

**City of Meadowlakes
City Council Called Meeting Minutes
December 18, 2007**

I. CALL TO ORDER AND QUORUM DETERMINATION:

Mayor John Aaron called the meeting to order at 4:15 p.m. declaring that a full quorum was present at the Meadowlakes Municipal Building in Totten Hall, 177 Broadmoor, Meadowlakes, Texas. Members present were: Mayor John Aaron, and council members Jaye Dawson, Laird Landis, Christine Forsyth, Bill Pickard and Camille Sweigart. Also present were City Secretary Linda Wendling and City Treasurer Eileen Harrison.

II. OLD BUSINESS:

A. Action/discussion status briefing on lawsuits related to City & CCM,

Mayor Aaron introduced this item by providing a brief status and review, highlighting that the counter suit is a re-word of the previous suit, the prayer section of the lawsuit, zoning, and damages. Mayor Aaron stated a court hearing is forthcoming on Thursday, December 20th at 9:00 a.m. in relation to the motion for exemption and scheduling conference to layout the proposed dates. Council and audience questions and discussion ensued.

B. Action/discussion: Purchase of Hidden Falls Golf Course by City of Meadowlakes

1.) Overview of purchase and related financing - (Attachment A)

Mayor Aaron introduced this item by reviewing the committee's 6 page report (Attachment A), highlighting the items listed below while audience and Council discussion ensued throughout. Mayor Aaron stated that the committee is recommending a sewer fee increase in order to share the cost of the effluent system equally, consolidating the existing revenue note with this newly proposed one, and the signing of a sales contract.

Discussion topics included: financial options, choice of revenue bonds is approved by attorney general's office, certificate of obligation bonds versus revenue bonds, items/needs to be financed, term and cost of the bond, contract being ready for signature, 90-day timeline, title company, performance of appraisal or lack thereof, honoring lifetime membership contracts, adopting the contract locks in the purchase price but still allows the city the option to withdraw for all cases that may warrant, meeting with country club management and review of financials, repairs needed, prospective business model, utility fund, prospective organization and management model, and making golf club employees city employees. Council and audience discussion ensued until each question posed was responded to.

2.) Resolution 07-015 - Financial Responsibility Allocation related to purchase and operations of golf course, golfing operations and effluent disposal operations, and related investments. (Attachment B)

Mayor Aaron introduced this item by reading the 4 page Resolution Number 07-015 into record, summarizing that the resolution outlines roles and demonstrates the financing of the waste water system being reimbursed equally by each sewer tap customer and the recreational maintenance being reimbursed by golfers via their green fees, food and beverage purchases, etc.

3.) Earnest Money Offer Contract to Purchase Hidden Falls Golf Course - Mayor (Attachment C)

Mayor Aaron introduced this item by providing a review of the contract, highlighting the items listed below while audience and Council discussion ensued throughout.

Discussion topics included: property description, purchase price, earnest money deposit, title policy, owner required closing date of on or before March 18, 2008, warranty deed, mock closing seven days before actual closing for business continuity, transition plan, access to premises prior to closing, feasibility study, standard language in defaults and escrow's section, appraisal option, special conditions, and Exhibits B, C, and D.

Mayor Aaron concluded by stating the committee recommends that Council take action. Council discussion ensued. Councilmember Forsyth made a motion that we accept and execute the Earnest Money Contract. Councilmember Sweigart seconded the motion. The motion passed by unanimous vote.

Council discussion ensued in relation to editorial comments on Resolution 07-015 and agreed that the resolution should be adopted yet brought back before Council on the January 10th meeting for editorial modifications. Councilmember Sweigart made a motion to accept Resolution 07-015 as written. Councilmember Dawson seconded the motion. The motion passed by unanimous vote.

Audience questions ensued with Mayor Aaron and Council responding to each question as posed to them. The Public Information Committee accepted a task of informing each resident of the Council's current state of affairs and position thereof. Council and audience discussion ensued. Mr. Thompson provided a brief summary on alternate methods of effluent disposal, highlighting discussions with adjacent ranch land owners (Cold Springs Texas Granite) and their wanting Type 1 instead of our Type 2 effluent, discussions with local real estate offices and costs thereof, non-availability of local property, cost of piping to non-local property, discussions with Kingsland MUD stating that they found no available land in Burnet County and had to go to Llano County for available land, and discussions of Largo Vista's six and a half million dollar investment for their effluent disbursement project. Council and audience discussion ensued.

4.) Request for Committee Authority to proceed with activities to obtain financing bonds & liquor license consistent with statutory & procedural requirements & authorization to initiate sales contract due diligence.

Mayor Aaron introduced this item by stating authority was needed to initiate the bond procedures and begin liquor licensing processes. Councilmember Sweigart made a motion that we authorize the committee to obtain financing bonds and initiate liquor licensing processes consistent with statutory and procedural requirements, and an authorization to initiate the sales contract due diligence. Councilmember Forsyth seconded the motion. Council discussion ensued regarding clarification that the authority to issue both types of bonds should be authorized on a parallel path for both CO and Revenue Bonds such that if CO bonds were unsuccessful then Revenue Bonds will be issued. Mayor Aaron asked if she wished to modify her motion to read that clarification into it. Councilmember Sweigart modified her motion to include

that we move in parallel with authority to issue both types of bonds with a decision point scheduled in the future. Councilmember Forsyth seconded the modified motion. The restated motion passed by unanimous vote.

III. NEW BUSINESS:

A. Acceptance of Resignation of Meadowlakes Ordinance Control Officer, Mac McCurdy

Mayor Aaron introduced this item by reading Mac McCurdy's resignation letter into record, highlighting what a great city Officer as well as friend Mr. McCurdy had become. Mr. McCurdy received a standing ovation. Councilmember Pickard moved that Council accept Mr. McCurdy's resignation. Councilmember Dawson seconded. The resignation was accepted reluctantly by unanimous vote.

B. Action/discussion: Selection of replacement Ordinance Control Officer and Adoption of related contract.

Mayor Aaron introduced this item by stating a Meadowlakes resident as well as a certified Peace Officer is preferable for this position and both Officer Mac McCurdy and Sheriff Joe Pollock have recommended Sheriff's Deputy Angela Wilson for this position. Councilmember Dawson made a motion to accept the nomination of Sheriff's Deputy Wilson to fulfill the unexpired term of Ordinance Control Officer and court bailiff, authorizing the Mayor to rework the existing contract language accordingly. Councilmember Landis seconded the motion. The motion passed by unanimous vote.

IV. CITIZENS COMMENTS:

A. Secretary Wendling stated Bill Parameter was the only person to sign up to speak but he spoke up during item II (3).

B. There was an audience question regarding zoning of the golf course and the Mayor responded to the question as posed to him along with one citizen comment congratulating the Council on a job well done.

C. There were no citizen comments.

V. COUNCIL AND MAYOR ANNOUNCEMENTS:

A. Setting of next council meeting of January 10, 2008 at 4:00 p.m.

B. There were no additional council or mayor announcements.

Discussion ensued regarding sewer system improvement and the availability of State funds.

VI. ADJOURNMENT

Councilmember Forsyth made a motion to adjourn. Councilmember Sweigart seconded the motion. The motion carried by unanimous vote. The meeting adjourned at 6:40 p.m.

Approved:

/s/ John Aaron

Mayor

Date: 1/10/08

Attest:

/s/ Linda A. Wendling

City Secretary

Date: 1/10/08