



City of Llano  
Regular Called City Council Minutes  
August 6, 2012 – 5:30 p.m.

**A. CALL TO ORDER**

Mayor Reagor called the meeting to order at 5:33 p.m. Those in attendance were Alderwoman Purycar, Alderwoman Simpson, Alderwoman Tudyk and Alderman Decker. Mayor Pro-Tem Hazel was absent.

**B. PLEDGE OF ALLEGIANCE – Led by Alderman Decker**

**C. INVOCATION – Ervin Light**

**D. PUBLIC COMMENTS – Non Agenda Items**

No public comments on non-agenda items

**E. PROCLAMATION “811 Safe Digging Day”**

Mark McEwin, representing Atmos, was present to receive the “811 Safe Digging Day” proclamation, read by Mayor Reagor.

**F. PUBLIC HEARINGS**

1. The City of Llano will hold a public hearing to receive written and/or oral comments regarding a request to consider closing, vacating, conveying, and abandoning a right of way in Block 129, lot one, portion of Vernon Avenue, south of E. Dallas Street and north of alley in Block 129 of the LIFC subdivision.

Mayor Reagor opened the public hearing at 5:38 p.m. to receive comments regarding the request to consider closing, vacating, conveying, and abandoning a right of way in Block 129, lot one, portion of Vernon Avenue, south of E. Dallas Street and north of alley in Block 129 of the LIFC subdivision. Brenda Brewer was present to answer any questions. No comments received. Mayor Reagor closed the public hearing at 5:40 p.m.

2. The City of Llano will hold a public hearing to receive written and/or oral comments regarding a request to consider closing, vacating, conveying, and abandoning the right of way in Block 96, all of lot 11 and a portion of lot 10 north of Navarro Street of the LIFC Subdivision.

Mayor Reagor opened the public hearing at 5:40 p.m. to receive comments regarding the request to consider closing, vacating, conveying, and abandoning the right of way in Block 96, all of lot 11 and a portion of lot 10 north of Navarro Street of the LIFC subdivision. Mr. Brady Smith was present to answer any questions. No comments were received. Mayor Reagor closed the public hearing at 5:42 p.m.

3. The City of Llano will hold a public hearing to receive written and/or oral comments regarding a request to consider closing, vacating, conveying, and

abandoning a street and alleyway in Block 52, of the LIFC subdivision; south of Highway 29 (W. Young Street); bordered by on the west by Autumn Avenue and on the east the remaining portion of the alley, Tract 2 is to the west of that portion of Dallas Street that lies on the south side and adjacent to Block 52 of the L.I.F.C. addition to the City of Llano.

Mayor Reagor opened the public hearing at 5:43 p.m. to receive comments regarding the request to consider closing, vacating, conveying, and abandoning a street and alleyway in Block 52, of the LIFC subdivision; south of Highway 29 (W. Young Street); tract 2 being to the west of that portion of Dallas St. that lies on the south side and adjacent to Block 52 of the LIFC addition to the City of Llano. Mr. Donahy was present to answer any questions. No comments received. Mayor Reagor closed the public hearing at 5:45 p.m.

**G. CONSENT AGENDA ITEMS** All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

1. Approval of the special called Llano City Council meeting minutes as written dated July 12, 2012.

*Mayor Mike Reagor/Toni Milam, City Secretary*

2. Approval of the regular called Llano City Council meeting minutes as written dated July 16, 2012.

*Mayor Mike Reagor/Toni Milam, City Secretary*

3. Approval of the special called Llano City Council meeting minutes as written dated July 19, 2012.

*Mayor Mike Reagor/Toni Milam, City Secretary*

4. Approval of Resolution 2012-07-16-2 on 2<sup>nd</sup> reading, approving the Fiscal Year 2012-2013 budget for the Llano Economic Development Corporation.

*Mayor Mike Reagor/Toni Milam, City Secretary*

5. Approval of Agreement between the City of Llano and the Llano Youth Soccer Association.

*Mayor Mike Reagor/Toni Milam, City Secretary*

Motion by Alderwoman Puryear, with a second by Alderwoman Tudyk to approve items 1-5 under the consent agenda. Motion approved.

6. Approval of new members to the Llano Christmas Lighting Committee.

*Mayor Mike Reagor/Toni Milam, City Secretary*

Motion by Alderman Decker, with a second by Alderwoman Simpson to approve new members Matthew Hawkins, Autumn Sagebiel, Cathy Parker, and Nelda Tallman to the Llano Christmas Lighting Committee. Motion approved.

**H. REGULAR AGENDA ITEMS**

1. Discussion only regarding the revised "draft" Sign Ordinance.

*Mayor Mike Reagor/Finley deGraffenried, City Manager*

No formal action taken.

2. Discuss and consider action on Water Conservation Measures.  
*Mike Reagor, Mayor/Finley deGraffenried, City Manager*  
No formal action taken, however Mayor Reagor to order Stage 3 Water Conservation 8-7-12.
  
3. Discuss and consider action on awarding the 2011 TxCDBG Water Line Improvements project to the M & C Fonseca Construction Company in the amount of \$260,805.00  
*Mike Reagor, Mayor/Finley deGraffenried, City Manager*  
Motion by Alderwoman Puryear, with a second by Alderwoman Tudyk to award the 2011 TxCDBG water line improvement project to the apparent low bidder of M & C Fonseca Construction Company in the amount of \$260,805.00. Motion approved.
  
4. Discuss and consider action on modifications to the FY2012-2013 budget.  
*Mike Reagor, Mayor/Finley deGraffenried, City Manager*  
No formal action taken. However, discussion was held regarding some of the budgeted items. Alderwoman Simpson commented on the budget concerning employee raises and Ad Valorem tax increase. She stated the increase of \$0.41 in tax revenues would amount to € 25,659; while the 2% employee raise and HRA increase at \$250 for each employee would equal \$24,644 leaving only \$1,015 (one thousand and fifteen dollars) in revenue for the city budget. She proposed freezing the raises and adding the additional Ad Valorem to pay for engineering on well fields; leaving the sinking fund for emergency needs such as a turbidity meter and additional pipe that was not included in the proposed budget for the water department. The sinking fund may be needed for additional water needs or other unforeseen emergency needs. Alderwoman Simpson stated she would not be in favor of increasing taxes for employee pay raises or HRA gifts, but could see a benefit if the revenue went strictly towards future water needs.  
Alderwoman Puryear would like to see some funding to assist the Llano County Library which the County is projecting cuts in their budget and will only be open 4 days a week. City's help would be contingent on the Library being open 5 ½ days a week. Mr. deGraffenried reported there will be a decrease in the employee's health insurance; IT training for fiber-training; do away with the Council Chamber sound system. Mr. Ervin Light was recognized, who suggested offering residents the opportunity to donate through their utility bill money to the Library system. Mr. Sewell spoke, advising Council not to propose a budget until the Community Event Center has a budget. He questioned the salary increases shown for employees. He gave other examples of line items budgeted that are ambiguous. Mr. deGraffenried reported salaries are based on a zero-based budget.
  
5. Discuss and consider action on setting a proposed Ad Valorem tax for FY2012-2013.  
*Mike Reagor, Mayor/Finley deGraffenried, City Manager*  
After discussion, Alderman Decker made a motion to set a proposed Ad Valorem tax for the FY2012-2013 to be set at \$.41 per \$100, with a second by Alderwoman Tudyk. Mayor Reagor called for a roll-call vote: Alderman Decker voted aye, Alderwoman Puryear voted aye, Alderwoman Tudyk voted aye, Alderwoman Simpson voted nay. Mayor Pro-Tem Hazel was absent and did not vote. With a vote of 3-1, motion approved.
  
6. Discuss and consider action on the setting of two (2) public hearing dates for the proposed Ad Valorem tax rate for FY2012-2013.  
*Mike Reagor, Mayor/Finley deGraffenried, City Manager*  
Motion by Alderwoman Tudyk, with a second by Alderwoman Puryear to set the public hearing dates for the proposed Ad Valorem tax rate for FY2012-2013 for Monday, August 20, 2012, and Tuesday, September 4, 2012. Motion approved.

## I. COUNCIL AND STAFF REPORTS

City Manager's Report.

**Finley deGraffenried, City Manager**

● **American Tower Lease Proposal** – leases space on a City tower for telecommunications and is pursuing either a long term lease or payout for use of the tower. City currently receives \$970 per month; their offer is a one-time payment of \$128,000.00 for 99 years.

● **TCEQ Correspondence** – Correspondence from TCEQ regarding the possibility of suspension or adjustment of water based on senior water rights. Staff is not anticipating the need to place a call on our senior right.

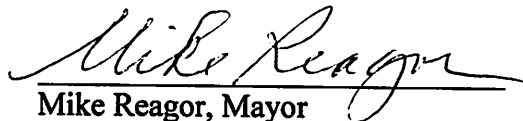
● **TxDOT Traffic Control Box** – Staff has discussed moving the control box just to the west of the Confederate Monument. Funding is still pending, but TxDOT hopes for improvements to be made this fall. Staff also discussed the possibility of a sidewalk along RR152 from Legend Hills Drive to Miller Street, approximately 2500 linear feet, with the resident engineer. TxDOT stated they would look at the possibility of a cost share, but any sidewalk in TxDOT right of way would need to be designed and constructed to TxDOT specifications which would increase costs.

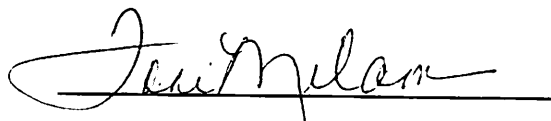
● **2013-2014 CDBG Cycle** – Fargo Improvement – At the bid opening for the Navarro Water line improvements, Staff discussed the possibility of a future grant application and project with the Ruiz Brothers and Chien Lee, PE. Staff is proposing improvements to undersized lines in the Fargo and Tarrant area. This project was put on hold through the budget process, but will now be investigated for funding through the CDBG program for 2013-2014 cycle.

● **Watershed meeting 08-14-12** – Llano watershed meeting in Junction, TX. Other upcoming meetings August 20, City Council and Board of Adjustment, there will not be an EDC meeting in August.

● **Financial Report** – Finance Director, Lynda Kuder provided the financial report. During the last heavy rains the Special Opportunity School received a back up of waste water due to the infiltration of the collection system. The City has forwarded a claim to our Insurance Carrier for consideration of the \$23,000.00 clean-up bill the School received. The School is located on City property, leased for a period of 99 years. Apparently the School did not have hazard insurance and may seek assistance from the City in the event the claim is denied. As suggested at the last Council budget workshop, staff is preparing a menu of fee and rate increases, separate from the budget process, for Council consideration this September. Rates that staff will ask Council to review include water and electric tap fees, Ray House rental fees, and LanTex use and rental fees. The amount of increase will not significantly affect the City's operating budget.

**J. ADJOURNMENT** With there being no further business, meeting adjourned at 7:00 p.m.

  
Mike Reagor, Mayor

  
Toni Milam, City Secretary

