritage Subdivision including a Wastewater Agreement (*551.071 Consultation with City Attorney*).
- B. Consultation with City Attorney regarding the Wastewater Service and Fee Agreement between the City of Dripping Springs and Meritage Homes of Texas, LLC (AKA-- Planned Development District #4 (*551.071 Consultation with City Attorney*)).
- C. Deliberation regarding the potential purchase of all or a portion of real property related to the Transportation Plan. (*551.072 Purchase, Exchange, Lease or Value of Real Property*).
- D. Consultation with City Attorney regarding the Proposed Settlement Agreement between the City of Dripping Springs, the City of Austin and other Parties regarding Texas Pollutant Discharge Elimination System Permit No. WQ001448803 (*551.071 Consultation with City Attorney*).
- E. Consultation with City Attorney Regarding Allocation of Wastewater Capacities and Potential Alternatives and Options to Currently Planned Wastewater Discharge Permitting Plans, Including Potential Additional Area Needed to Meet Wastewater Service Needs (*551.071 Consultations with City Attorney and 551.072 Purchase, Exchange, Lease, or Value of Real Property*).
- F. Consultation with the City Attorney regarding personnel matters, *under 551.074 Personnel Matters*, regarding appointment of City Secretary.

The Executive Session adjourned at 10:30 p.m. and the Open Meeting reconvened at 10:30 p.m.

I. Approval of Resolution No. 2017-57: Adopting Amendments to the City of Dripping Springs Personnel Manual.

A motion was made by Council Member Kroll to approve Resolution No. 2017-57 adopting amendments to the City's Personnel Manual. Mayor Pro Tem Founds seconded the motion. The motion carried unanimously.

ADJOURNMENT.

A motion was made by Council Member Crow to adjourn the open meeting with a second by Council Member Kroll. The motion carried unanimously. The meeting was adjourned at 10:37 p.m.



Respectfully submitted,

Andrea Cunningham

for

Deborah L. Loesch
Deputy City Secretary

These minutes were approved on the 12th day of September, 2017.