



CITY OF ROLLINGWOOD SPECIAL CITY COUNCIL MEETING MINUTES

Thursday, April 30, 2020

On April 30, 2020 at 3:00 p.m., the City Council of the City of Rollingwood, Texas held a special meeting, open to the public, via video conference and telephone in accordance with an order of the Office of the Governor issued March 16, 2020.

The public was able to watch this meeting live and had the opportunity to comment via audio devices at the following link: <https://meetings.ipvideotalk.com/181716507>

The public was also able to participate in this meeting by dialing one of the following numbers: 1(617) 315-8088 or toll free at 1(888) 330-2489 and entering the Meeting ID: 181716507

The public was permitted to offer public comments via their audio devices when logged in to the meeting or telephonically by calling in as provided by the agenda and as permitted by the presiding officer during the meeting. A video recording of the meeting was made and will be posted to the City's website and available to the public in accordance with the Texas Public Information Act upon written request. The following items were discussed:

CALL REGULAR CITY COUNCIL MEETING TO ORDER

1. Roll Call

Mayor Michael Dyson called the meeting to order at 3:07 p.m.

Present Members: Mayor Michael Dyson, Council Member Wendi Hundley, Council Member Gavin Massingill, Council Member Amy Pattillo, Council Member Buck Shapiro, and Council Member Sara Hutson.

Also Present: City Administrator Amber Lewis, City Attorney Charles Zech, Finance Manager Abel Campos, Police Chief Jason Brady, Development Services Manager Carrie Caylor, and City Secretary Ashley Wayman.

Mayor Michael Dyson asked everyone to keep former Mayor Thom Farrell and his family in their thoughts as they are suffering the loss of their son-in-law Caleb.

PUBLIC COMMENTS

Mayor Michael Dyson outlined how to raise your hand to be recognized to speak for public comment.

The following individuals spoke during public comments:

- Julie Shah, 4824 Rollingwood Drive, stated that she has been noticing a lot of traffic and speeding in front of her house on Rollingwood Drive and she is concerned about the safety of her family as well as the street noise. She also talked about Vision Zero.
- Mayor Michael Dyson responded to her concerns by explaining what measures the city has taken to increase safety on the streets in our community.

CONSENT AGENDA

2. Discussion and possible action on the minutes from the April 15, 2020 City Council Meeting.

Sara Hutson motioned to approve the consent agenda. Wendi Hundley seconded the motion. Mayor Michael Dyson called a roll call vote.

- **Amy Pattillo - Yes**
- **Wendi Hundley - Yes**
- **Sara Hutson - Yes**
- **Gavin Massingill - Yes**
- **Buck Shapiro - Yes**

The motion passed 5-0.

REGULAR AGENDA

3. Discussion and possible action on a second read of a resolution establishing the COVID-19 Emergency Relief Grant Program.

Mayor Michael Dyson explained that the first read of this resolution was at the previous meeting and that this program has garnered some interest.

Wendi Hundley motioned to approve a Resolution of the Rollingwood City Council approving a project of the Rollingwood Community Development Corporation as authorized by section 505.158 of the Texas Local Government Code, authorizing certain financial assistance to be used for businesses located within the City of Rollingwood, Texas; and providing for an effective date. Amy Pattillo seconded the motion.

Amy Pattillo asked if RCDC would have the discretion to approve applications.

Mayor Michael Dyson stated that RCDC would have the discretion to approve applications and that Gavin Massingill would be a part of the committee reviewing applications.

Amy Pattillo asked if there is a requirement for proof of how the funds are actually used after grants have been distributed.

City Attorney Charles Zech stated that the performance agreement requires those that receive the grants to comply with the stated terms, and if they do not, the city would have the right to revoke the grant.

Amy Pattillo stated that she was hopeful that some businesses would use grant money to make sure that their businesses are safe and that their employees have personal protective equipment.

Mayor Michael Dyson talked about some of the discussions RCDC had relating to this issue.

Mayor Michael Dyson called for a roll-call vote.

- **Amy Pattillo – Yes**
- **Wendi Hundley – Yes**
- **Sara Hutson – Yes**
- **Gavin Massingill – Yes**
- **Buck Shapiro – Yes**

The motion passed 5-0.

4. Discussion on the quarterly budget review for the second quarter.

Finance Manager Abel Campos discussed the budget review for the second quarter.

Mayor Michael Dyson clarified that the city budgeted conservatively and wisely and thanked Finance Manager Abel Campos and Budget Liaison Gavin Massingill for their work.

5. Discussion and possible action an ordinance amending Section 103-232 (f) Stormwater Detention of the City's Code of Ordinances.

Mayor Michael Dyson explained that there is a draft ordinance in the packet as well as a proposed revised ordinance from Council Member Hutson.

Sara Hutson stated that the Planning and Zoning Commission had a work group in the past that was supposed to be coming up with alternative language for this code section. She discussed that there should not be anything built in the right-of-way because then it cannot be used for its original purpose. She discussed why people should not be allowed to build detention facilities in the right of way.

Buck Shapiro asked Development Services Manager Carrie Caylor if she knew of any detention facilities that had been built in the front yard right of way since she has been in charge and she stated that she did not believe there were but she would double check.

Mayor Michael Dyson asked City Attorney Charles Zech to discuss the implications if someone constructed a city required drainage facility in an easement and it were to be damaged.

City Attorney Charles Zech explained that it depends on the easement document, but that cities often offer easement encroachment licenses that state that the city can require them to move it and that the city is allowed to work in the easement when necessary.

The Council discussed the impact to the city of structures and detention facilities being built in easements as well as potential remedies for those downstream of a detention facility that was damaged or modified.

Sara Hutson stated that the city has to protect the property rights of the downstream property owners and that they should be required to locate structures in a place that they can remain permanently.

Gavin Massingill asked whether this item needed to go through the Planning and Zoning Commission.

City Attorney Charles Zech stated that it does not because these structures are generally not subject to setback requirements; the city has just required that people get permission to place them there.

Gavin Massingill also asked if homeowners would still be required to comply with Section 103-232 of their existing stormwater detention facility located in an easement was damaged or modified by a utility company.

City Attorney Charles Zech stated that they would still have to comply. He also explained the rules as they currently stand, and that this would be waiving the ten-foot setback rule, but that all other requirements would still have to be complied with, including easement requirements. He stated that this change would not give them the ability to put drainage facilities wherever they want.

Gavin Massingill questioned what enforcement mechanism the city would have to make a homeowner comply with Section 103-232 if a drainage facility was damaged.

City Attorney Charles Zech discussed potential penalties that the city could impose.

Amy Pattillo stated that the moat issue has come before council often, and now a completely new set of questions has been raised with these variances and they need to spend more time on this new scope before making a decision.

Sara Hutson asked that this item be tabled and brought back at the next meeting after further review.

Wendi Hundley asked if the city has anything in the building code that requires contractors to call 811 before they excavate or dig within an easement on their property and Development Services Manager Carrie Caylor stated that it is required of them but is not stated in the code.

Wendi Hundley also stated that she is okay with striking item (f) and stopping the moat issue from coming before Council, and that the City Council could come back at a future meeting to discuss other potential language.

Gavin Massingill questioned City Engineer Jay Campbell regarding city drainage easements.

Wendi Hundley motioned to approve an ordinance amending the City's Code of Ordinances Part II, Chapter 103, Article IV. – Stormwater Drainage, Division 2. – Drainage Requirements, Section 103-232 Stormwater Detention by removing Subsection (f) the requirement for drainage facilities to be located at minimum ten foot from all property lines; providing for severability; and providing for an effective date. Amy Pattillo seconded the motion.

Mayor Michael Dyson stated that he is okay with making this change and wants to ensure that the rest of the Council is comfortable with it.

Gavin Massingill stated he is okay with adopting what is in front of them but would not take issue with some of Council Member Sara Hutson's additions.

Wendi Hundley echoed that she thought that this change could be made now and the Council could take time to go over the other discussions from today.

Amy Pattillo questioned if three weeks would be enough time to review the proposed language and look at any existing permits to make sure that we do not create any other issues.

Development Services Manager Carrie Caylor stated that she has some concerns with this change requiring the city to approve drainage due to plats that were created incorrectly that they would not generally approve.

City Attorney Charles Zech discussed the ordinance language proposed by Council Member Hutson.

Mayor Michael Dyson called for a roll-call vote.

- **Amy Pattillo – Yes**
- **Wendi Hundley – Yes**
- **Sara Hutson – No**
- **Gavin Massingill – Yes**
- **Buck Shapiro – Yes**

The motion passed 4-1.

Mayor Michael Dyson stated that this item would be brought back in May.

6. Discussion and possible action on a list of locations for the placement of test Electronic Water Meters.

City Administrator Amber Lewis discussed that the addresses were marked over the pressure planes to ensure that the sample was representative and that one more address needed to be added to the list. She asked Amy Pattillo if she would like to volunteer to be on the list and Amy agreed.

City Engineer Jay Campbell stated that a Pickwick address would be fine as well.

Mayor Michael Dyson stated that if it made more sense to relocate the meter at his address to a house on Pickwick he would be fine with that.

City Administrator Amber Lewis stated that the city needs active participation and engagement in order for this test to work.

Sara Hutson motioned to approve the list of locations for the placement of test Electronic Water Meters as presented and adding Amy Pattillo's address and deleting Mayor Michael Dyson's only if another participant in the lower pressure plane can be identified

and is willing to participate. Amy Pattillo seconded the motion. Mayor Michael Dyson called for a roll-call vote.

- **Amy Pattillo – Yes**
- **Wendi Hundley – Yes**
- **Sara Hutson – Yes**
- **Gavin Massingill – Yes**
- **Buck Shapiro – Yes**

The motion passed 5-0.

7. Discussion and possible action on a letter of support for a City of Austin Better Utilizing Investments to Leverage Development (BUILD) grant application to the United States Department of Transportation in the amount of \$25M to replace the Redbud Trail Bridge.

Mayor Michael Dyson stated that the bridge has a regional impact as well as on the City of Rollingwood and that is why the City of Austin has reached out to us for support.

Wendi Hundley stated that City Administrator Amber Lewis brought this item to their attention and that this would support the grant application to widen that bridge and add more pedestrian capabilities.

Amy Pattillo agreed with putting in a letter of support and that it directly affects the City of Rollingwood.

Mayor Michael Dyson stated his agreement with supporting this needed project for the region.

Amy Pattillo motioned to approve a letter of support for a City of Austin Better Utilizing Investments to Leverage Development (BUILD) grant application to the United States Department of Transportation in the amount of \$25M to replace the Redbud Trail Bridge. Wendi Hundley seconded the motion.

Sara Hutson asked if the letter would have the language be adjusted to reflect that the City of Rollingwood is sending it before it is sent.

Mayor Michael Dyson stated that there is an understanding that the spirit of this letter would be kept and it would be written from Rollingwood's perspective.

Mayor Michael Dyson called for a roll-call vote.

- **Amy Pattillo – Yes**
- **Wendi Hundley – Yes**
- **Sara Hutson – Yes**
- **Gavin Massingill – Yes**
- **Buck Shapiro – Yes**

The motion passed 5-0.

8. Discussion and possible action on the agreement for the purchase of real property located at 503 Vale Street.

Mayor Michael Dyson gave the context on this item. He stated that the owner had recently received another offer and reached out to the city to see if they had any interest in the property. He discussed the spatial constraints of the city and city hall, and wanted to bring this tremendous opportunity to the council to discuss purchasing this property at a cost of \$1.2 million, which is below market value.

Gavin Massingill asked if item 9 could be brought up to be discussed in tandem with this item.

Mayor Michael Dyson brought up item 9 for discussion as well.

Gavin Massingill asked what the closing date was on the property and City Attorney Charles Zech stated that the closing date is currently set at July 31.

Gavin Massingill asked questioned what the option period and discussed the option period of this purchase.

City Attorney Charles Zech stated that there is a rider to the agreement that requires unconditional approval by council and that the terms could be negotiated after approval. He also stated that dates could be changed by City Council. He stated that there was a 12-day option period.

Gavin Massingill clarified that item 8 would be basically an act of good faith to continue going forward on the contract. He also talked about the standard language in the buyer representation agreement, included in item 9, and discussed that this may be an issue because this is not listed in MLS. He stated that he would recommend striking this language and that it should not make a difference or cause a problem to the seller.

City Attorney Charles Zech stated that there is a similar rider for the buyer representation agreement.

Sara Hutson asked if the market area should be changed to say Travis County as opposed to Travis. City Attorney Charles Zech stated that the retail market area is not an issue because he included language in the rider to say that the client is engaging broker for the sole purpose to act as the client's real estate agent for the purposes of acquiring residential property at 503 Vale Street, so it is not a market area exclusivity.

Gavin Massingill questioned the short-term usage of this property and Mayor Michael Dyson stated that the usage that makes the most sense is the relocation of the police department and that this would increase their visibility and would allow them to be situated in the ingress/egress point where Rollingwood borders the City of Austin and much activity arises. It is also the main area of activity for ACL and Trail of Lights. He further discussed the spatial needs of the city and stated that if acquired, he hopes that the city could begin using the building immediately as practically possible. He also discussed that this would include a rezoning process.

Gavin Massingill asked how quickly the rezoning process could be completed and City Attorney Charles Zech summarized the zoning process and estimated that it would take at least a month and a half. He also stated that he is comfortable with the city initiating the rezoning process now so that by the time the city is ready to close, all stakeholder input has been received. He also stated he would add to the contract that rezoning is a condition of the purchase.

Mayor Michael Dyson stated that he has received no negative feedback on this item. He also discussed that he hoped that today Council would approve the negotiating of a final purchase agreement with the considerations and provisions that have been discussed this afternoon, with a final contract to be approved by Council. He also asked that Council approve the buyer representation agreement subject to striking the provision that Gavin noted.

Amy Pattillo moved to approve authorizing the Mayor, City Attorney and the buyer's agent to negotiate the final purchase agreement with the caveats discussed during the Council meeting today, with a final contract to be approved by the Council. Wendi Hundley seconded the motion.

Mayor Michael Dyson called for a roll-call vote.

- **Amy Pattillo – Yes**
- **Wendi Hundley – Yes**
- **Sara Hutson – Yes**
- **Gavin Massingill – Yes**
- **Buck Shapiro – Yes**

The motion passed 5-0.

9. Discussion and possible action on the Residential Buyer Representation Agreement and associated rider for the City of Rollingwood.

Mayor Michael Dyson asked Council to approve the buyer representation agreement striking the provision that Council Member Massingill noted, in Broker's Fees, 11B, the bold type reading "if such persons refuse or fail to pay broker the amount specified client will pay broker the amount specified less any amounts broker receives from such person."

Amy Pattillo also stated that the word "first" should be struck from 11A of the buyer representation agreement.

City Attorney Charles Zech stated that he would make the revisions that Council Member Massingill stated and ensure the wording was consistent.

Amy Pattillo motioned to approve the Buyer Representation Agreement subject to the strike request by Council Member Massingill. Wendi Hundley seconded the motion.

Gavin Massingill reiterated that he did not think this would be a problem but that he felt it would be prudent for the city to strike this language.

Mayor Michael Dyson called for a roll-call vote.

- **Amy Pattillo – Yes**
- **Wendi Hundley – Yes**
- **Sara Hutson – Yes**
- **Gavin Massingill – Yes**
- **Buck Shapiro – Yes**

The motion passed 5-0.

10. Discussion regarding the proposed issuance of City of Rollingwood Tax Notes, Series 2020 to provide financing for the acquisition of real property and drainage improvements and matters related thereto.

Mayor Michael Dyson discussed the scenarios before Council at this time. He discussed the included Brainard settlement for drainage repairs. He asked council to consider using the highest estimate for this project, plus another 50,000 in the hopes that not all of it is spent. He stated that the remaining \$1.2 million would be spent on the purchase of 503 Vale and the total of the tax notes would total to \$2 million. He also discussed that due to the time sensitivity of these projects, tax notes are the best option for the city.

Gavin Massingill asked City Attorney Charles Zech or Bond Counsel if the city were to approve tax notes for the Hubbard Circle project and the project ends up costing less, if the city would be able to use the remaining money for other drainage projects in the IIP.

Jerry Kyle, the city's Bond Counsel, stated that "drainage improvements" would be sufficient detail to provide to the Attorney General for the use of the tax notes and thus any surplus could be used for other drainage improvements in the city or could be used to pay debt service on the notes.

Mayor Michael Dyson stated that this is the best and only alternative for the city to receive the funding.

Gavin Massingill asked the Mayor about the pros and cons of both the level debt service and structured debt approach.

Mayor Michael Dyson discussed the city's needs, including spatial concerns, drainage, and water infrastructure, and that the city needs to consider some kind of bond referendum to take care of many of these concerns. He also stated that at one point, the city was considering a bond election this year, and though it is unlikely to happen in the near future due to current circumstances, he hopes there can be a bond referendum in the near future. He also discussed the two proposed options before the Council.

Gavin Massingill asked the Bond Counsel if the cut sheet provided in the IIP was enough to provide to the Attorney General to allow the city to spend the remaining dollars on those other projects.

James Gilley, the city's financial advisor, stated that the Attorney General would not need such a detailed description, and that drainage improvements and building acquisition would suffice. He also discussed the potential approaches for how the city wishes to structure the principal retirement to best suit their needs. He explained that, due to the time-sensitive nature and that the city may wish to re-finance or restructure the debt service at a later date, both scenarios assume a direct placement, in which individual banks and financial institutions would be purchasing the tax notes from the city. He explained that this gives the city more flexibility in optionality, call options, and structuring the principal repayment. He also discussed how and when the city would make payments.

Gavin Massingill summarized the I&S rate impact for both options and stated that he was more in favor of scenario 1.

Amy Pattillo asked Gavin Massingill if he was considering what option was more favorable for a later bond issuance and he stated that he was not, he was only concerned with the tax impact to the citizens. He stated that he felt that we needed to evaluate this on its own and the future bond election later. He also discussed the drainage improvement at hand and discussed that he did not feel comfortable with saddling residents with the tax increase in scenario 2.

Mayor Michael Dyson discussed that, though he agreed with most of Council Member Massingill's points, he felt that it would be difficult to remove this item from the larger discussion at hand.

Gavin Massingill stated that he felt that today's discussion does relate to the future plan, but that the decision should be made in a way where these tax notes stand on their own.

Amy Pattillo stated that she tends to agree with scenario 2.

Gavin Massingill stated that if the city was willing to tighten up the budget for two years then scenario 2 would work.

Mayor Michael Dyson discussed future diversification of revenues and increasing sales tax revenue to the city.

City Administrator Amber Lewis stated that no action was needed on this item, the Council just needs to provide some direction on the way to proceed.

Council Member Buck Shapiro and City Attorney Charles Zech left the meeting.

Wendi Hundley stated that she tended to agree with Council Member Massingill's points on this item.

Amy Pattillo stated that she was more inclined towards scenario 2.

Sara Hutson stated that her concern was the impact to some residents by accelerating these payments, especially in the current economy.

Gavin Massingill echoed Sara Hutson's concerns.

City Administrator Amber Lewis stated that if there would be a need to claw back some of the debt service out of the operations and maintenance budget then she would be more in favor of the level debt service option. She explained that the city already runs a very tight ship and may not be able to work with much less.

Amy Pattillo asked what the next step was for City Council.

James Gilley stated that if the Council gave direction tonight, they could begin finalizing the documents and term sheet and would be asking investors to submit bids on a particular structure. He said that they could wait to make a decision at the regular meeting in May, but the sooner the better because they need some lead-time.

City Administrator Amber Lewis explained that the current O&M budget could not support taking on the front loaded debt.

Amy Pattillo asked about the structured principal arrangement and if there was a way to bring the first few years down. She also asked what the basis for the first structured principal amount was and if there was a happy medium.

James Gilley stated that those years could be brought down as she suggested, and that the current structure yields lower interest costs over the life of the loan but there could be other scenarios presented.

The Council further discussed the options before them.

Gavin Massingill asked for another option in which there was a structured basis but the rate was just under 4 cents. James Gilley stated that they would prepare something for Council's review.

James Gilley stated that if the City Council was aiming for a rate of 3.86 cents, the variables would be interest saved and cost to the taxpayer.

Mayor Michael Dyson stated that he is comfortable with James and Abel running the numbers and Gavin to give the thumbs up or thumbs down to continue on the timeline that we are currently on.

James Gilley discussed the process after this point.

Jerry Kyle stated that there would be an ordinance on the May agenda approving the issuing of the tax notes.

Amy Pattillo stated she is comfortable with Council Member Massingill, City Administrator Amber Lewis and Mayor Dyson proceeding at this point, as long as Council is kept apprised of the decisions made.

Gavin Massingill also pointed out that the first payment would not be due until after the next budgeting cycle starts so the ultimate hit on the homeowner would not be known until then.


ADJOURNMENT OF MEETING

The meeting was adjourned at 6:35 p.m.

Minutes Adopted on the 20th day of May, 2020.


Michael R. Dyson (Jun 19, 2020 08:53 CDT)
Michael R. Dyson, Mayor

ATTEST:


Ashley Wayman, City Secretary






04-30-2020 Special City Council Meeting Minutes

Final Audit Report

2020-06-19

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