

AGENDA FOR REGULAR MEETING

KERRVILLE CITY COUNCIL

TUESDAY, MAY 28, 2013, 6:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS

KERRVILLE CITY COUNCIL AGENDA
REGULAR MEETING, TUESDAY, MAY 28, 2013, 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION offered by John Wheat, Pastor for Trinity Baptist Church.

PLEDGE OF ALLEGIANCE TO THE FLAG led by Cobey Esser, Cadet Airman First Class, with the Tivy High School Junior Reserve Officers Training Corps.

Those in attendance may stand if they wish.

1. VISITORS/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must fill out the speaker request form and give it to the City Secretary. City Council may not discuss or take any action on an item but may place the issue on a future agenda. The number of speakers will be limited to the first ten speakers and each speaker is limited to four minutes.

2. CONSENT AGENDA:

These items are considered routine and can be approved in one motion unless a city councilmember asks for separate consideration of an item. It is recommended that City Council approve the following items which will grant the Mayor or City Manager the authority to take all actions necessary for each approval:

2A. Minutes of the regular Kerrville City Council meeting held May 14, 2013, and the special meeting held May 21, 2013. (staff)

2B. Consulting Agreement by and between Gallagher Benefit Services, Inc., a Delaware Corporation, and City of Kerrville for employee benefit services for the period June 1, 2013, through May 31, 2014. (staff)

2C. Construction contract with S.J. Louis Construction of Texas Ltd. for construction of the G Street interceptor project in the amount of \$1,659,808.62, and authority to approve additional change orders, if any, any one of which may exceed \$50,000 but the total amount for such may not exceed the budgeted amount of \$1,908,780.62. (staff)

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1117 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time, May 24, 2013 at 3:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Brenda Craig
City Secretary, City of Kerrville, Texas

2D. A Resolution No. 18-2013 amending the city's policies and procedures regarding the allocation of hotel occupancy tax revenues. (staff)

END OF CONSENT AGENDA

3. PUBLIC HEARING:

3A. Annexation and zoning of 0.91 acre tract of land addressed as 2262 Bandera Highway. (staff)

4. PUBLIC HEARING AND ORDINANCES FIRST READING:

4A. An Ordinance No. 2013-07, amending Ordinance No. 2011-08, which annexed property into the city and created a "Planned Development District" on the approximate 43.72 acre tract of land, being all of a revision of Hartshorn Country Sites, a subdivision of record found at Volume 7, Page 148, Plat Records of Kerr County, Texas, and all of the James Avery Craftsman Subdivision, a subdivision of record found at Volume 7, Page 149, Plat Records of Kerr County, Texas, and those portions of Avery Road North and Lessie Lane, public roads located within and between the two subdivisions, said property generally located at and east of the intersection of Harper Road (FM783) and Avery Road North; said amendment removing the requirement for the construction of public sidewalks. (staff)

5. ORDINANCES SECOND AND FINAL READING:

5A. An Ordinance No. 2013-09 amending the City's "Zoning Code" by changing the Zoning District of an approximate 31.40 acre tract of land generally located along and north of the 2100 block of E. Main Street from the "RC" Residential Cluster district to the "PI" Public and Institutional district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2,000.00); ordering publication, and providing other matters relating to the subject. (staff)

5B. An Ordinance No. 2013-10 amending Chapter 6 "Advertising", Article II "Signs" of the City's Code of Ordinances to revise various definitions and revise the regulations for several types of signs; containing a savings and severability clause; providing for penalties not to exceed \$2,000.00; ordering publication; providing an effective date; and providing other matters related to the subject. (staff)

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City Secretary, City of Kerrville, Texas

5C. An Ordinance No. 2013-11 approving and adopting rate schedule "RRM – Rate Review Mechanism" for Atmos Energy Corporation, Mid-Tex Division to be in force in the City for a period of time as specified in the rate schedule; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; and requiring delivery of this ordinance to the company and ACSC legal counsel. (staff)

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Kerrville-Kerr County Joint Airport Board budget for Fiscal Year 2014. (Bruce McKenzie, airport manager)

6B. Economic development grant agreement between Kerrville's 4th On the River and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

6C. Economic development grant agreement between Kerrville Area Chamber of Commerce and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

6D. Economic development grant agreement between Texas Folk Music Foundation dba Kerrville Folk Festival and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

6E. Economic development grant agreement between Texas Hill Country Wine and Brew Festival and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

6F. Application for 4B sales tax funding for improvements to the Cailloux Theater in an amount not to exceed \$200,652. (staff)

6G. Appointment of Mayor Pro Tem. (staff)

7. INFORMATION AND DISCUSSION

7A. Update on activities of the Kerrville Economic Development Corporation. (Councilmember Conklin)

7B. Economic update. (staff)

7C. Pending legislation from the 83rd Texas Legislature, regular session. (staff)

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1117 for further information.

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Brenda Craig
City Secretary, City of Kerrville, Texas

8. BOARD APPOINTMENTS:

8A. Appointments to the Beautification Advisory Committee. (staff)

8B. Appointments to the Economic Improvement Corporation. (staff)

8C. Appointment of councilmembers to various City boards and commissions. (staff)

9. ITEMS FOR FUTURE AGENDAS

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Announcement of items of community interest, including expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognitions of City officials, employees, or other citizens; reminders about upcoming

events sponsored by the City or other entity that is scheduled to be attended by City officials or employees; and announcements involving imminent threats to the public health and safety of the City. No action will be taken.

11. EXECUTIVE SESSION:

City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above including if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code, including the following matters:

Sections 551.071 and 551.072:

Discuss the purchase, exchange, lease, sale, or value of real property, the public discussion of which would not be in the best interests of the City's bargaining position with third parties, regarding property interests related to the following public works projects:

- Jefferson lift station
- G Street sewer project
- River Trail.

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1117 for further information.

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Brenda Craig
City Secretary, City of Kerrville, Texas

Section 551.074:

- Appointments to the Economic Improvement Corporation.
- Appointment of councilmembers to various boards and commissions.
- Appointment of Mayor Pro Tem.

12. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

13. ADJOURNMENT.

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1117 for further information.

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Brenda Craig
City Secretary, City of Kerrville, Texas

Agenda Item:

2A. Minutes of the regular Kerrville City Council meeting held May 14, 2013, and the special meeting held May 21, 2013. (staff)

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
MAY 14, 2013

On May 14, 2013, the Kerrville City Council meeting was called to order at 6:00 p.m. by Mayor Pratt in the city hall council chambers at 701 Main Street. The invocation was offered by Lainie Johnson, with the Pregnancy Resource Center, followed by the Pledge of Allegiance led by Police Chief John Young.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Gene Allen	Councilmember
Carson Conklin	Councilmember
Justin MacDonald	Councilmember

COUNCILMEMBER ABSENT: None.

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Brenda G. Craig	City Secretary
Charvy Tork	Director of Information Technology Systems
Mike Erwin	Director of Finance
Robert Ojeda	Fire Chief
Jason Lutz	City Planner
Charlie Hastings	Director of Public Works
Kim Meisner	Director of General Operations
John Young	Police Chief
Ashlea Boyle	Special Projects Coordinator

VISITORS PRESENT: List on file in city secretary's office for the required retention period.

1. VISITORS/CITIZENS FORUM None.

2. AWARDS AND PRESENTATIONS:

2A. Proclamation proclaiming the month of May 2013 as National Preservation Month. Presented to Scott Rain, chairman of the Kerrville Main Street Advisory Board, and Bill Rector, with the Kerr County Historical Commission.

2B. Proclamation proclaiming May 13-19, 2013, as National Salvation Army Week. Presented to Bobby Jackson of the Kerrville Salvation Army.

3. CONSENT AGENDA:

Mr. Conklin moved for approval of items 3A through 3C; Mr. MacDonald seconded the motion and it passed 5-0:

3A. Minutes of the regular Kerrville City Council meeting held April 9, and April 23, 2013.

3B. First Amendment to the Agreement between the City of Kerrville, Texas, and Kerr Capital Partners, LLC Authorizing the Installation and maintenance of Landscaping, Lighting, and Other Improvements within City Right-of-Way.

3C. Resolution No. 16-2013 approving the execution of an agreement between the State of Texas and the City of Kerrville for the maintenance, control, supervision, and regulation of certain state highways and/or portions of state highways in the City of Kerrville.

END OF CONSENT AGENDA

4. PUBLIC HEARING, ORDINANCE FIRST READING:

4A. An ordinance amending the city's "Zoning Code" by changing the zoning district of an approximate 31.40 acre tract of land generally located along the north of the 2100 block of E. Main Street from the "RC" residential cluster district to the "PI" Public and institutional district; containing a cumulative clause, containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2,000.00); ordering publication, and providing other matters relating to the subject. Mayor Pratt read the ordinance by title.

Mr. Lutz noted the property owner, Schreiner University, proposed to build a new facility for biology classrooms and an observatory. The development site plan was in the review process now. He reviewed adjacent property uses and noted Type B screening (six foot wood or masonry fence) would be required along the western and eastern property lines; the applicant could request alternative screening such as natural vegetation. Proposed setbacks would be 30 feet front and rear, and 10 feet side setbacks, and an additional 50 foot buffer would be required and no parking structure would be allowed within the buffer area.

Mayor Pratt opened the public hearing at 6:15 p.m.; no one spoke; Mayor Pratt closed the public hearing at 6:15 p.m.

Mr. MacDonald moved for approval of the ordinance on first reading; Mr. Allen seconded the motion and it passed 5-0.

5. ORDINANCES, FIRST READING:

5A. An ordinance amending Chapter 6 "Advertising", Article II "Signs" of the city's Code of Ordinances to revise various definitions and revise the regulations for several types of signs; containing a savings and severability clause; providing for penalties not to exceed \$2,000.00; ordering publication; providing an effective date; and providing other matters related to the subject. Mayor Pratt read the ordinance by title.

Mr. Parton noted the ordinance would address the issue brought up several months ago by the owner of an auto sales lot in the downtown business district (DBD) by eliminating the requirement to include both sides of the street in the DBD. Staff also proposed several clean up changes and recommended approval.

Mr. Conklin moved for approval of the ordinance on first reading; Mr. Allen seconded the motion and it passed 5-0.

5B. An ordinance approving and adopting rate schedule "RRM – Rate Review Mechanism" for Atmos Energy Corporation, Mid-Tex Division to be in force in the city for a period of time as specified in the rate schedule; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; and requiring delivery of this ordinance to the company and ACSC legal counsel. Mayor Pratt read the ordinance by title.

Mr. Hayes noted Kerrville was one of 154 cities served by Atmos, and was a member of the Atmos Cities Steering Committee (ACSC). In 2007 ACSC and Atmos agreed to implement an annual Rate Review Mechanism (RRM) in place of the Gas Reliability Infrastructure Program (GRIP) to review rate increases. The RRM process expired in 2011, and attempts to establish a new agreement had failed; however, a process and tariff was established that would go into effect for the period 2013–2017, and the ACSC and he recommended approval of the ordinance which would establish a new RRM process. He opined that the RRM process had resulted in a more efficient rate review process and lower rate increases for customers. He anticipated that Atmos would be submitting another rate increase in July.

Mr. Allen moved for approval of the ordinance on first reading; Mr. Conklin seconded the motion and it passed 5-0.

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Pending legislation from the 83rd Texas Legislature, regular session.

Mr. Parton updated the council on the progress of several bills and proposed council direction on four additional bills regarding a municipality's authority to: 1) adopt specific types of ordinances (recommend oppose); 2) regulate a business or occupational license holder (oppose); 3) further restrict or prohibit city's ability to issue licenses, particularly as they pertain to contractors' licenses (oppose); and 4) application of foreign laws and foreign forum selection in certain family law proceedings (no staff recommendation). The consensus of the council was to oppose these four bills.

Council also discussed SB1612 which would give municipalities the authority to place their own infrastructure and provide water service to areas within their city limits but served by investor-owned utility companies. The consensus of the council was to support SB1612.

7. INFORMATION AND DISCUSSION

7A. Request from Kerr County Commissioner's Court for Fire Services/EMS from the City of Kerrville.

Mr. Parton noted the city received a letter from the county Judge dated February 19 requesting the city extend the current interlocal agreement for fire and EMS into the county for an additional 10 year period. On February 26 the city council considered the county's letter and appointed Jack Pratt and Stacie Keeble to communicate with the county for the purpose of discussing the extension of the

interlocal agreement. The city presented a draft agreement and spreadsheet of the city's projected costs over the 10 year period to county representatives, and no response had been received. He advised that on May 6 the county sent a letter requesting that the city council vote on their February 19 offer.

The consensus of the council was to reaffirm its position by stating that the city council had not deviated from its previous decision to appoint Jack Pratt and Stacie Keeble, who were ready to continue working with the county when any proposal is received in the future.

7B. Water resources report.

Mr. Hastings reported that even though 3.83 inches of rainfall was received in the past three months, Kerrville continued to be in extreme drought. The river had spiked to 68-70, but then dropped to 25 cfs. The city was in Stage 1 water restrictions, but he anticipated going to Stage 2 in June. He estimated 770 MG stored in the ASR.

7C. Economic update.

Mr. Erwin reported the state sales tax was up an average of 3.9% and the city of Kerrville's was up 12%, and local HOT was up 3.4% over the same period in 2012. Revenues continued to exceed expenditures in the general fund and in the water and sewer fund.

Council requested a comparison of the jobs that come into Texas from other states as compared to in state jobs.

8. ITEMS FOR FUTURE AGENDAS: None.

9. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- May 15, 9:00 a.m. ceremony at the police station to honor fallen law enforcement officers.
- May 17-19 Kerrfest.
- May 21, 10 a.m., ceremony to canvass city election.
- May 24 Trades Day at the courthouse.
- May 25-26 Kerrville Folk Festival and Texas Arts and Crafts Festival; shuttle service to these events will run from the city's parking garage.
- Council congratulated Carson Conklin and Stacie Keeble on being re-elected.

10. EXECUTIVE SESSION:

Mr. Conklin moved for the city council to go into executive closed session under Sections 551.071 and 551.072 of the Texas Government Code; the motion was seconded by Mr. MacDonald and passed 5-0 to discuss the following matters: Sections 551.071 and 551.072:

Discuss the purchase, exchange, lease, sale, or value of real property, the public discussion of which would not be in the best interests of the city's bargaining position with third parties, regarding property interests related to the following:

- 715 Water Street, former city business programs office.
- River Trail.

At 6:40 p.m. the regular meeting recessed and council went into executive closed session at 6:41p.m. At 7:02 p.m. the executive closed session recessed and council returned to open session at 7:03 p.m. The mayor announced that no action had been taken in executive session.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:

River trail.

Mr. Conklin moved to authorize staff to enter into a contract for the sale of property with James McElvain; Mr. MacDonald seconded the motion and it passed 4-0-1 with Members Conklin, MacDonald, Allen, and Pratt voting in favor of the motion; no one voted against the motion; and Ms. Keeble abstained.

715 Water Street, former city business programs office.

Mr. Allen moved to authorize staff to initiate the process for the sale of city property at 715 Water Street; Mr. Conklin seconded the motion and it passed 5-0.

ADJOURNMENT. The meeting adjourned at 7:05 p.m.

APPROVED: _____

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
OF A SPECIAL MEETING

KERRVILLE, TEXAS
MAY 21, 2013

On May 21, 2013, 10:00 a.m. the Kerrville City Council special meeting was called to order by Mayor Pratt in the city hall council chambers, 800 Junction Highway. The Reverend Bob Allen of the First United Methodist Church offered the invocation, followed by the Pledge of Allegiance to the Flag led by Maria Martinez, United States Marine Corps, Retired.

MEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Carson Conklin	Councilmember
Justin MacDonald	Councilmember

MEMBER ABSENT:

Gene Allen	Councilmember
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CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Brenda G. Craig	City Secretary
Mike Erwin	Director of Finance
Sandra Yarbrough	Assistant Director of Finance
Robert Ojeda	Fire Chief
Charlie Hastings	Director of Public Works
Kim Meismer	Director of General Operations
John Young	Police Chief
Mary Reyes	Executive Secretary to Administration

VISITORS PRESENT: List on file in city secretary's office for required retention period.

1. OFFICIAL CANVASS OF VOTES. Mayor Pratt opened the canvass envelop and read the results of the General Election held on May 11, 2013:

There were 985 votes cast with the following results:

Councilmember Place One:

Carson Conklin	805
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Councilmember Place Two:

Stacie Keeble	848
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Write-In Candidate:

Bryan Forrest Demaree	24
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Mr. MacDonald moved to accept the canvass report; Mr. Pratt seconded the motion and it passed 4-0.

2. RESOLUTION NO. 17-2013, CANVASSING THE RETURNS AND DECLARING THE RESULTS OF THE MAY 11, 2013, CITY GENERAL ELECTION
UNA RESOLUCIÓN DE ENUESTA SOBRE LAS ELECCIONES, DECLARANDO LOS RESULTADOS DEL 11 DE MAYO, 2013, DE LA ELECCIÓN GENERAL MUNICIPAL

Mayor Pratt read the resolution in its entirety.

Mr. MacDonald moved for approval of Resolution No. 17-2013; Mr. Pratt seconded the motion and it passed 4-0.

3. OATHS OF OFFICE GIVEN BY KERR COUNTY JUDGE PAT TINLEY:

Oaths of Office were issued by Kerr County Judge Pat Tinley to the following:

- Councilmember Place One: Carson Conklin
- Councilmember Place Two: Stacie Keeble

4. CERTIFICATES OF ELECTION SIGNED AND ISSUED BY MAYOR PRATT:

Certificates of Election were signed and issued by Mayor Pratt to the following:

- Councilmember Place One: Carson Conklin
- Councilmember Place Two: Stacie Keeble

5. STATEMENTS BY NEWLY-ELECTED COUNCILMEMBERS:

Statements were made by the newly-elected members of the city council:

- Councilmember Place One: Carson Conklin
- Councilmember Place Two: Stacie Keeble

Adjournment: The meeting adjourned at 10:15 a.m.

APPROVED: _____

ATTEST:

Jack Pratt, Jr., Mayor

Brenda G. Craig, City Secretary

Agenda Item:

2B. Consulting Agreement by and between Gallagher Benefit Services, Inc., a Delaware Corporation, and City of Kerrville for employee benefit services for the period June 1, 2013, through May 31, 2014. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Approval of the contract with the employee benefit-consulting firm of Gallagher Benefit Services, Inc. for the period of June 1, 2013 – May 31, 2014.

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 16, 2013

SUBMITTED BY: Kimberly Meisner, **CLEARANCES:** Todd Parton, City Manager
Director of General Operations

EXHIBITS: Consulting Agreement

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$30,000	\$	\$30,000	870

(Fees are a part of the Group Insurance line item and are spread among all departments.)

PAYMENT TO BE MADE TO: Gallagher Benefit Services, Inc.

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

City-County Benefits Services (C-CBS) has been the benefit consultant for the City of Kerrville since June 1, 2007. Coordinated efforts between city staff and C-CBS have saved the city over \$1,100,000 since that time. In 2012, C-CBS was acquired by Gallagher Benefit Services, Inc. All services and staff remain the same.

The annual fee paid for benefit consulting services had remained constant since 2007. In FY2011, C-CBS reduced their fee 10% from \$33,000 to \$30,000. They honored that reduction in FY2012, FY2013, and are offering the same rate of \$30,000 for FY2014 through Gallagher Benefit Services, Inc.

We are preparing for a very active group benefits agenda for the FY2014 budget year. We have entered into an Invitation to Bid process for all benefits including health, dental, vision, life, and disability having advertised the process on May 22, 2013 with a deadline for proposal submission of June 18, 2013.

RECOMMENDED ACTION

Staff recommends Council approve the contract with the employee benefit-consulting firm of Gallagher Benefit Services, Inc. for the period June 1, 2013 – May 31, 2014 in the amount of \$30,000.

CONSULTING AGREEMENT

This Consulting Agreement (this "Agreement") is made by and between Gallagher Benefit Services, Inc., a Delaware corporation ("GBS"), and City of Kerrville (the "Client").

The Client wishes to enter into a consulting relationship with GBS with the terms and conditions set forth in this Agreement, and GBS is willing to accept such a consulting relationship.

In consideration of and in reliance upon the previous paragraph and the terms and conditions contained in this Agreement, the Client and GBS agree as follows:

1. Engagement

The Client engages GBS as an employee benefits consultant as stated in this Agreement and GBS accepts this engagement. During the time that GBS is performing services for the Client under this Agreement, and for all purposes outlined in this document, GBS' status will be that of an independent contractor of the Client.

2. Term and Termination

The Effective Date of this Agreement is June 01, 2013. The term of GBS' engagement under this Agreement (the "Consulting Period") will begin as of the Effective Date and will remain in effect for one (1) year from the Effective Date. **The Consulting Period will be automatically extended for an additional year on each anniversary of the Effective Date.** Either party may terminate this Agreement by giving the other party at least thirty (30) days written notice of its intent to terminate.

3. Services

GBS will provide employee benefits management consulting services to the Client and consult with its employees, representatives, agents and contractors as to such matters as more fully described in Exhibit A attached to this Agreement and incorporated herein. GBS will perform other services as the Client and GBS mutually agree in writing.

4. Compensation

Subject to any changes as may be mutually agreed by the parties, GBS will receive, as compensation for its services under this Agreement, fees in the amount of \$30,000.00 per year, which amount will be billed in equal installments of \$2,500.00 and paid on a monthly basis.

For additional information regarding GBS compensation, please see our revenue disclosure policy and schedule set forth in Exhibit B.

In the event an insurance company cancels or refuses to renew an insurance coverage that had been placed by GBS, on behalf of the Client, GBS will use its best efforts to obtain appropriate replacement coverage from another insurance company.

5. *Performance and Scope*

(a) GBS Not a Fiduciary Under ERISA. To the extent that one or more of the Client's employee benefit plans are subject to the Employee Retirement Income Security Act, as amended (ERISA) and in spite of any other provision of this Agreement to the contrary, the parties agree and acknowledge that:

(i) GBS' services under this Agreement are not intended in any way to impose on GBS or any of its affiliates a fiduciary status under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") ; and

(ii) this Agreement does not provide GBS, and the Client will not cause or permit GBS to assume, without prior written consent of GBS, any:

(A) discretionary authority or discretionary control respecting management of any "employee benefit plan" within the meaning of Section 3(3) of ERISA (an "ERISA Plan"),

(B) authority or control respecting management or disposition of the assets of any ERISA Plan, or

(C) discretionary authority or discretionary responsibility in the administration of any ERISA Plan.

(b) Reliance. In the performance of its duties, GBS may rely upon, and will have no obligation to independently verify the accuracy, completeness, or authenticity of, any written instructions or information provided to GBS by the Client or its designated representatives and reasonably believed by GBS to be genuine and authorized by the Client.

(c) No Practice of Law. GBS will not be obligated to perform, and the Client will not request performance of, any services which may constitute unauthorized practice of law. The Client will be solely responsible for obtaining any legal advice, review or opinion as may be necessary to ensure that its own conduct and operations, including the engagement of GBS under the scope and terms as provided herein, conform in all respects with applicable State and Federal laws and regulations (including ERISA, the Internal Revenue Code, State and securities laws and implementing regulations) and, to the extent that the Client has foreign operations, any applicable foreign laws and regulations.

(d) Subcontractors. GBS may cause another person or entity, as a subcontractor of GBS, to provide some of the services required to be performed by GBS hereunder.

(e) Conflict of Interest. GBS' engagement under this Agreement will not prevent it from taking similar engagements with other clients who may be competitors of the Client. GBS will, nevertheless, exercise care and diligence to prevent any actions or conditions which could result in a conflict with Client's best interest.

(f) Acknowledgements. In connection with GBS' services under this Agreement, Client agrees that:

(i) Although GBS will apply its professional judgment to access those insurance companies it believes are best suited to insure the Client's risks, there can be no assurance that the insurance companies GBS has accessed are the only or are the best suited ones to insure the Client's risks.

(ii) Any compensation of the types described above and disclosed to it does not constitute a conflict of interest and the Client expressly waives any claims alleging any such conflict of interest.

(iii) The final decision to choose any insurance company has been made by the Client in its sole and absolute discretion. The Client understands and agrees that GBS does not take risk, and that GBS does not guarantee the financial solvency or security of any insurance company.

(iv) The compensation payable to GBS is solely for the services set forth under this Agreement, including Exhibit A. Any additional administrative, claims representative or other services (collectively, "Additional Services") will be governed by the terms of a separate agreement covering the Additional Services.

(v) The Client is responsible for immediate payment of GBS' fees (if applicable) and payment of premiums for all insurance placed by GBS on Client's behalf. If any amount is not paid in full when due, including premium payments to insurance companies, that nonpayment will constitute a material breach of this Agreement that will allow GBS to immediately terminate this Agreement, at its option, without notice to the Client, and may allow an insurance company for the Client's risks to cancel any applicable policies in accordance with the terms of such policies.

6. *Confidentiality*

(a) Client Information. GBS recognizes that certain confidential information may be furnished by the Client to GBS in connection with its services pursuant to this Agreement ("Confidential Information"). GBS agrees that it will disclose Confidential Information only to those who, in GBS' reasonable determination, have a need to know such information. Confidential Information will not include information that (i) is in the possession of GBS prior to its receipt of such information from the Client, (ii) is or becomes publicly available other than as a result of a breach of this Agreement by GBS, or (iii) is or can be independently acquired or developed by GBS without violating any of its obligations under this Agreement. However, disclosure by GBS of any Confidential Information pursuant to the terms of a valid and effective subpoena or order issued by a court of competent jurisdiction, judicial or administrative agency or by a legislative body or committee will not constitute a violation of this Agreement.

(b) HIPAA Privacy. In spite of Sections 6(a) above, GBS and the Client will each comply with any prohibitions, restrictions, limitations, conditions, or other requirements to the extent they apply to them directly or indirectly pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its implementing regulation concerning privacy of individually identifiable health information as set forth in 45 CFR Parts 160-164, as amended from time to time. Where required, the Client, as a representative of the health plans and GBS will enter into a separate Business Associate Agreement.

(c) Use of Names; Public Announcements. No party will use, in any commercial manner, the names, logos, trademarks or other intellectual property of the other party without its prior written consent. Except as may be required by law, no party will issue any press releases or make any public announcements of any kind regarding the relationship between the parties without the other party's prior consent.

7. *Indemnification Rights and Limitation of Liability*

(a) Indemnification. To the extent permitted by law, each party ("Indemnifying Party") will promptly defend, indemnify and hold the other party ("Indemnified Party") harmless from and against any and all claims, suits, actions, liabilities, losses, expenses or damages which the Indemnified Party may incur as a result of any violation by the Indemnifying Party of any law, or any loss or expense to the Indemnified Party caused by the misrepresentation, negligent act or omission, or any breach of any of the Indemnifying Party's obligations under this Agreement.

(b) Limitation of Liability. Notwithstanding any other term or provision of this Agreement, each party shall only be liable for actual damages incurred by the other party, and shall not be liable for any indirect, consequential or punitive damages. Furthermore, the aggregate liability under this Agreement, if any, of either party to the other for claimed losses or damages shall not exceed \$20,000,000. This provision applies to the fullest extent permitted by applicable law.

8. *Notices*

Any notices, requests and other communications pursuant to this Agreement will be in writing and will be deemed to have been duly given, if delivered in person or by courier or sent by express, registered or certified mail, postage prepaid, addressed as follows:

If to the Client: City of Kerrville
Attention: Kimberly Meisner
701 Main St.
Kerrville, TX 78028-5069

If to GBS: Gallagher Benefit Services, Inc.
Attention: Robert J. Treacy
245 Commerce Green Blvd., Suite 290
Sugar Land, Texas 77478

Either party may, by written notice to the other, change the address to which notices to such party are to be delivered or mailed.

9. *Miscellaneous*

(a) Severability. The various provisions and subprovisions of this Agreement are severable and if any provision or subprovision or part thereof is held to be unenforceable by any court of competent jurisdiction, then such enforceability will not affect the validity or enforceability of the remaining provisions or subprovisions or parts thereof in this Agreement.

(b) Entire Agreement; Amendment. This Agreement, including all exhibits hereto, constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether oral or written, between the parties regarding the subject matter hereof. This Agreement may be modified or amended only by a written instrument executed by both parties.

(c) Governing Law; Rule of Construction. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of Texas without giving effect to the choice of law principles thereof or any canon, custom or rule of law requiring construction against the drafter.

(d) Successors. This Agreement shall be binding upon and shall inure to the benefit of all assigns, transferees and successors in the interest of the parties hereto.

(e) Counterparts. This Agreement may be executed by the parties in several counterparts, each of which shall be deemed to be an original copy.

(f) Survival of Provisions. Sections 2, 4, 6 and 7 will survive the termination of this Agreement.

**[The remainder of this page intentionally left blank.
The parties' signatures appear on the following page.]**

IN WITNESS WHEREOF, the parties hereto have caused this Consulting Agreement to be duly executed on the date first written above.

APPROVED AS TO FORM:



Heather Stebbins
Assistant City Attorney

CITY OF KERRVILLE

By: _____
Name: _____
Title: _____

ATTEST:

Brenda G. Craig
City Secretary

GALLAGHER BENEFIT SERVICES, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A

SCOPE OF SERVICES

Subject to any changes and additions as may be mutually agreed by the parties in writing, availability and delivery of data from the insurance carrier and other third party vendors, GBS will provide the following services:

CONSULTING SERVICES PROVIDED ON AN "AS NEEDED" BASIS

(Check services that apply.)

☒ **RENEWAL ANALYSIS:**

- Review and evaluate carrier projections
- Prepare "shadow" renewal projection
- Create financial modeling reports using proprietary Apex software
- Coordinate carrier negotiations
- Create employee contribution modeling reports
- Review identified benchmarks of projected plan costs
- Develop "working" rates for Client analysis and approval
- Assist with budget projections
- Provide renewal alternatives with cost impact of benefit plan changes

☒ **PERIODIC PLAN FINANCIAL REPORTS: (FREQUENCY TO BE MUTUALLY AGREED UPON)**

- Summary of plan costs
- Analysis of actual vs. budget
- Employee contributions
- Large claims tracking
- Identification of costs for specific line of coverage
- Comparison of plan costs to aggregate stop-loss projections, if applicable
- Utilization review
- Comparison to prior claim period
- Plan trends

☒ **ANNUAL FINANCIAL REPORTS (END OF YEAR ACCOUNTING):**

- Executive summary of program expenses
- Comparison of current costs to renewal costs
- Incurred But Not Reported (IBNR) claims analysis
- Overview of specific Stop-loss projections
- Future plan costs projections
- Dollars saved by contract negotiation
- Percent of benefit dollars paid by employee
- Claims by size
- Physician visit details
- Benefits paid by type of service
- Plan funding/budget comparison
- Fixed expense comparison

☒ **LEGISLATIVE AND CORPORATE COMPLIANCE SUPPORT:**

- Provide legislative updates, including Technical Bulletins and Directions newsletters
- Evaluate plan design to assist with compliance with state and federal regulations
- Review benefit plan documents, including summary plan descriptions, contracts, employee summaries, and policies/procedures
- Conduct periodic seminars on regulatory issues
- Assist with the review and evaluation of COBRA and HIPAA compliance procedures
- Provide general information and guidance to assist with compliance with ERISA, FMLA, USERRA, Medicare Part D and other Federal legislation that directly affects the administration of plan benefits
- Provide template or sample compliance notices, certificates of creditable coverage and enrollment forms as reasonably requested by Client

☒ **CARRIER MARKETING AND NEGOTIATIONS, AS DIRECTED BY CLIENT:**

- Work with Client to develop a strategy to identify goals, analyze program costs and review both current and alternative funding arrangements
- Manage the renewal process with the current carrier to control costs
- Implement carrier renewal strategies with Client
- Develop timeline covering every aspect from RFP preparation to the delivery of employee communications
- Provide analysis of employee disruption report and preparation of geo-access report
- Provide analysis of discounts offered by various carriers by using CPT codes and carrier pricing data
- Manage RFP development that tailors the RFP to the desires, needs and financial directions provided by Client
- Explore alternative funding solutions
- Evaluate vendor responses to track variations in coverage and costs as they are identified
- Conduct finalist interviews to investigate and document intangibles such as personalities, service orientation and responsiveness
- Draft renewal analysis report, based on renewal negotiation, covers program and claims cost projections as well as complete information on benefit designs
- Facilitate decision process by coordinating close collaboration and discussions among the GBS team and Client

☒ **DAY TO DAY ADMINISTRATIVE ASSISTANCE:**

☒ **COMMUNICATION MATERIALS:**

- Assist with the drafting and distribution of participant Satisfaction Surveys
- Assist with the drafting and distribution of Open Enrollment-New Member Orientation summary information and any other communications pertaining to the health and welfare program
- Provide annual open enrollment guidance and employee meeting materials
- Assist with marketing and oversight of Customized Enrollment Materials (if elected)
- Assist with participant wellness initiatives, as directed by Client

☒ **BENEFIT ADMINISTRATION ASSESSMENT:**

- Periodic evaluation of internal plan enrollment and benefit termination processes
- Review, coordinate and implement Client agreed upon plan "best practices" to help limit plan liability and increase participant satisfaction
- Help identify opportunities for streamlining and improving administration procedures

☒ **MARKET BENCHMARKING STUDIES:**

- Local Area Surveys
- Industry Surveys

☒ **MERGER AND ACQUISITION:**

- Project of claim liability and cost implications of active employee health welfare benefits plan integration or consolidation, as requested by Client
- Provide coverage comparison analysis and recommendations as to plan design, carrier selections and funding mechanisms
- Provide disruption analysis reports
- Assist with employee meetings to introduce integrated program(s) or plan changes

☒ **BENEFIT PLAN DESIGN (OR REDESIGN):**

- Help Client identify business and HR objectives that impact benefits
- Review with Client possible benefit strategies to meet their objectives
- Help Client evaluate/review current scope of benefits package – e.g., types & levels of coverage
- Work with Client to develop funding and contribution strategies
- Assist with budget projections for design alternatives

EXHIBIT B COMPENSATION DISCLOSURE STATEMENT

What follows is the disclosure of our actual fees and/or commissions related to Client's Group Health Plan(s) and any relationships, or agreements GBS has with the insurance company involved in this transaction. GBS as agent of record, will receive the following initial and renewal sale commissions expressed as percentage of gross premium payments, or fees as agreed upon by Client:

Line of Coverage	Insurance Company	Effective Date	Commission ¹ / Supplemental Compensation ²	Direct Fees ³	Wholesaler, MGU, or Intermediary	Owned by AJG/GBS
Consulting Fees	N/A	06/01/2013		30,000.00	N/A	Yes
Medical	UHC	09/01/2012	0%/\$0 to \$18.72 PEPY		N/A	No
Dental	UHC	09/01/2012	0% to 6% Premium		N/A	No
Life/AD&D	Lincoln	09/01/2012	0%/0% to 4.75%		N/A	No

It should also be noted that:

- **GBS** is not an affiliate of the insurer whose Contract is recommended. This means the insurer whose contract is recommended does not directly or indirectly have the power to exercise a controlling influence over the management or policies of **GBS**.
- **GBS'** ability to recommend other insurance contracts is not limited by an agreement with the Insurance Carrier.
- **GBS** is effecting the transaction for the Plan(s) in the ordinary course of **GBS business**.
- The transaction set forth is at least as favorable to the Plan(s) as an arm's length transaction with an unrelated party.
- **GBS** is not a trustee of the Plan(s) and is neither the Plan Administrator of the Plan(s), a fiduciary of the Plan(s), nor an employer which has employees in the Plan(s).

For Employers and Plan Sponsors Subject to ERISA: This Disclosure Statement is being given to the Client (1) to make sure Client knows about GBS' and GBS affiliates' income before purchasing the insurance product and (2) for plans subject to ERISA, to comply with the disclosure, acknowledgment and approval requirement of Prohibited Transaction Class Exemption No. 84-24⁴, which protects both Client and GBS⁵. Disclosure must be made to an independent plan fiduciary for the ERISA Plan(s), and Client acknowledges and confirms that this is a reasonable transaction in the best interest of participants in its ERISA Plan(s).

For more information on Gallagher's compensation arrangements, please visit www.ajg.com/compensation. In the event a client wishes to register a formal complaint regarding compensation Gallagher receives, please send an email to Compensation_Complaints@ajg.com or send a letter to: AVC Compliance Officer, c/o Internal Audit Department, Arthur J. Gallagher & Co., Two Pierce Place, Itasca, IL 60143.

¹ Commissions include all commissions/fees paid to GBS that are attributable to a contract or policy between a plan and an insurance company, or insurance service. This includes indirect fees that are paid to GBS paid by a third party, and includes, among other things, the payment of "finders' fees" or other fees to GBS for a transaction or service involving the plan.

² Gallagher companies may receive supplemental compensation referred to in a variety of terms and definitions, such as contingent commissions, additional commissions and supplemental commission.

³ Direct Fees include compensation to GBS paid for directly by the plan sponsor.

⁴ Which allows an exemption from a prohibited transaction under Section 408(a) of the Employee Retirement Income Security Act of 1974 (ERISA).

⁵ In making these disclosures, no position is taken, nor is one to be inferred, regarding the use of assets of a plan subject to ERISA to purchase such insurance.

Agenda Item:

2C. Construction contract with S.J. Louis Construction of Texas Ltd. for construction of the G Street interceptor project in the amount of \$1,659,808.62, and authority to approve additional change orders, if any, any one of which may exceed \$50,000 but the total amount for such may not exceed the budgeted amount of \$1,908,780.62. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

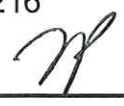
SUBJECT: Council authorization for the City Manager to execute a construction contract with S.J. Louis Construction of Texas Ltd for the construction of the G Street Interceptor project in the amount of \$1,659,808.62 and authorize the City Manager to execute additional change orders which may exceed \$50,000 but not exceed the total contract amount of \$1,908,780.62.

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 15, 2013

SUBMITTED BY: Dieter Werner **CLEARANCES:** Kristine Ondrias
Director of Engineering Assistant City Manager

EXHIBITS: Bid Tabulation, Recommendation from Design Engineer

PAYMENT TO BE MADE TO: S.J. Louis Construction of Texas Ltd.
9862 Lorene St., Suite 200
San Antonio, TX 78216

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$1,709,808.62	\$2,089,003.63	\$2,360,900.00	W98

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

The G Street Interceptor and Gravity Main project was identified in the 2008 Water & Wastewater Master Plan to relieve the Legion Lift Station and to decommission the G Street Lift Station. The plan calls for new gravity sewer mains/interceptors to be constructed so that flows can be conveyed from the G Street Basin to the new Birkdale Lift Station that is currently under construction & slated for introduction to the system this year (2013). The new 27" diameter gravity main will begin at the existing G Street lift station and proceed approximately 8,100 linear feet to the southeast along the south side of the Guadalupe River and terminate at the new Birkdale lift station. Completion of this project , along with the decommission of the existing G Street lift station, will allow flows from the G Street basin to be directed to the proposed Birkdale lift station instead of going to the Legion lift station, as it does currently The proposed gravity sewer will be constructed with varying depths up to 30' deep.

On April 2, 2013, seven (7) bids were opened and the apparent low bidder was S.J. Louis Construction of Texas Ltd. S.J. Louis's bid was \$1,659,808.62. Staff recommends authorizing additional contingency funds of 15% or \$248,972.00 for the City Manager to execute change orders which may be necessary during construction.

RECOMMENDED ACTION

The Director of Engineering recommends the City Council authorize the City Manager to execute a construction contract with S.J. Louis Construction of Texas Ltd for the construction of the G Street Interceptor project in the amount of \$1,659,808.62 and authorize the City Manager to execute additional change orders which may exceed \$50,000 but not exceed the total contract amount of \$1,908,780.62.



engineers | architects | contractors

SOLUTIONS TODAY WITH
A VISION FOR TOMORROW

April 9, 2013

Dieter Werner, P.E., CFM
Director of Engineering and Planning
City of Kerrville, Texas
200 Sidney Baker St. North
Kerrville, TX 78028

Regarding: *G-Street Interceptor Project*
Public Works No. PW11-014
Construction Contract Award Recommendation

Dear Mr. Werner:

We have evaluated the apparent low bid received on April 2, 2013 for the above referenced project. The project consists of construction of approximately 8,100 linear feet of 27-inch diameter gravity sewer main and associated manholes, tie-ins and appurtenances in the City of Kerrville, Texas. There were no discrepancies found in the Bid Proposal submitted by the apparent low bidder. The apparent low bid was submitted by S.J. Louis Construction of Texas, LTD. of San Antonio, Texas.

An evaluation of S.J. Louis Construction of Texas, LTD. was performed based on their submitted project references and record of experience. Four of the references listed by S.J. Louis Construction in their supporting documentation were able to be contacted. These references included Donald Lange formerly with Black & Veatch, Sam Maldonado formerly with JE Saenz & Associates, David Stejskal with CH2M Hill and Tarlton Smith with Freese and Nichols. All of these references gave S.J. Louis Construction favorable reviews. Reference review forms for the individuals contacted are attached for your files.

Based on the information received from the references contacted, it is our opinion that S.J. Louis Construction of Texas, LTD has demonstrated with their previous work experience the capability of performing the quality of work required for this project. Therefore, based on reference responses and previous work history, we recommend award of the contract to the low bidder, S.J. Louis Construction of Texas, LTD. for the Base Bid in the total bid amount of \$1,659,808.62.

If you have any questions or need additional information, please feel free to contact me at (210) 822-2232.

Sincerely,
LNV, Inc.
TBPE Firm No. F-366


Jeffrey E. Reck, P.E.
Project Manager



4-9-2013

Phone Log
Prime Contractor Reference Check
G-Street Interceptor Project for City of Kerrville, Texas

Contractor Name: S.J. Louis Construction of Texas, Ltd.

Date/Time of Phone Call: April 8, 2013/ 10:15AM

Reference Project Name: Eastern Watershed Sewer Relief Line

Owner/Business Name: San Antonio Water System

Contact Person: Donald Lange (Projected was completed with Black & Veatch; Mr. Lange is the Engineer of Record for the project but is now with Brown & Gay Engineers in Dallas)

Phone Number: (210) 249-8858

Construction Costs: \$ 24,207,410.24

Project consisted of 1,544 LF of 8"-24" PVC sewer main, 15,840 LF of 48-84" fiberglass sewer main at depths exceeding 25'.

1. Was project completed on time and within budget?

Yes, I believe the project was completed on time.

2. Any change orders on the project? Were they contractor driven or owner driven?

Yes, a couple but project driven due to field issues.

3. Was contractor cooperative and easy to work with to solve any issues that may have came up?

Yeah they were. SAWS was pleased.

4. Overall Satisfaction? If given opportunity, would you hire this contractor again in the future?

Went very well overall, I would not have a problem working with them again.

Phone Log
Prime Contractor Reference Check
G-Street Interceptor Project for City of Kerrville, Texas

Contractor Name: S.J. Louis Construction of Texas, Ltd.

Date/Time of Phone Call: April 8, 2013/ 11:00AM

Reference Project Name: Wastewater Collection System & Lift Station Phase 1B

Owner/Business Name: City of Pharr, Texas

Contact Person: Sam Maldonado (Projected was completed with JE Saenz & Associates; Mr. Maldonado is now with SAMES, Inc.)

Phone Number: (956) 702-8880

Construction Costs: \$ 9,495,482.00

Project consisted of 15,600 LF of 16" & 20" PVC sewer force main, 9,370 LF of 18" & 36" gravity PVC Sewer at depths exceeding 25'.

1. Was project completed on time and within budget?

Yes, I want to say they were on time and although I was not there when all five phases were finished, I was not aware of any discussions with the City on being overbudget.

2. Any change orders on the project? Were they contractor driven or owner driven?

Yes, there were some change orders but to my recollection they were all added by the City.

3. Was contractor cooperative and easy to work with to solve any issues that may have came up?

Yes, they were cooperative and easy to work with.

4. Overall Satisfaction? If given opportunity, would you hire this contractor again in the future?

I would say they are a good contractor. From my recollection they did a good job for us and I would work with them again.

Phone Log
Prime Contractor Reference Check
G-Street Interceptor Project for City of Kerrville, Texas

Contractor Name: S.J. Louis Construction of Texas, Ltd.

Date/Time of Phone Call: April 8, 2013/ 2:46PM

Reference Project Name: Catoma Wet Weather Improvements Phase 3

Owner/Business Name: City of Montgomery, Alabama

Contact Person: David Stejskal, Project Manager, CH2M Hill

Phone Number: (850) 438-2740 ext 59140

Construction Costs: \$ 22,476,689.00

Project consisted of 33,000 LF of 78" fiberglass gravity sewer, 4,000 LF of 30" DI gravity sewer at depths exceeding 25'.

1. Was project completed on time and within budget?

Yes, it was completed on time and in budget.

2. Any change orders on the project? Were they contractor driven or owner driven?

There were a couple small ones I believe. They were either field driven or owner driven, nothing to be alarmed about.

3. Was contractor cooperative and easy to work with to solve any issues that may have came up?

They were.

4. Overall Satisfaction? If given opportunity, would you hire this contractor again in the future?

I was satisfied with their work and would not have a problem working with them again.

Phone Log
Prime Contractor Reference Check
G-Street Interceptor Project for City of Kerrville, Texas

Contractor Name: S.J. Louis Construction of Texas, Ltd.

Date/Time of Phone Call: April 8, 2013/ 3:15PM

Reference Project Name: Southton Road Emergency Project
Owner/Business Name: San Antonio Water System
Contact Person: Tarlton Smith, Project Manager, Freese and Nichols
Phone Number: (210) 298-3800

Construction Costs: \$ 2,458,450.93

Project consisted 3,746 LF of 48" SS Hobas, 1,086 LF of 30" Hobas, 1,086 LF of 16" SS PVC, 1,115 LF of 18" Air Bypass Line HDPE.

1. Was project completed on time and within budget?

Yes.

2. Any change orders on the project? Were they contractor driven or owner driven?

There were some change orders, some of it SAWS did not agree with but decided to pay it as it was an emergency job and there were things that SAWS directed them to do and materials bought that we were unaware of. It was more of a disagreement on what the work was valued at between them and SAWS. The overall value of the change orders were not that big, so the project was still completed in my opinion within budget.

3. Was contractor cooperative and easy to work with to solve any issues that may have came up?

Felt like they were a little hard to work with, with unnecessary arguing about covering the trenches at night at the beginning of the project. There was some initial resistance on plating that we felt was clear in the contract documents. This was early on and after that they were fine and it was smooth sailing.

4. Overall Satisfaction? If given opportunity, would you hire this contractor again in the future?

Overall, they will get the job done. I wouldn't have a problem working with them again, I would like to. I've dealt with contractors that are far worse.

Engineering Number : PW11-014

\$2,802,510.00

Agenda Item:

2D. A Resolution No. 18-2013 amending the city's policies and procedures regarding the allocation of hotel occupancy tax revenues. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Resolution amending the City of Kerrville's Policy and Procedures
Regarding the Allocation of Hotel Occupancy Tax Revenues

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 13, 2013

SUBMITTED BY: Mike Erwin **CLEARANCES:** Todd Parton
Director of Finance City Manager

EXHIBITS: Resolution, City's Proposed Allocation of Hotel Occupancy Tax
Revenues Policy

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:
REVIEWED BY THE DIRECTOR OR FINANCE:

SUMMARY STATEMENT

In 2007, the Council approved a policy for the allocation of Hotel Occupancy Tax Revenues. This policy included both funding to the Kerrville Convention and Visitors Bureau and funding for individual 501(c) (3) organizations, with the funding for the 501(c) (3) groups on a set timeline. The recommended changes to the policy provide Council more flexibility to fund different organizations and events throughout the year.

RECOMMENDED ACTION

Staff requests approval of the proposed Allocation of Hotel Occupancy Tax Revenues policy.

POLICIES AND PROCEDURES REGARDING THE ALLOCATION OF HOTEL OCCUPANCY TAX REVENUES

I. PURPOSE

Pursuant to Chapter 351 of the Texas Tax Code, as amended (hereafter referred to as “the Act”), the City of Kerrville, Texas (hereafter referred to as “City”) assesses a hotel occupancy tax on the cost of renting a hotel room at a hotel or motel located in the City's incorporated limits. The expenditure of revenues generated by the City's hotel occupancy tax are limited to the purposes set forth in the Act. The purpose of these policies and procedures is to better define how the City will allocate hotel occupancy tax revenues within the overall limits of the Act.

II. CONVENTION AND VISITORS BUREAU

- A. Section 351.101(a) of the Act outlines seven eligible uses of tax revenue. The first three uses are related to the functions of a Convention and Visitors Bureau and are as follows:
1. The acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers.
 2. The furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants.
 3. Advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity. (Must be at least 15% of the allocation)
- B. In recognition that a Convention and Visitors Bureau may qualify for funding under these three categories, a Convention and Visitor's Bureau will be permitted to apply annually for funding from Hotel Occupancy Tax Revenues and shall be subject to the following requirements. These requirements apply only to a Convention and Visitors Bureau. A Convention and Visitors Bureau shall:
- (1) Annually submit a new application for funding which complies with Section IV of this document and includes a line item budget to be approved by the City Council.
 - (2) Maintain complete and accurate financial records of each expenditure of hotel occupancy tax revenue.
 - (3) Submit financial reports to the City Council not less than quarterly.

- (4) Complete an annual financial audit of expenditures of hotel occupancy tax revenues.
- (5) Ensure that no actions will be taken by the Convention and Visitors Bureau that would jeopardize the City's compliance with any aspect of the Chapter 351 of the Texas Tax Code.

III. GENERAL APPLICANTS (OTHER THAN A CVB)

A. **Eligible Organizations:** Except for applicants making application for seed funding as described below, an applicant must comply with the following minimum requirements at the time of making application to the City for funds pursuant to Section 351.101(a) of the Act:

1. the applicant or the event for which the applicant seeks funding must be located in the City's corporate limits or in sufficiently close proximity to the City's corporate limits as to be reasonably likely to attract tourists, convention delegates, or registrants to the City;
2. the applicant must demonstrate tax exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (26 USC §501(c)(3));
3. the applicant must have been in existence for not less than one year;
- ~~4. the applicant must be able to demonstrate that the funds for which the application is made will not exceed twenty percent (20.0%) of the applicant's annual budgeted revenues;~~
- 5.4. the applicant must be an organization or corporation governed by a board of directors which meets regularly with an adopted set of by-laws and/or corporate charter indicating that among the purposes of the organization are one or more of the purposes described in Section 351.101(a) of the Act;
- 6.5. the applicant must be a legal entity which has the legal capacity to enter contracts and to sue and be sued;
- 7.6. the applicant must demonstrate that it provides programs and/or events open to the appropriate public constituencies;

- 8.7. the applicant must demonstrate that it maintains internal financial controls which will allow proper tracking and accounting of the receipt and expenditure of the hotel occupancy tax revenues received from the City.

B. **New Organizations - Seed Funding:** Applicants seeking seed funding must:

1. demonstrate having obtained or applied to the Internal Revenue Service for tax exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986 (26 USC §501(c)(3));
2. the applicant must be an organization or corporation governed by a board of directors which meets regularly with an adopted set of by-laws and/or corporate charter indicating that among the purposes of the organization are one or more of the purposes described in Section 351.101(a) of the Act;
3. the applicant or the event for which the applicant seeks funding must be located in the City's corporate limits or in sufficiently close proximity to the City's corporate limits as to be reasonably likely to attract tourists, convention delegates, or registrants to the City;
4. ~~the applicant must be able to demonstrate that the funds for which the application is made will not exceed fifty percent (50.0%) of the applicant's annual budgeted revenues for the year the application is made;~~
5. the applicant must demonstrate that it provides programs and/or events open to the appropriate public constituencies;
6. the applicant must be a legal entity which has the legal capacity to enter contracts and to sue and be sued;
7. the applicant must demonstrate that it maintains internal financial controls which will allow proper tracking and accounting of the receipt and expenditure of the hotel occupancy tax revenues received from the City;
8. the applicant must not have previously received funding from the City pursuant to Section 351.101(a) of the Act.

C. **Eligible Use of Funds:**

1. **Generally:** Funds allocated by the City pursuant Section 351.101(a) of the Act may be used only for the purposes outlined therein and should promote an event or organization located within the City's corporate limits or in sufficient proximity to the City's corporate limits as to reasonably

expect that tourists will be encouraged to visit the City and utilize hotels, restaurants, and other businesses located in the City.

2. **Seed Funding:** Seed funding is for the purpose of assisting the creation of a new organization or event which, if successful, will serve as an additional attraction to tourists coming to the City. The uses of seed funds must still be consistent with the general uses of the funds set forth in Paragraph 1, above.

IV. APPLICATION PROCESS

~~A. **Schedule:** Not later than May 1 of each year, the City Manager shall establish a calendar for receiving, reviewing, and acting upon applications for funding pursuant to these policies and procedures for the City's next fiscal year.~~

~~B. **Distribution of Applications:** Not later than May 1 of each year, the City Manager or his designee shall mail applications for funding to all eligible organizations who made application for funds for the two previous fiscal years; even if the organization was not awarded funds during one or both of those fiscal years. In addition, the City Manager or his designee shall issue a press release to the local media announcing the availability of applications for funding in the City Clerk's office.~~

C.A. **Form of Application:** The application for funding shall be on a form approved by the City Manager.

D.B. **Required Information:** In addition to such other information as may be required by the City Manager, the application submitted shall contain or be accompanied by the following information:

1. Official name of the organization making the application;
2. Copy of the letter of determination from the Internal Revenue Service regarding the tax exempt status of the organization pursuant to 26 USC §501(c)(3); provided, however, newly formed organizations applying for seed money for start-up costs which have not yet received of a letter of determination from the Internal Revenue Service must provide documents indicating that application has been made for such determination;
3. Names and addresses of the current officers and directors of the organization;

4. Date of founding of the organization. If the organization is a successor to another organization which was founded earlier, the organization can include the date of founding of the predecessor organization if the applicant organization and its predecessor(s) have been in continuous existence;
5. The name of the official representative authorized to sign contracts on behalf of the organization;
6. Except for newly created organizations applying for seed funding, a copy of the organization's financial statements showing activities for the twelve month period ending in the month prior to the date of application;
7. A detailed description of the intended use of the funds for which application is being made and how that intended use will serve to promote tourism and the hotel and convention industry in the City of Kerrville.

E.C. ~~Failure to Meet Application Deadline: Application for funding received after the deadline established by the City Manager for submitting applications shall not be considered.~~

V. EVALUATION AND AWARD

- A. **Review of Organization Eligibility:** After receipt of an application, the City Manager or his designee shall initially determine if the applicant is an organization eligible to receive funds pursuant to these policies and pursuant to the Act. If based on the information contained in the application the City Manager determines that the applicant is not eligible to receive funds, the City Manager shall return the application to the applicant with a written explanation as to why the organization was determined to be ineligible for receipt of funds. In order to be considered in the current funding cycle, the organization must resubmit the application with the noted deficiencies corrected not later than 10 calendar days after receiving the letter of notification of ineligibility from the City Manager. If the City Manager determines that the organization has not sufficiently corrected the noted deficiencies after resubmission of the application, the organization will not be considered for funding ~~during the current funding cycle.~~
- B. **Council Presentations:** Prior to the allocation of funds, each eligible organization ~~shall~~ may be provided an opportunity to make an oral presentation to the City Council at a regular or special city council meeting in order to:
 1. provide the City Council information regarding the organization and its application for funding; and

2. give the City Council an opportunity to ask questions about the application and the organization.
 3. A time limit will be placed on each presentation by the City Manager in consultation with the City Council, which time limit will be communicated to the organizations prior to the city council meeting.
- C. **Preliminary Allocation of Funds:** Based on its review of the applications, the presentations to the City Council, and such other information as the City Council may request and consider, the City Council will adopt a preliminary allocation of funds. Based upon that preliminary allocation, the City Attorney will prepare contracts to be considered by the City Council prior to making the formal offer of the award of funding to the selected organizations.
- D. **Funding Contract:** After approval of the contract(s) described in Paragraph C, above, the City Manager shall forward to the selected organizations two signature copies of the contract with directions to accept and sign the contracts not later than thirty (30) days after receipt of the contracts. Failure to return two executed copies of the contract within said thirty days shall be deemed a rejection of the offer for funding by the City Council and the offer shall be deemed withdrawn.
- E. **Final Allocation:** In the event additional funds become available for allocation as the result of the rejection of a funding offer by an organization, the City Council may, at its sole discretion, award all or part of such funds to one or more organizations that failed to receive funding as part of the original allocation, or increase the funds allocated to the organizations funded as the result of the preliminary allocation.
- F. **Distribution of Awards:**
1. A Convention and Visitors Bureau will receive ~~1/4~~25% -of the approved allocation quarterly.
 2. All other applicants will ~~be reimbursed quarterly~~receive a one-time check for actual expenditures ~~by providing invoices to the City's finance department.~~
 - a. City staff will verify that the invoices correspond to the purposes for which funding was originally requested.

VI. EVALUATION CRITERIA

- A. **Generally:** The following evaluation criteria is intended to encourage organizations to reach the highest artistic, programmatic, and organizational

POLICIES AND PROCEDURES REGARDING THE ALLOCATION OF HOTEL OCCUPANCY TAX REVENUES

standards. All applications shall be reviewed based on criteria established for each of the following areas:

1. Program quality
2. Visitor appeal
3. Administrative ability

B. **Program Quality:** The following are the general guidelines applicable to the City Council's review of the applicant's program quality:

1. activities are of high quality as perceived by peers, critics, and others, as appropriate;
2. innovative and creative programs;
3. effective use of community resources; and
4. quality of marketing materials used for promotional purposes, and the scope of distribution of those materials (examples should be submitted with the application).

C. **Visitor Appeal:** The following are the general guidelines applicable to the City Council's review of the applicant's visitor appeal:

1. Organization's commitment to attract visitors;
2. verifiable information regarding the organization's ability to attract visitors (attendance statistics should be submitted with the application);
3. hours and days of operation during the year in which the attraction, event or organization is open to the public;
4. number of events and/or programs open to the public (a list of programs and activities should be submitted with the application).

D. **Administrative Ability:** The following are the general guidelines applicable to the City Council's review of the applicant's administrative ability:

1. except for new organizations seeking seed funding, a continuing history of growth, stability and vision;
2. the existence of a long-range and/or short-range plan;

3. a governing board which meets regularly and sets policy for the organization;
4. evidence of ability to deliver services and operate effectively, including qualified staff and volunteers;
5. realistic budget and accurate appropriate financial reports;
6. diverse funding sources, both earned and unearned and both public and private;
7. effective use of available resources;
8. if a previous recipient, demonstrated effective use of hotel occupancy tax revenues in the past and/or effective proposed utilization of future tax funds;
9. community contributions to the organization.

VII. AVAILABLE FUNDING

- A. Funds available for allocation will be equal to any available cash balance plus the projected hotel occupancy tax revenues less any contingency or reserve designated by Council.

VIII. CONTINGENCY RESERVE

- A. A contingency reserve shall be established in order to take advantage of funding opportunities and special projects that may arise from time to time. This contingency reserve requirement will be calculated at the beginning of each funding cycle and will be established by reserving an amount equal to 5% of projected hotel occupancy tax revenues.

IX. CITY OBLIGATION FOR FUNDING

- A. Prior to execution of a funding contract, the City Council is under no obligation to allocate any portion of the City's hotel occupancy tax revenue for any use authorized by Tex. Tax Code §351.101(a). The adoption of these policies and procedures and the acceptance of applications for funding pursuant to these procedures shall at no time be deemed to create any expectation that funds will be allocated to any one or more of the applicants for such funds. Furthermore, an applicant who receives an allocation of funds pursuant to these policies and procedures for one fiscal year shall have no expectation or right to receive funding at any level in any subsequent year. The City Council shall at all times have the final decision regarding the allocation of funds pursuant to these policies and procedures.

POLICIES AND PROCEDURES REGARDING THE ALLOCATION OF HOTEL OCCUPANCY TAX REVENUES

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 18-2013**

**A RESOLUTION AMENDING THE CITY'S POLICIES AND
PROCEDURES REGARDING THE ALLOCATION OF HOTEL
OCCUPANCY TAX REVENUES**

WHEREAS, the City of Kerrville, Texas, assesses and collects a municipal hotel occupancy tax in accordance with Chapter 351 of the Texas Tax Code; and

WHEREAS, on July 28, 1998, the City Council passed Resolution No. 98-197, which adopted policies and procedures regarding the allocation of hotel occupancy tax revenues; and

WHEREAS, the City Council amended said policy by adopting Resolution No. 44-2007; and

WHEREAS, staff recommends amending said policies again to provide City Council with greater flexibility with respect to funding different types of organizations and events throughout the year; and

WHEREAS, City Council finds it necessary and in the best interests of the citizens of Kerrville to amend the *Policies and Procedures Regarding the Hotel Occupancy Tax Revenues* of the City of Kerrville;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

The *Policies and Procedures Regarding the Allocation of Hotel Occupancy Tax Revenues* of the City of Kerrville, as adopted by Resolution No. 44-2007, is amended as set forth in **Exhibit A**.

PASSED AND APPROVED ON this the ____ day of _____, A.D., 2013.

ATTEST:

Jack Pratt, Jr., Mayor

Brenda G. Craig, City Clerk

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

POLICIES AND PROCEDURES REGARDING THE ALLOCATION OF HOTEL OCCUPANCY TAX REVENUES

I. PURPOSE

Pursuant to Chapter 351 of the Texas Tax Code, as amended (hereafter referred to as “the Act”), the City of Kerrville, Texas (hereafter referred to as “City”) assesses a hotel occupancy tax on the cost of renting a hotel room at a hotel or motel located in the City's incorporated limits. The expenditure of revenues generated by the City's hotel occupancy tax are limited to the purposes set forth in the Act. The purpose of these policies and procedures is to better define how the City will allocate hotel occupancy tax revenues within the overall limits of the Act.

II. CONVENTION AND VISITORS BUREAU

- A. Section 351.101(a) of the Act outlines seven eligible uses of tax revenue. The first three uses are related to the functions of a Convention and Visitors Bureau and are as follows:
 - 1. The acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers.
 - 2. The furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants.
 - 3. Advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity. (Must be at least 15% of the allocation)
- B. In recognition that a Convention and Visitors Bureau may qualify for funding under these three categories, a Convention and Visitor's Bureau will be permitted to apply annually for funding from Hotel Occupancy Tax Revenues and shall be subject to the following requirements. These requirements apply only to a Convention and Visitors Bureau. A Convention and Visitors Bureau shall:
 - (1) Annually submit a new application for funding which complies with Section IV of this document and includes a line item budget to be approved by the City Council.
 - (2) Maintain complete and accurate financial records of each expenditure of hotel occupancy tax revenue.
 - (3) Submit financial reports to the City Council not less than quarterly.

- (4) Complete an annual financial audit of expenditures of hotel occupancy tax revenues.
- (5) Ensure that no actions will be taken by the Convention and Visitors Bureau that would jeopardize the City's compliance with any aspect of the Chapter 351 of the Texas Tax Code.

III. GENERAL APPLICANTS (OTHER THAN A CVB)

A. **Eligible Organizations:** Except for applicants making application for seed funding as described below, an applicant must comply with the following minimum requirements at the time of making application to the City for funds pursuant to Section 351.101(a) of the Act:

1. the applicant or the event for which the applicant seeks funding must be located in the City's corporate limits or in sufficiently close proximity to the City's corporate limits as to be reasonably likely to attract tourists, convention delegates, or registrants to the City;
2. the applicant must demonstrate tax exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (26 USC §501(c)(3));
3. the applicant must have been in existence for not less than one year;
4. the applicant must be an organization or corporation governed by a board of directors which meets regularly with an adopted set of by-laws and/or corporate charter indicating that among the purposes of the organization are one or more of the purposes described in Section 351.101(a) of the Act;
5. the applicant must be a legal entity which has the legal capacity to enter contracts and to sue and be sued;
6. the applicant must demonstrate that it provides programs and/or events open to the appropriate public constituencies;
7. the applicant must demonstrate that it maintains internal financial controls which will allow proper tracking and accounting of the receipt and expenditure of the hotel occupancy tax revenues received from the City.

B. **New Organizations - Seed Funding:** Applicants seeking seed funding must:

1. demonstrate having obtained or applied to the Internal Revenue Service for tax exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986 (26 USC §501(c)(3));
2. the applicant must be an organization or corporation governed by a board of directors which meets regularly with an adopted set of by-laws and/or corporate charter indicating that among the purposes of the organization are one or more of the purposes described in Section 351.101(a) of the Act;
3. the applicant or the event for which the applicant seeks funding must be located in the City's corporate limits or in sufficiently close proximity to the City's corporate limits as to be reasonably likely to attract tourists, convention delegates, or registrants to the City;
4. ;
5. the applicant must demonstrate that it provides programs and/or events open to the appropriate public constituencies;
6. the applicant must be a legal entity which has the legal capacity to enter contracts and to sue and be sued;
7. the applicant must demonstrate that it maintains internal financial controls which will allow proper tracking and accounting of the receipt and expenditure of the hotel occupancy tax revenues received from the City;
8. the applicant must not have previously received funding from the City pursuant to Section 351.101(a) of the Act.

C. **Eligible Use of Funds:**

1. **Generally:** Funds allocated by the City pursuant Section 351.101(a) of the Act may be used only for the purposes outlined therein and should promote an event or organization located within the City's corporate limits or in sufficient proximity to the City's corporate limits as to reasonably expect that tourists will be encouraged to visit the City and utilize hotels, restaurants, and other businesses located in the City.
2. **Seed Funding:** Seed funding is for the purpose of assisting the creation of a new organization or event which, if successful, will serve as an additional attraction to tourists coming to the City. The uses of seed funds

must still be consistent with the general uses of the funds set forth in Paragraph 1, above.

IV. APPLICATION PROCESS

- A. **Form of Application:** The application for funding shall be on a form approved by the City Manager.
- B. **Required Information:** In addition to such other information as may be required by the City Manager, the application submitted shall contain or be accompanied by the following information:
 - 1. Official name of the organization making the application;
 - 2. Copy of the letter of determination from the Internal Revenue Service regarding the tax exempt status of the organization pursuant to 26 USC §501(c)(3); provided, however, newly formed organizations applying for seed money for start-up costs which have not yet received of a letter of determination from the Internal Revenue Service must provide documents indicating that application has been made for such determination;
 - 3. Names and addresses of the current officers and directors of the organization;
 - 4. Date of founding of the organization. If the organization is a successor to another organization which was founded earlier, the organization can include the date of founding of the predecessor organization if the applicant organization and its predecessor(s) have been in continuous existence;
 - 5. The name of the official representative authorized to sign contracts on behalf of the organization;
 - 6. Except for newly created organizations applying for seed funding, a copy of the organization's financial statements showing activities for the twelve month period ending in the month prior to the date of application;
 - 7. A detailed description of the intended use of the funds for which application is being made and how that intended use will serve to promote tourism and the hotel and convention industry in the City of Kerrville.
- C. .

V. EVALUATION AND AWARD

- A. **Review of Organization Eligibility:** After receipt of an application, the City Manager or his designee shall initially determine if the applicant is an organization eligible to receive funds pursuant to these policies and pursuant to the Act. If based on the information contained in the application the City Manager determines that the applicant is not eligible to receive funds, the City Manager shall return the application to the applicant with a written explanation as to why the organization was determined to be ineligible for receipt of funds. In order to be considered in the current funding cycle, the organization must resubmit the application with the noted deficiencies corrected not later than 10 calendar days after receiving the letter of notification of ineligibility from the City Manager. If the City Manager determines that the organization has not sufficiently corrected the noted deficiencies after resubmission of the application, the organization will not be considered for funding.
- B. **Council Presentations:** Prior to the allocation of funds, each eligible organization may be provided an opportunity to make an oral presentation to the City Council at a regular or special city council meeting in order to:
1. provide the City Council information regarding the organization and its application for funding; and
 2. give the City Council an opportunity to ask questions about the application and the organization.
 3. A time limit will be placed on each presentation by the City Manager in consultation with the City Council, which time limit will be communicated to the organizations prior to the city council meeting.
- C. **Preliminary Allocation of Funds:** Based on its review of the applications, the presentations to the City Council, and such other information as the City Council may request and consider, the City Council will adopt a preliminary allocation of funds. Based upon that preliminary allocation, the City Attorney will prepare contracts to be considered by the City Council prior to making the formal offer of the award of funding to the selected organizations.
- D. **Funding Contract:** After approval of the contract(s) described in Paragraph C, above, the City Manager shall forward to the selected organizations two signature copies of the contract with directions to accept and sign the contracts not later than thirty (30) days after receipt of the contracts. Failure to return two executed copies of the contract within said thirty days shall be deemed a rejection of the offer for funding by the City Council and the offer shall be deemed withdrawn.

- E. **Final Allocation:** In the event additional funds become available for allocation as the result of the rejection of a funding offer by an organization, the City Council may, at its sole discretion, award all or part of such funds to one or more organizations that failed to receive funding as part of the original allocation, or increase the funds allocated to the organizations funded as the result of the preliminary allocation.
- F. **Distribution of Awards:**
1. A Convention and Visitors Bureau will receive 25% of the approved allocation quarterly.
 2. All other applicants will receive a one-time check for actual expenditures.
 - a. City staff will verify that the invoices correspond to the purposes for which funding was originally requested.

VI. EVALUATION CRITERIA

- A. **Generally:** The following evaluation criteria is intended to encourage organizations to reach the highest artistic, programmatic, and organizational standards. All applications shall be reviewed based on criteria established for each of the following areas:
1. Program quality
 2. Visitor appeal
 3. Administrative ability
- B. **Program Quality:** The following are the general guidelines applicable to the City Council's review of the applicant's program quality:
1. activities are of high quality as perceived by peers, critics, and others, as appropriate;
 2. innovative and creative programs;
 3. effective use of community resources; and
 4. quality of marketing materials used for promotional purposes, and the scope of distribution of those materials (examples should be submitted with the application).

C. **Visitor Appeal:** The following are the general guidelines applicable to the City Council's review of the applicant's visitor appeal:

1. Organization's commitment to attract visitors;
2. verifiable information regarding the organization's ability to attract visitors (attendance statistics should be submitted with the application);
3. hours and days of operation during the year in which the attraction, event or organization is open to the public;
4. number of events and/or programs open to the public (a list of programs and activities should be submitted with the application).

D. **Administrative Ability:** The following are the general guidelines applicable to the City Council's review of the applicant's administrative ability:

1. except for new organizations seeking seed funding, a continuing history of growth, stability and vision;
2. the existence of a long-range and/or short-range plan;
3. a governing board which meets regularly and sets policy for the organization;
4. evidence of ability to deliver services and operate effectively, including qualified staff and volunteers;
5. realistic budget and accurate appropriate financial reports;
6. diverse funding sources, both earned and unearned and both public and private;
7. effective use of available resources;
8. if a previous recipient, demonstrated effective use of hotel occupancy tax revenues in the past and/or effective proposed utilization of future tax funds;
9. community contributions to the organization.

VII. AVAILABLE FUNDING

POLICIES AND PROCEDURES REGARDING THE ALLOCATION OF HOTEL OCCUPANCY TAX REVENUES

- A. Funds available for allocation will be equal to any available cash balance plus the projected hotel occupancy tax revenues less any contingency or reserve designated by Council.

VIII. CONTINGENCY RESERVE

- A. A contingency reserve shall be established in order to take advantage of funding opportunities and special projects that may arise from time to time. This contingency reserve requirement will be calculated at the beginning of each funding cycle and will be established by reserving an amount equal to 5% of projected hotel occupancy tax revenues.

IX. CITY OBLIGATION FOR FUNDING

- A. Prior to execution of a funding contract, the City Council is under no obligation to allocate any portion of the City's hotel occupancy tax revenue for any use authorized by Tex. Tax Code §351.101(a). The adoption of these policies and procedures and the acceptance of applications for funding pursuant to these procedures shall at no time be deemed to create any expectation that funds will be allocated to any one or more of the applicants for such funds. Furthermore, an applicant who receives an allocation of funds pursuant to these policies and procedures for one fiscal year shall have no expectation or right to receive funding at any level in any subsequent year. The City Council shall at all times have the final decision regarding the allocation of funds pursuant to these policies and procedures.

D:\WPdocs\Finance\hotel tax arts funding policy.wpd

Agenda Item:

3A. Annexation and zoning of 0.91 acre tract of land addressed as 2262 Bandera Highway. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Public Hearing, Annexation & Zoning Request – First Public hearing of the requested voluntary annexation and zoning recommendation of S-36 for an approximately 0.91 tract of land, more or less, out of the original Survey No. 148, John A. Southmayde, Abstract No. 288, part of the Clergy E. Hollimon tract, within Kerr County, Texas, and consisting of the property addressed as 2262 Bandera Highway.

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 14, 2013

SUBMITTED BY: Jason Lutz **CLEARANCES:** Kristine Ondrias 

EXHIBITS: Location Map, Petition for Annexation, Annexation & Zoning Request Ordinance

AGENDA MAILED TO: Louis Howard, 1150 Sidney Baker S., Kerrville, Texas 78028

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The annexation request and zoning recommendation is for an approximate 0.91 acre tract out of the John A. Southmayde Survey No. 148, Abstract No. 288, within Kerr County, Texas, and consisting of the property addressed as 2262 Bandera Highway and adjacent to the corporate limits of the City of Kerrville.

City Council accepted the applicant's petition for annexation (resolution 12-2013) on April 9, 2013. The property, owned by Louis Howard, will be utilized as a commercial center with three tenant spaces available for lease. Currently one space has been leased for a Papa John's Pizza franchise, with the remaining lease spaces available for office, retail, restaurant, or other uses permitted by right in the recommended S-36 zoning district.

Given the property's current and proposed uses of office, retail, restaurant, and other similar uses, staff recommends that the zoning district of S-36 be assigned to this property. The property is currently adjacent to an RC (Residential Cluster) zoning district to the west, a PI (Public & Institutional) zoning district to the east, and a low intensity business district (S-36) to the north, across Bandera Highway. According to Art. 11-1-9 (a)(4) of the city's zoning code, the purpose of District S-36 is to allow low intensity business uses that are appropriate for the district's location near the River Hill and Oak Hollow residential

developments.

In order to properly zone the subject area, S-36 was chosen based on allowable uses and the proximity of the same zoning district adjacent to the property. Any other zoning district would not be suitable zoning or would create an area of spot zoning.

The property will be served by existing water and sanitary sewer lines located in the Bandera Highway right of way. No additional public infrastructure will be required to be built or dedicated in order to serve this property.

The Planning & Zoning commission recommended approval of the annexation and zoning classification of S-36, by a vote of 5-0, at their regularly scheduled meeting on May 2, 2013.

At the meeting two property owners officially protested the annexation based on unresolved issues concerning access easements and potential effects to a business located on their property (fireworks stand). Staff did inform the protestors that the easements would be looked at during the preliminary and final platting. The fireworks stand would not be effected by the zoning of the subject area, as the location of the stand would not be taken into the City of Kerrville.

The timeline for the annexation process is as follows:

April 9, 2013

Petition for Annexation accepted by City Council.

May 2, 2013

Public hearing for annexation and recommendation of zoning district S-36 approved by the Planning and Zoning Commission.

May 28, 2013

First public hearing for the request by City Council.

June 11, 2013

Second public hearing for the request by City Council.

July 9, 2013

First ordinance reading by the City Council.

July 23, 2013

Second and final ordinance reading by the City Council.

RECOMMENDED ACTION

1. Open the public hearing and receive comments.
2. No action is to be taken at this time.

Exhibit A Pg. 1

All that certain tract or parcel of land, lying and being situated in the County of Kerr, State of Texas; comprising 0.91 acre, more or less; out of original Survey No. 148, John A. Southmayde, Abstract No. 288; being all that SECOND described conveyance which was conveyed from Bessie L. Hollimon, et. al., to Bessie L. Hollimon, by Partition Deed of record in Volume 165, page 153, of the Deed Records of Kerr County, Texas; which tract is part of that 25.13 acre Third Tract which was conveyed from Susan L. Hollimon to Clergy E. Hollimon, by deed dated June 28, 1949, of record in Volume 86, page 304, of the Deed Records of Kerr County, Texas; subject tract being designated as Tract No. 7 of the Clergy E. Hollimon Subdivision according to plat prepared by Louis Domingues, dated March 5, 1973, which tract is out of Tract No. 6 of the James Hollimon and wife Addition, as described in Volume 44, page 302 to 305, of the Deed Records of Kerr County, Texas; and subject tract being more particularly described by metes and bounds, as follows, to wit:

BEGINNING at an iron stake (steel reinforcing bar) with cap marked Voelkel Surveying in fence line, found marking the south corner of said Bessie L. Hollimon tract, being in the southeast line of said 25.13 acre Clergy E. Hollimon tract, being the east corner of that EIGHTH described conveyance which was conveyed from Bessie L. Hollimon, et. al., to Ima Sue Hollimon Bauer, by said Partition Deed of record in Volume 165, page 153, of the Deed Records of Kerr County, Texas, and being in a northwest line of the Kerrville State Park property, which deed to Bessie L. Hollimon tract, describes the beginning corner as located a distance of 3480.8 feet, a direction of N.45°08'E., from a fence corner marking the south corner of said 25.13 acre Clergy E. Hollimon tract, for a reentrant corner of said Kerrville State Park property;

THENCE with the southeast line of said Bessie L. Hollimon tract, the southeast line of said 25.13 acre Clergy E. Hollimon tract, a northwest line of the Kerrville State Park property, along a fence, a direction of N.45°03'E., for a distance of 249.75 feet [deed- N.45°08'E. 250.0'] to an iron stake (steel reinforcing bar) with cap marked Voelkel Surveying found marking the east corner of said Bessie L. Hollimon tract, being in the southwest right of way line of Texas State Highway No. 173;

THENCE with the northeast line of said Bessie L. Hollimon tract, along the southwest right of way line of said Texas State Highway No. 173, a direction of N.55°57'W., for a distance of 173.60 feet [deed- N.56°02'W. 173.6'] to an iron stake (steel reinforcing bar) with cap marked Voelkel Surveying found marking the north corner of said Bessie L. Hollimon tract, for the east corner of that 0.59 acre Hollimon Cemetery tract, which is part of said James Hollimon and wife Addition, as described in Volume 44, page 302 of the Deed Records of Kerr County, Texas;

THENCE with the northwest line of said Bessie L. Hollimon tract, the southeast line of said 0.59 acre Hollimon Cemetery tract, a direction of S.45°02'W., for a distance of 216.21 feet [deed- S.45°08'W. 216.4'] to an iron stake (steel reinforcing bar) with cap marked Voelkel Surveying found marking the west corner of said Bessie L. Hollimon tract, for the south corner of said 0.59 acre Hollimon Cemetery tract, being in the northeast line of said tract conveyed to Ima Sue Hollimon Bauer;

THENCE with the southwest line of said Bessie L. Hollimon tract, the northeast line of said tract conveyed to Ima Sue Hollimon Bauer, a direction of S.44°49'E., for a distance of 170.36 feet [deed- S.44°52'E. 170.3']

This conveyance is made and accepted SUBJECT TO the following, but only to the extent they are valid and apply to the subject property:

1. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records.

Exhibit A Pg. 2

2. Easements described in Partition Deed dated May 16, 1973, recorded in Volume 165, Page 153, Deed Records of Kerr County, Texas.
3. Easement to Lower Colorado River Authority dated May 18, 1950, recorded in Volume 1, Page 244, Easement Records of Kerr County, Texas.
4. Rights of Ruth E. Hollimon, if any, in and to the land described herein.
5. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.
6. Visible and apparent easements on or across property herein described.

Exhibit B Pg. 3

LEGEND:

P.C. - property corner
S. I.S. - set iron stake
F. I.P. - found iron pipe
cap - Domingues 1713
P.L. - property line
[] - deed information
/ - Volume/page
D.R. - Deed Records
R.P.R. - Real Property
O.P.R. - Official Public
P.R. - Plat Records
P.C. @ S. 1/2" cap
I.S. located 1.6'
N.47°20'E. from a
found 1/2" iron stake

Basis of bearings was derived from True North
observations using G.P.S. (Trimble) R.T.K.
system on December 21, 2010.
All distances are in feet unless stated
otherwise.

The located property lines are one and the same line as those indicated on the
deed. The indicated bearings are as surveyed property line bearings and are
different than the recorded deeds because the bearing on the recorded deeds
were based on compass direction and the indicated plat bearings are based on
Global Positioning System grid north observation.



P.C. @ found stake
with cap marked
"Voelkel Surveying"

Texas State
Highway No. 173

P.C. @ found stake
with cap marked
"Voelkel Surveying"

P.L.- N.55°57'W. 173.60'
[deed- N.56°02'W. 173.6']

P.L.- N.55°57'W. 129.50'
[N.56°02'W. 129.5']

P.L.- S.45°02'W. 216.21' [deed- S.45°08'W. 216.4']

Partition Deed, 165/153, D.R., may have
described a 30' wide easement across the
northwest line of this SECOND tract

0.91 acre

This tract, SECOND, was
conveyed from Bessie L.
Hollimon, et. al., to Bessie L.
Hollimon, by Partition Deed of
record in Volume 165, page
153, of the Deed Records of
Kerr County, Texas.

P.L.- N.45°03'E. 249.75'
[deed- N.45°08'E. 250.0']

0.59 acre

This tract is
labeled as Hollimon
Cemetery tract

P.L.- S.44°53'W. 191.20' [S.45°07'W. 191.3']

Majak Inc. owner this side as indicated on map of Scenic Loop
Estate, Section One, recorded in Volume 4, page 141, of the
Plat Records of Kerr County, Texas.

P.L.- S.44°49'E. 126.59'
[S.44°52'E. 127.0']

P.L.- S.44°49'E. 170.36'
[deed- S.44°52'E. 170.3']

30.5'

found cap marked
"Voelkel Surveying"

P.C. @ S. 1/2" cap
I.S. located 2.4'
N.21°E. from a
fence corner post

P.C. @ found stake
with cap marked
"Voelkel Surveying"

P.C. @ found stake
with cap marked
"Voelkel Surveying"

The tract, EIGHTH, this side was conveyed from Bessie L. Hollimon,
et. al., to Ima Sue Hollimon Bauer, by Partition Deed of record in
Volume 165, page 153, of the Deed Records of Kerr County, Texas.

Kerrville State Park tract
(this side)

30' wide easement described
in Partition Deed Volume
165, page 153, D.R.

I do hereby certify that this map or plat
represents a survey made on the ground.

Charles B. Domingues 03/17/13

Registered Professional Land Surveyor No. 1713
Only those prints containing the raised seal should be
considered official and relied upon by the user.

Domingues & Assoc.

P. O. Box 649
Hunt, TX. 78024-0649
Tel. 830/896 6900
cdomingues@krc.com
Firm No. 100934-00

In The
State of Texas
County of Kerr
Scale 1" = 50 Feet
December 23, 2010
revised January 18, 2011
part of former
Clergy E. Hollimon property

Exhibit B

PETITION REQUESTING ANNEXATION INTO THE CORPORATE LIMITS
OF THE CITY OF KERRVILLE, TEXAS, OF .91 ACRES OUT OF THE
148 John Southmayde Survey, Abstract Number 288, KERR COUNTY TEXAS

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF
KERRVILLE, TEXAS:

Louis Howard is the sole owner of an approximately .91 acre tract of land
located adjacent to the incorporated limits of the City of Kerrville which is out of the
Survey No. 148, Abstract No. 288 Kerr County, Texas, and is more particularly
described as follows:

SEE EXHIBIT "A" (Field Notes) and
EXHIBIT "B" (Survey) attached hereto.

The above-described property is (a) less than one-mile in width, (b) contiguous to the
incorporate limits of the City of Kerrville, Texas, and (c) presently vacant and without
residents or on which fewer than three qualified voters reside.

In accordance with Texas Local Government Code §43.028, Louis Howard hereby
requests and petitions that the above-described property be annexed into the incorporated
limits of the City of Kerrville, Texas.

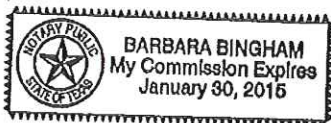
SUBMITTED THIS 19th day of march 2013.

By: Louis Howard
Legally authorized signature

ACKNOWLEDGEMENTS

THE STATE OF TEXAS §
 §
COUNTY OF KERR §

This instrument was acknowledged before me on the 19th day of march, 2013,
for and on behalf of Louis Howard

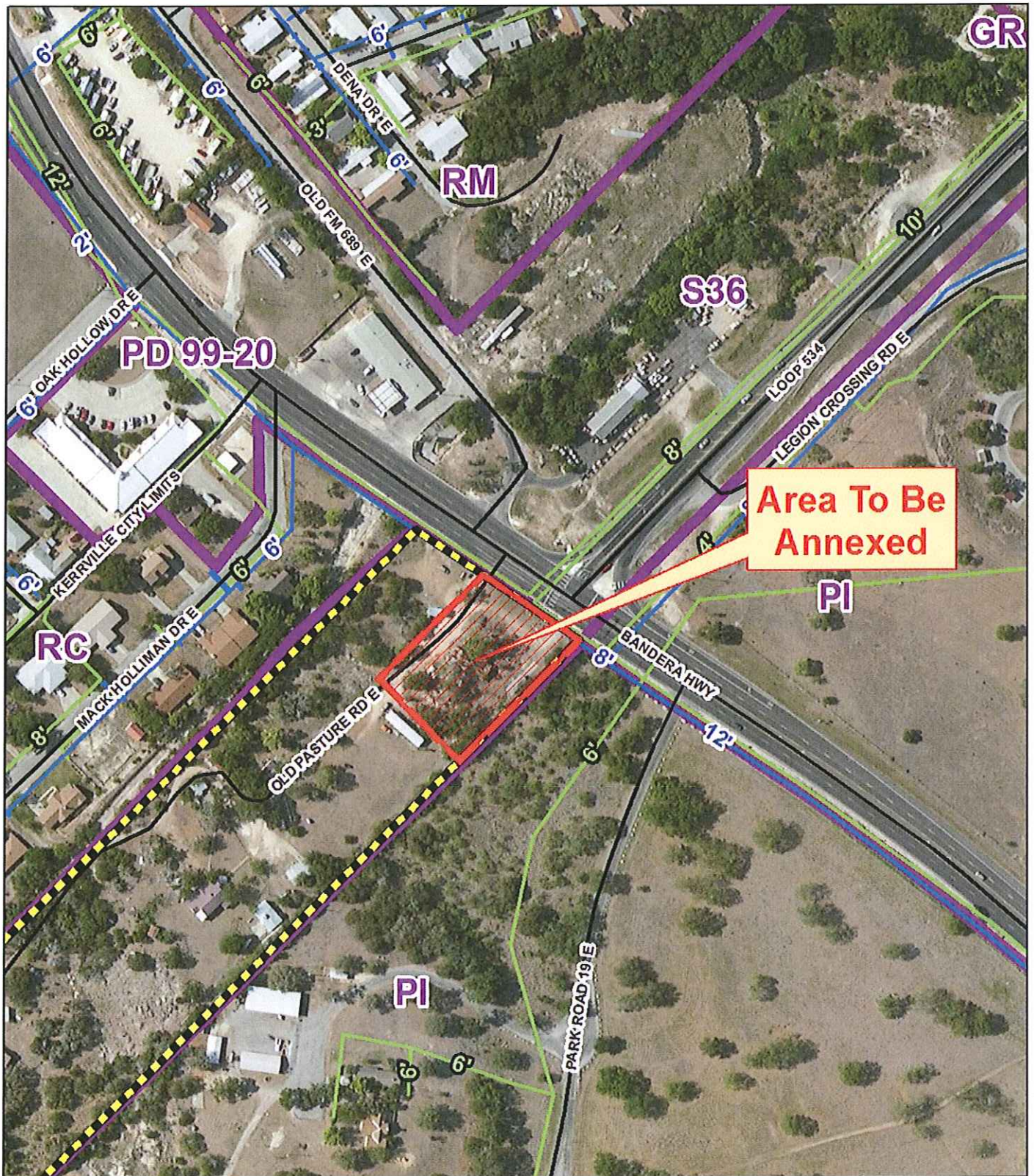


Barbara Bingham
NOTARY PUBLIC, STATE OF TEXAS

Printed Name: Barbara Bingham

My Commission Expires: 1/30/2015

2013-017 Annexation & Zoning Request Location Map



Legend

 City Limits  Annexation Area  Zoning Districts

0 50 100 200 Feet

1 inch = 200 feet



Agenda Item:

4A. An Ordinance No. 2013-07, amending Ordinance No. 2011-08, which annexed property into the city and created a "Planned Development District" on the approximate 43.72 acre tract of land, being all of a revision of Hartshorn Country Sites, a subdivision of record found at Volume 7, Page 148, Plat Records of Kerr County, Texas, and all of the James Avery Craftsman Subdivision, a subdivision of record found at Volume 7, Page 149, Plat Records of Kerr County, Texas, and those portions of Avery Road North and Lessie Lane, public roads located within and between the two subdivisions, said property generally located at and east of the intersection of Harper Road (FM783) and Avery Road North; said amendment removing the requirement for the construction of public sidewalks. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Public Hearing & Action: PDD Amendment and 1st Ordinance Reading – Public hearing, consideration, and action concerning a proposed amendment to remove the requirement for the installation of public sidewalks, found in Section Five (C.) of Ordinance 2011-08, which established a planned development district for an approximate 43.72 acre tract, more commonly known as the James Avery Craftsman site, located at 100-145 Avery Road.

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 17, 2013

SUBMITTED BY: Jason Lutz **CLEARANCES:** Kristine Ondrias

EXHIBITS: Location Map, and PDD Amendment Ordinance

AGENDA MAILED TO: David Martin, 343 W. Water Street, Kerrville, Texas 78028

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The applicant is seeking to amend Ordinance #2011-08. The proposed amendment would remove the requirement for the construction and installation of public sidewalks in the rights-of-way adjacent to the subject tract.

Ordinance #2011-08 created a planned development district for the James Avery Craftsman Site to allow custom manufacturing. Section 5, C. of this ordinance states:

Sidewalks: The construction of sidewalks shall be required in accordance with the regulations in effect at the time building permit applications are submitted to the City.

The proposed amendment to the referenced section would remove the requirement for the installation of public sidewalks.

The required sidewalks would only be required along Harper Road and the first 200 feet of Avery Rd. Lessie Ln. would not require sidewalks as the City of Kerrville's adopted sidewalk ordinance requires installation of sidewalks in the public rights-of-way along the subject areas. The remaining portion of Avery Rd. and Lessie Ln. are not public rights-of-way, but are platted access easements.

The City of Kerrville's adopted Sidewalk Master Plan does not call for the construction of sidewalks for this area as the property was out of the city limit at the time of adoption.

The Sidewalk Master Plan also states the following goals:

1. Construct pedestrian walkways, sidewalks, crosswalks, handicap accessible ramps and curb cuts complying with state regulations pertaining to the disabilities act, in areas with pedestrian traffic such as, the central City, along major transportation arteries such as Sidney Baker, Junction Highway, and main street. Around elementary and middle schools, Public Parks and buildings, and other activity areas.
2. Encourage pedestrian circulation throughout Central City.

The current sidewalk ordinance does provide limits East and West, along Junction Highway, where sidewalks are not required. The goal for these limits is that these areas of town are not considered pedestrian destinations.

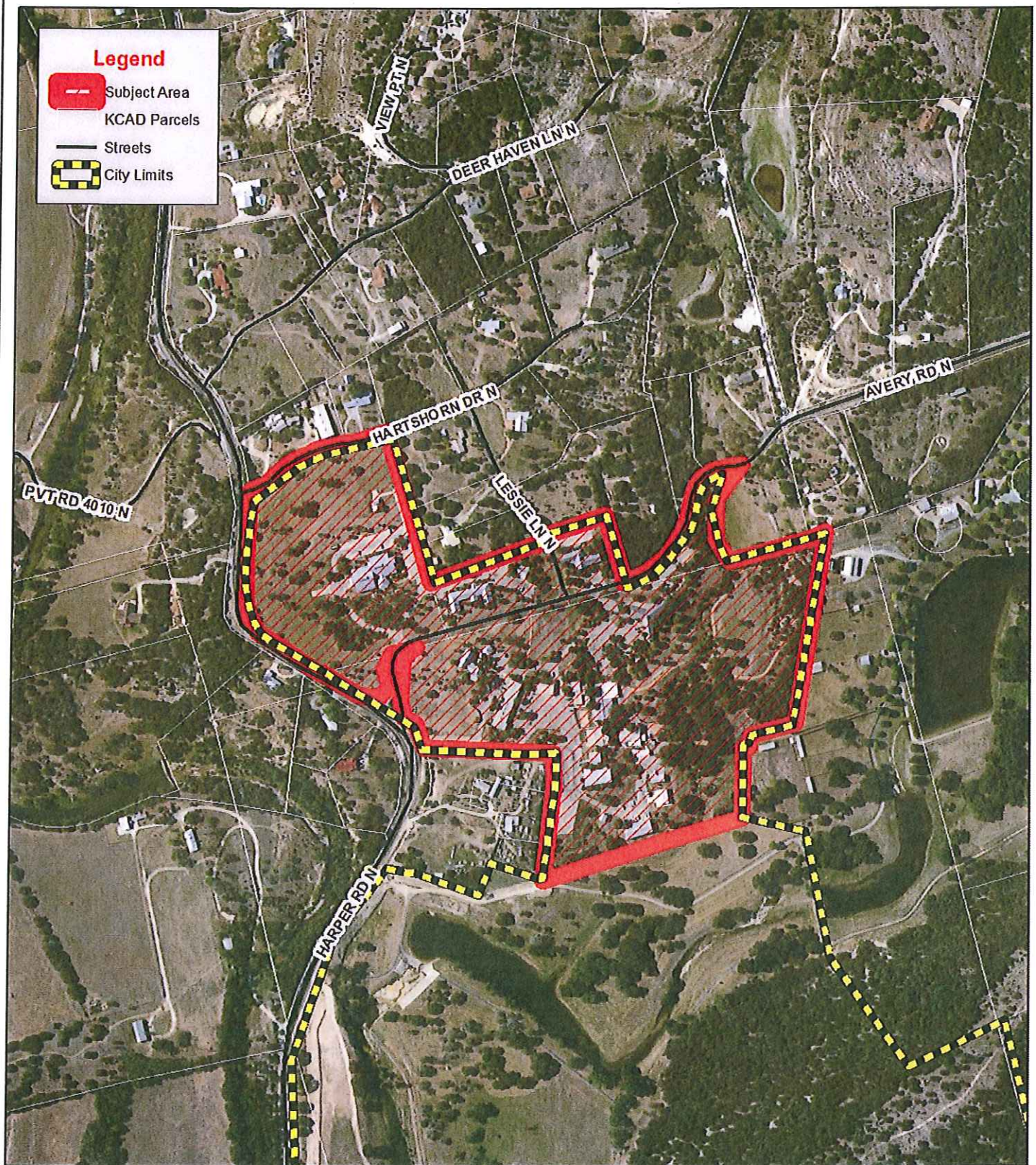
In addition to the exemption limits of the sidewalk ordinance, there are exemptions for subdivisions that are 75% built out from requiring sidewalks. Based on the area of James Avery, these subdivisions would also not be required to install sidewalks for any infill areas.

Based on the subject tract's location and distance from the required sidewalk limits of the city, the difficult nature of pedestrian traffic crossing IH-10 and navigating down Harper Rd., the goals of the sidewalk master plan, and sidewalk exemptions for infill development, the Planning & Zoning Commission approved the PDD amendment by a vote of 5-0 on May 16, 2013. No citizens spoke against the ordinance, and staff has heard from 5 out of 17 adjacent landowners stating their support of the amendment.

RECOMMENDED ACTION

1. Open the public hearing and receive comments.
2. Approve the PDD amendment as outlined in the attached ordinance on the first reading.

P&Z Case #2013-022 Planned Development District Amendment Location Map



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only approximate relative locations.

0 250 500 1,000 Feet

1 inch = 500 feet



**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2013-07**

AN ORDINANCE AMENDING ORDINANCE NO. 2011-08, WHICH ANNEXED PROPERTY INTO THE CITY AND CREATED A "PLANNED DEVELOPMENT DISTRICT" ON THE APPROXIMATE 43.72 ACRE TRACT OF LAND, BEING ALL OF A REVISION OF HARTSHORN COUNTRY SITES, A SUBDIVISION OF RECORD FOUND AT VOLUME 7, PAGE 148, PLAT RECORDS OF KERR COUNTY, TEXAS, AND ALL OF THE JAMES AVERY CRAFTSMAN SUBDIVISION, A SUBDIVISION OF RECORD FOUND AT VOLUME 7, PAGE 149, PLAT RECORDS OF KERR COUNTY, TEXAS, AND THOSE PORTIONS OF AVERY ROAD NORTH AND LESSIE LANE, PUBLIC ROADS LOCATED WITHIN AND BETWEEN THE TWO SUBDIVISIONS; SAID PROPERTY GENERALLY LOCATED AT AND EAST OF THE INTERSECTION OF HARPER ROAD (FM 783) AND AVERY ROAD NORTH; SAID AMENDMENT REMOVING THE REQUIREMENT FOR THE CONSTRUCTION OF PUBLIC SIDEWALKS

WHEREAS, on May 10, 2011, the City Council of the City of Kerrville, Texas, adopted Ordinance No. 2011-08, which annexed property and created a "Planned Development District" ("PDD") on an approximate 43.72 acre tract of land, generally located at and east of the intersection of Harper Road (FM 783) and Avery Road North, and consisting of the corporate location of James Avery Craftsman; and

WHEREAS, pursuant to Ordinance 2011-08 and the City's Zoning Ordinance, the City required the construction of public sidewalks at the time an application for a building permit was submitted to the City; and

WHEREAS, the City Council finds it to be in the public interest to amend Ordinance 2011-08 by removing the requirement for the construction of public sidewalks;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. Ordinance No. 2011-08 is amended by amending subsection c. of Section Five as follows:

"c. Sidewalks: The construction and installation of public sidewalks is not required."

SECTION TWO. Except as amended by this Ordinance, the provisions of Ordinance No. 2011-08 remain in full force and effect.

PASSED AND APPROVED ON FIRST READING, this the ____ day of _____, A.D., 2013.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the ____ day of _____, A.D., 2013.

Jack Pratt, Jr. Mayor

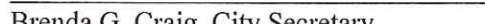
(signatures continue on following page)

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read "Michael C. Hayes", written over a horizontal line.

Michael C. Hayes, City Attorney

ATTEST:

A horizontal line representing a signature.

Brenda G. Craig, City Secretary

Agenda Item:

5A. An Ordinance No. 2013-09 amending the City's "Zoning Code" by changing the Zoning District of an approximate 31.40 acre tract of land generally located along and north of the 2100 block of E. Main Street from the "RC" Residential Cluster district to the "PI" Public and Institutional district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2,000.00); ordering publication, and providing other matters relating to the subject. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: 2nd Ordinance Reading: Zoning Change Request – Consideration and action concerning a requested zoning change from (RC) Residential Cluster District to (PI) Public and Institutional District, for an approximate 31.40 acre tract of land, out of Samuel Wallace Survey No. 114, Abstract No. 348, located at 2100 East Main Street.

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 17, 2013

SUBMITTED BY: Jason Lutz **CLEARANCES:** Kristine Ondrias 

EXHIBITS: Adjacent Land Use Map, Survey, Metes and Bounds Description, and Zoning Change Ordinance

AGENDA MAILED TO: Jeff Carroll, 601 NW Loop 410, Suite 350, San Antonio, Texas 78216

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The property is owned by Schreiner University and the applicant is seeking to rezone 31.40 acres, from the current zoning district of (RC) Residential Cluster, and is requesting the zoning district of (PI) Public and Institutional District. The goal of this zoning change is to allow the university to expand its campus onto this tract of land. The university is currently proposing to construct a building with a gross floor area of 3,000 square feet. The building will be utilized for additional classroom space and a proposed observatory. The existing residential structure will be converted to a facility to accommodate meeting and conference space.

The property is currently located on unplatted property and a development site plan has been submitted to the city for review. Extensions of sanitary sewer and water lines will be required in order to properly serve the facility. The extensions of these utility mains will trigger the platting process and the applicant has submitted a preliminary plat for this property.

The property is currently zoned RC and is bounded by the following zoning districts and land uses:

- RC to the West (Weston Homeplace Subdivision) – Single-Family Residential Land Use
- R1 to the North (Kerrville ISD) – Institutional Land Use
- RC & R3 to the East – Vacant & Multi-Family Land Uses
- PI to the South (Schreiner University) – Institutional Land Use

The current zoning of RC does not allow for an institutional use for a university, but it does allow for an institutional land use of primary schools, with an approval of a (CUP) conditional use permit.

Current setbacks for this property based on the RC zoning district are as follows:

- Front and rear setbacks of 15 feet
- Side setbacks of 5 feet

Proposed setbacks for this property based on the (PI) zoning district would be as follows:

- Front and rear setbacks of 30 feet
- Side setbacks of 10 feet

Based on the proposed use of the property and the adjacent land uses, Type "B" screening will be required along the northern, western, and eastern property lines. Type "B" Screening shall consist of a minimum 6' high fence constructed of weather resistant wood, masonry, or combination thereof and a 50' buffer area, which no buildings or parking may be constructed.

Based on the fact that the property is situated between two institutional land uses, to the north and south, and the property is adjacent to the same zoning district that is being requested (PI). Staff recommends approval of the requested zoning change of (PI) Public and Institutional.

The Planning and Zoning Commission approved the request, by a vote of 4-0, at their regularly scheduled meeting on April 18, 2013. One citizen spoke on behalf of concerned property owners from the Weston Homeplace Subdivision, but no formal protests were received.

The Kerrville City Council approved the request, by a vote of 5-0, at their regularly scheduled meeting on May 14, 2013. No citizens spoke on the item

RECOMMENDED ACTION

1. Approve the zoning change request as outlined in the attached ordinance on the second reading.

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2013-_____

AN ORDINANCE AMENDING THE CITY'S "ZONING CODE" BY CHANGING THE ZONING DISTRICT OF AN APPROXIMATE 31.40 ACRE TRACT OF LAND GENERALLY LOCATED ALONG AND NORTH OF THE 2100 BLOCK OF E. MAIN STREET FROM THE "RC" RESIDENTIAL CLUSTER DISTRICT TO THE "PI" PUBLIC AND INSTITUTIONAL DISTRICT; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING FOR A MAXIMUM PENALTY OR FINE OF TWO THOUSAND DOLLARS (\$2000.00); ORDERING PUBLICATION; AND PROVIDING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, pursuant to Texas Local Government Code Sections 211.006 and 211.007, notice has been given to all parties in interest and citizens by publication in the official newspaper for the City of Kerrville, Texas, and otherwise, of a hearing which was held before the City Council on May 14, 2013, which considered a report of the City of Kerrville Planning and Zoning Commission regarding its recommendations on an ordinance, the adoption of which will result in the change of a zoning district for the property located at 2100 E. Main Street from the "RC" Residential Cluster District to the "PI" Public and Institutional District; and

WHEREAS, such public hearing was held in the Council Chambers beginning at approximately 6:00 p.m. on May 14, 2013, as advertised; and

WHEREAS, after a full hearing, at which all parties in interest and citizens were given an opportunity to be heard; and after receiving and considering the recommendations of the Planning and Zoning Commission and City staff; and after considering among other things, the character of the various areas of the City and the suitability of particular uses in each area; and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the City, the Council finds it to be in the best interest of the health, safety, morals, and general welfare of the City of Kerrville, Texas, to amend the City's Zoning Code to change the zoning district for the property described below from the "RC" Residential Cluster District to the "PI" Public and Institutional District;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. The zoning district for the property located at 2100 E. Main Street and more specifically described as follows is changed from the "RC" Residential Cluster District to the "PI" Public and Institutional District:

Being all of a certain tract or parcel of land containing 31.40 acres, more or less, out of the Samuel Wallace Survey No. 114, Abstract No. 348 in the City of Kerrville, Kerr County, Texas, part of a certain 31.77 acre tract conveyed from Lou A. Arnold to Charlotte Vincens, et al by a Special Warranty Deed executed the 7th day of January, 2008 and recorded in Volume 1654 at Page 341 of the Official Public Records of Kerr County, Texas, and being more particularly described and depicted at Exhibit A, attached hereto and made a part hereof for all purposes.

SECTION TWO. The zoning district change from a “RC” Residential Cluster District to a “PI” Public and Institutional District means that the newly created district will become connected to, merge with, and consist as a part of the existing “PI” Public and Institutional District located southwest and between E. Main Street and State Highway 27 (San Antonio Highway).

SECTION THREE. The Senior Planner is authorized and directed to amend the City’s official zoning map to reflect the change in districts adopted herein and to take other actions contemplated by and in accordance with Section 11-I-4(c) of the City’s Zoning Code.

SECTION FOUR. The provisions of this Ordinance are cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are expressly repealed to the extent of any such inconsistency or conflict.

SECTION FIVE. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The Council of the City of Kerrville, Texas, declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION SIX. The penalty for violation of this Ordinance shall be in accordance with the general penalty provisions contained in Section 1-7, Chapter 1 of the Code of Ordinances of the City of Kerrville, Texas, which provides for a fine not exceeding TWO THOUSAND DOLLARS (\$2,000.00).

SECTION SEVEN. Pursuant to Texas Local Government Code §52.013(a) and Section 3.07 of the City’s Charter, the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

SECTION EIGHT. This Ordinance shall become effective immediately upon the expiration of ten days following publication, as provided for by Section 3.07b. of the City Charter.

PASSED AND APPROVED ON FIRST READING, this the 14th day of May, A.D., 2013.

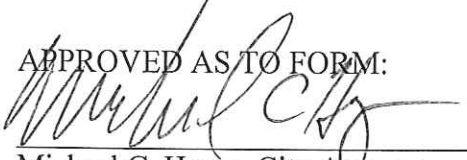
PASSED AND APPROVED ON SECOND AND FINAL READING, this the day of _____, A.D., 2013.

Jack Pratt, Jr., Mayor

ATTEST:

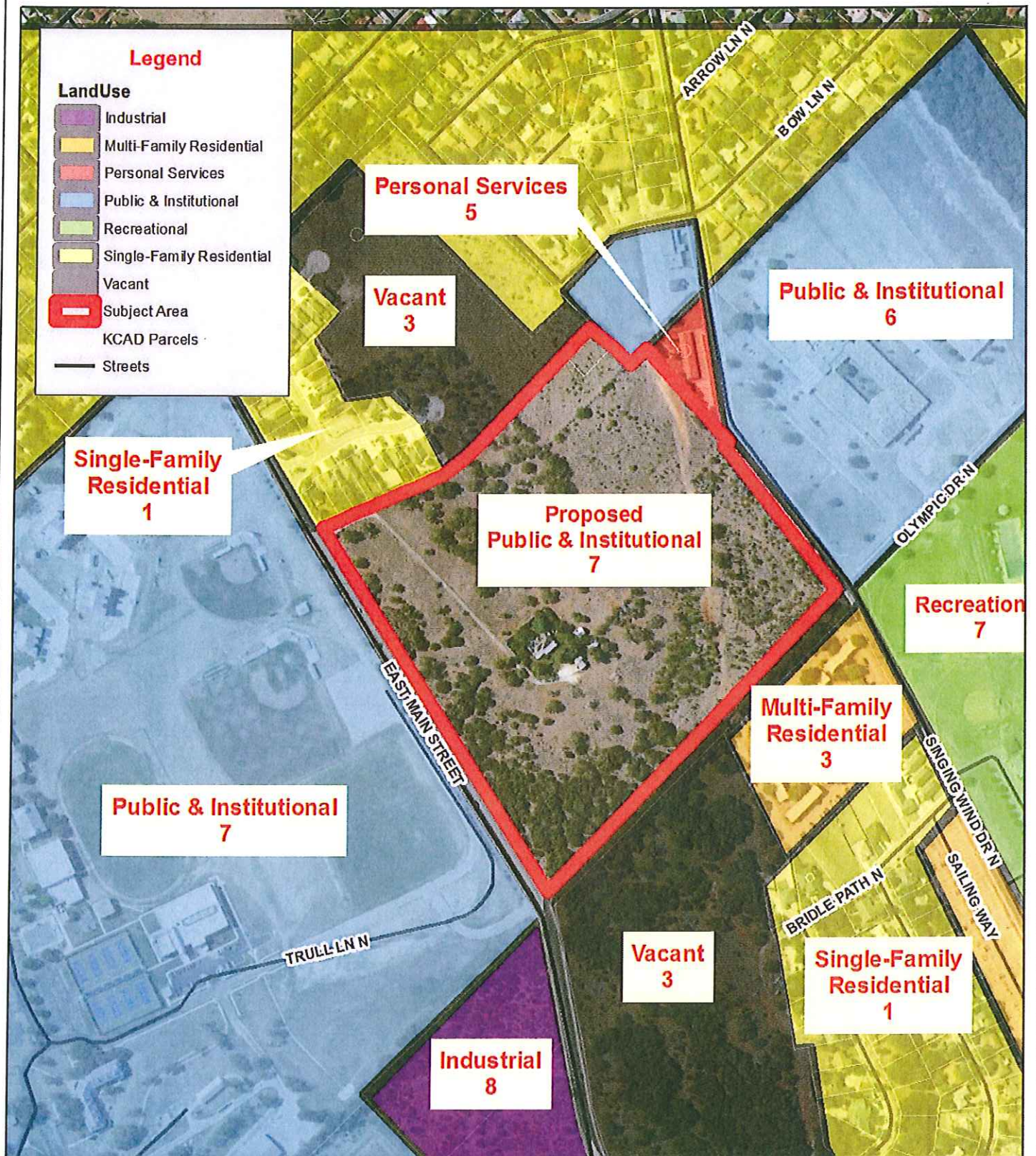
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

P&Z Case #2013-013 Zoning Change Land Use Map



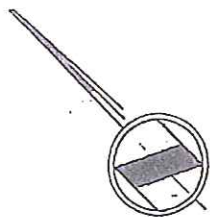
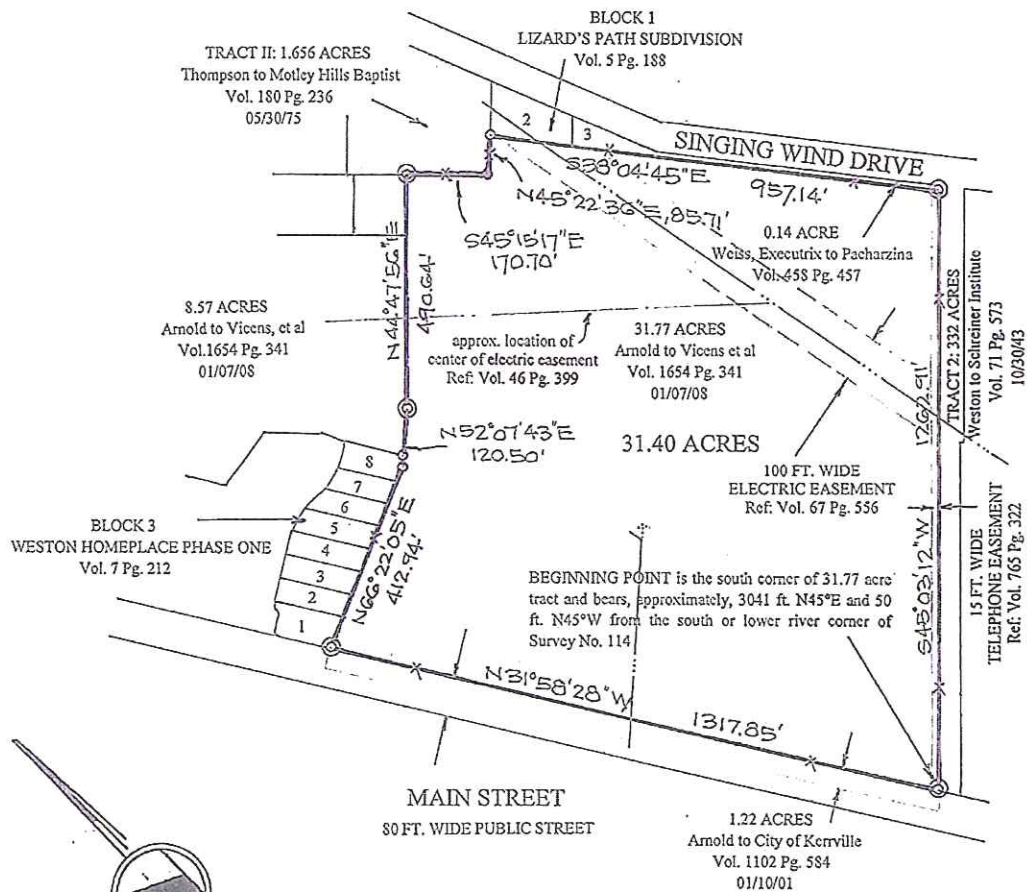
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only approximate relative locations.

0 200 400 800 Feet

1 inch = 400 feet



SURVEY PLAT FOR 31.40 ACRES OF LAND, MORE OR LESS, OUT OF SAMUEL WALLACE SURVEY NO. 114, ABSTRACT NO. 348 IN THE CITY OF KERRVILLE, KERR COUNTY, TEXAS; PART OF A CERTAIN 31.77 ACRE TRACT CONVEYED FROM LOU A. ARNOLD TO CHARLOTTE VICENS, ET AL BY A SPECIAL WARRANTY DEED EXECUTED THE 7TH DAY OF JANUARY, 2008 AND RECORDED IN VOLUME 1654 AT PAGE 341 OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS



SCALE: 1" = 300'

LEGEND

○ found ½" iron stake

⊙ set ½" iron stake

● fencepost

—X— fence

— · — · — overhead utility lines



I hereby certify that this plat and accompanying field notes description are accurate representations of the property shown and described hereon as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or corners; and that all property corners are as shown. (Bearing Basis = True north based on GPS observations)

Date Surveyed: January 13, 2011

Dated this 19th day of January, 2011

Lee C. Voelkel
Registered Professional Land Surveyor No. 3909
County Surveyor for Kerr County, Texas

REVISED: 02/14/11 to
show utility lines and
easements

FIELD NOTES DESCRIPTION FOR 31.40 ACRES OF LAND OUT OF THE
FORMER LOU A. ARNOLD LAND ALONG MAIN STREET IN THE CITY OF
KERRVILLE, KERR COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 31.40 acres, more or less, out of Samuel Wallace Survey No. 114, Abstract No. 348 in the City of Kerrville, Kerr County, Texas; part of a certain 31.77 acre tract conveyed from Lou A. Arnold to Charlotte Vicens, et al by a Special Warranty Deed executed the 7th day of January, 2008 and recorded in Volume 1654 at Page 341 of the Official Public Records of Kerr County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a ½" iron stake set in the northwest line of a certain 332 acre tract conveyed as Tract 2 from M.F. Weston, et ux to Schreiner Institute by a Warranty Deed with Vendor's Lien executed the 30th day of October, 1943 and recorded in Volume 71 at Page 573 of the Deed Records of Kerr County, Texas for the south corner of the herein described tract and said 31.77 acre tract, and east corner of a certain 1.22 acre tract heretofore conveyed out of 51.07 acre tract from Lou A. Arnold to the City of Kerrville by a Right-of-Way Dedication executed the 10th day of January, 2001 and recorded in Volume 1102 at Page 584 of the Real Property Records of Kerr County, Texas; which point bears approximately 3041 ft. N45°E and 50 ft. N45°W from the south or lower river corner of said Survey No. 114;

THENCE, along or near a fence with the common line between said 31.77 and 1.22 acre tracts, and along the northeast right-of-way line of Main Street, an eighty (80) ft. wide public street N31°58'28"W, 1317.85 ft. to a ½" iron stake set for the west corner of the herein described tract and 31.77 acre tract, the north corner of 1.22 acre tract, and the south corner of Block 3 of Weston Homeplace Phase One, a subdivision of Kerr County according to the plat of record in Volume 7 at Page 212 of the Plat Records of Kerr County, Texas;

THENCE, with the northwest line of said 31.77 acre tract: N66°22'05"E, with the southeast line of said Block 3, 412.94 ft. to a found ½" iron stake; N52°07'43"E, continuing with the southeast line Block 3, at 19.75 ft. passing a ½" iron stake found for the east corner of Block 3, then continuing for a total distance of 120.50 ft. to a set ½" iron stake; and N44°47'56"E, at 364.09 ft. passing a reentrant corner of 31.77 acre tract, then continuing upon, over, and across 31.77 acre tract for a total distance of 490.64 ft. to a ½" iron stake set in the northeast line of 31.77 acre tract and southwest line of a certain 1.656 acre tract conveyed as Tract II from Worth Thompson, et al to Motley Hills Baptist Church by a Warranty Deed executed the 30th day of May, 1975 and recorded in Volume 180 at Page 236 of the Deed Records of Kerr County, Texas for the northwest corner of the herein described tract;

THENCE, along or near a fence with the common line between said 31.77 and 1.656 acre tracts: S45°15'17"E, 170.70 ft. to a fence cornerpost for a reentrant corner of the herein described tract and 31.77 acre tract, and the south corner of 1.656 acre tract; and N45°22'36"E, 85.71 ft. to a ½" iron stake found near a fence cornerpost in the west line of Lot 2, Block 1 of Lizard's Path Subdivision, a subdivision of Kerr County according to the plat of record in Volume 5 at Page 188 of the Plat Records of Kerr County, Texas for the northeast corner of the herein described tract and a north corner of 31.77 acre tract;

THENCE, along or near a fence with the common line between said 31.77 acre tract and Lot 2, Block 1, S38°04'45"E, at 172.32 ft. passing the west common corner of Lots 2 and 3, Block 1, then continuing with the common line between 31.77 acre tract and Lot 3, Block 1 at 377.49 ft. passing the south corner of Lot 3, Block 1 and the west corner of a certain 0.14 acre tract conveyed from Florence Weiss, Independent Executrix to Robert Pacharzina, et al by a Special Warranty Deed executed the 1st day of November, 1987 and recorded in Volume 458 at page 457 of the Deed Records of Kerr County, Texas, then continuing with the common line between 31.77 and 0.14 acre tracts for a total distance of 957.14 ft. to a ½" iron stake set for the east corner of the herein described tract and 31.77 acre tract, and a reentrant corner of said 332 acre tract;

PAGE 2... 31.40 acres of land out of the former Lou A. Arnold land along Main Street in the City of Kerrville, Kerr County, Texas

THENCE, near a fence with the common line between said 31.77 and 332 acre tracts S45°03'12"W, 1262.91 ft. to the PLACE OF BEGINNING.

I hereby certify that this field notes description and accompanying plat are accurate representations of the property shown and described hereon as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or corners; and that all property corners are as shown (Bearing basis = True north based on GPS observations).

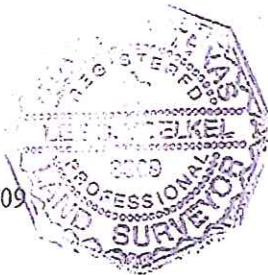
Date Surveyed: January 13, 2011

Dated this 19th day of January, 2011



Lee C. Voelkel

Registered Professional Land Surveyor No. 3909
County Surveyor for Kerr County, Texas



Agenda Item:

5B. An Ordinance No. 2013-10 amending Chapter 6 "Advertising", Article II "Signs" of the City's Code of Ordinances to revise various definitions and revise the regulations for several types of signs; containing a savings and severability clause; providing for penalties not to exceed \$2,000.00; ordering publication; providing an effective date; and providing other matters related to the subject.
(staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Second Reading of an ordinance amending the Chapter 6 "Advertising", Article II "Signs" of the City's Code of Ordinances to revise various definitions and revise the regulations for several types of signs.

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: May 17, 2013

SUBMITTED BY: Kristine Ondrias

CLEARANCES: Todd Parton

EXHIBITS: Ordinance

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:



Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The following is a highlight or overview of the changes being proposed in the sign code amendment.

Section One - Definitions

Central Business District (CBD): Eliminate the wording in the definition which says the street borders include both sides of the street.

Downtown Core (DC): Eliminate the wording in the definition which says the street borders include both sides of the street.

Feather Signs: Eliminate the words "sale banner" from the definition. Feather signs require a permit and banner signs do not.

Section Two – Exempt Signs

Eliminate Directional Signs from this section. Directional signs require a permit and have guidelines under Section 6-39.

Section Five – Regulations of Certain Types of Signs

Monument signs –

Eliminates the requirement for masonry on all four sides of the sign. This

requirement is being eliminated because internal lit signs require access to the sign structure typically from the side. The requirement for a masonry base is still required.

Allows for monument signs to exceed the height of 8' in instances where the property is allowed to have a free standing sign. Sign may not exceed the allowable square footage of the monument sign.

Section Six – Regulations of Certain Types of Signs

Canopy Roof Signs – increases the height restriction from 18" to 5' in height. Staff has encountered instances where a canopy roof sign could be adjusted down 6" from the canopy and placed as an awning sign with no restriction. Staff believes this change would allow property owners more flexibility with sign placements.

Section Eight – Prohibited Sign Locations

Placement of signs near power lines – In working with KPUB, they have requested a change to the ordinance that increases the distance of a sign away from a power line from 8' to 12'.

RECOMMENDED ACTION

Discuss ordinance amendments and consider second reading of the ordinance.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2013-10**

AN ORDINANCE AMENDING CHAPTER 6 “ADVERTISING”, ARTICLE II “SIGNS” OF THE CITY’S CODE OF ORDINANCES TO REVISE VARIOUS DEFINITIONS AND REVISE THE REGULATIONS FOR SEVERAL TYPES OF SIGNS; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING FOR PENALTIES NOT TO EXCEED \$2,000.00; ORDERING PUBLICATION; PROVIDING AN EFFECTIVE DATE; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT

WHEREAS, the City Council of the City of Kerrville, Texas (“City Council”) seeks to provide for the orderly development and use of property within the corporate limits of the City of Kerrville, Texas (“City”) and its extraterritorial jurisdiction (“ETJ”); and

WHEREAS, City Council, pursuant to Ordinance No. 2012-05, adopted a comprehensive amendment to the City’s Sign Code; and

WHEREAS, Ordinance No. 2012-05 established regulations governing the location, size, design, installation, and maintenance of signs located within the City and its ETJ; and

WHEREAS, following the adoption and implementation of Ordinance No. 2012-05, City staff believes there are some sections within the Sign Code that should be amended; and

WHEREAS, City Council, after considering among other things, the character of the various areas of the City and the suitability of particular uses in each area; and with a view to conserving the value of property, maintaining safety, and the public health, and encouraging the most appropriate use of land throughout the City, finds it to be in the best interest of the health, safety, morals, and general welfare of the City of Kerrville, Texas, to amend the Sign Code with respect to the installation, use, and maintenance of signs within the City and its ETJ;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-35 by deleting the language that is bracketed and stricken (~~or device~~) as follows:

“Sec. 6-35. Definitions.

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:

Balloon: a nonporous, inflatable bag ~~or device~~ with or without letters, symbols, or numbers that is filled with either air or gas.

Central Business District (CBD): All of Blocks 1, 2, 6, 7, 8, 23, 24, 25, and the Kerr County Court House block, J.D. Brown's Addition, City of Kerrville, Kerr County,

Texas, said property being generally bordered by Jefferson Street on the north, the Guadalupe River on the south, Clay Street on the west, and Washington Street on the east. ~~[The street borders include properties on both sides of the street.]~~

Downtown Core (DC): An area within the Central Business District generally bounded by the Guadalupe River on the south, extending north on Clay Street, east on Main Street, north on Earl Garrett Street, east on Jefferson Street, and south on Washington Street. ~~[The street borders include properties on both sides of the street.]~~

Feather Sign: any variety of fabric signs commonly called bow, feather flags, ~~[sale banners;]~~ tear drop, or ribbon signs that may or may not display a message and are supported by a horizontal or vertical pole.”

SECTION TWO. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-36 by deleting the language that is bracketed and stricken (~~[deleted]~~) as follows:

“Sec. 6-36. Exempt Signs.

⋮

~~[(18) Directional sign.]”~~

SECTION THREE. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-37 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[deleted]~~) to subsection (4) as follows:

“Sec. 6-37. Prohibited Signs.

⋮

(4) No internal or external lighting device used for the illumination of signs ~~[-buildings, or grounds]~~ may employ sources of light which are directed at streets or any adjacent residential properties. This subsection does not apply to street lights. Any internal or external lighting devices designed to light any sign must have the source of light shielded and not visible from the street or adjacent residential properties, except that light bulbs which do not exceed the lumen output of a 40-watt incandescent bulb may be visible from the street.”

SECTION FOUR. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-39 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[deleted]~~) to subsection (7)f.3. as follows:

“Sec. 6-39. Regulations for Certain Types of Signs.

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3. may not be located within ~~[60]~~ 70 feet of any other freestanding sign.”

SECTION FIVE. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-39 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[[deleted]]~~) to subsection (8) as follows:

“Sec. 6-39. Regulations for Certain Types of Signs.

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(8) Monument signs.

- a. One monument sign is allowed for each establishment that does not have a freestanding sign~~[- For a monument sign that]~~ and is located on property that is 50 feet or less in width, such sign:
 1. May not exceed 32 square feet in area;
 2. May not exceed six feet in height, except in instances where a freestanding sign is allowed, in which case the height may not exceed the allowable height for the freestanding sign;
 3. May not be located within 25 feet of another freestanding sign;
 4. May be lit; and
 5. Must be anchored in a native colored masonry or similar material to the building(s) constructed on the property [~~and framed on all four sides by, at a minimum, six inches of native colored masonry, or material similar to the building(s) constructed on the property.~~].
- b. One monument sign is allowed for each establishment that does not have a freestanding sign~~[For a monument sign that]~~ and is located on property that exceeds 50 feet in width, such sign:
 1. May not exceed 64 square feet in area;
 2. May not exceed eight feet in height above the top of the adjacent street or driveway level, except in instances where a freestanding sign is allowed, in which case the height may not exceed the allowable height for the freestanding sign;

3. May not be located within 50 feet of another freestanding sign;
 4. May be lit; and
 5. Must be anchored in a native colored masonry or similar material to the building(s) constructed on the property [~~and framed on all four sides by, at a minimum, six inches of native colored masonry, or material similar to the building(s) constructed on the property~~]
- c. In the case of a commercial complex, one monument sign is allowed. Such a monument sign:
1. May not exceed 100 square feet in area;
 2. May not exceed 15 feet above the top of the adjacent street or driveway level, except in instances where a freestanding sign is allowed, in which case the height may not exceed the allowable height for the freestanding sign;
 3. May not be located within 60 feet of another monument sign;
 4. May be lit; and
 5. Must be anchored in native colored masonry or similar material to the building(s) constructed on the property [~~and framed on all four sides by, at a minimum, six inches of native colored masonry, or similar material to the building(s) constructed on the property.~~]

SECTION SIX. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-39 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[deleted]~~) to subsection (4)(c) as follows:

“Sec. 6-39. Regulations for Certain Types of Signs.

⋮

- c. May not exceed [~~18-inches~~] five feet in height with a maximum length of five feet or ten percent of the width of the canopy or wall to which the canopy is attached, whichever is greater; and”

SECTION SEVEN. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-39 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[deleted]~~) to subsection (14)c. as follows:

“Sec. 6-39. Regulations for Certain Types of Signs.

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c. may not exceed twelve percent (12%) of the square footage of the area of the front building façade, which is limited to the width of specific space for establishments located within a commercial complex.”

SECTION EIGHT. Chapter 6 “Advertising”, Article II “Signs”, of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 6-40 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~{deleted}~~) to subsection (6) as follows:

“Sec. 6-40. Prohibited Sign Locations.

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(6) No sign may be located closer than [~~eight~~] twelve feet to a power line.”

SECTION NINE. The City Secretary is authorized and directed to send this Ordinance to the publisher of the City’s Code of Ordinances and the publisher is authorized to amend said Code to reflect the new Article II of Chapter 6 as adopted herein, to correct any typographical errors, and to index, format, number, and letter the paragraphs to the existing Code, as appropriate.

SECTION TEN. The provisions of this Ordinance are cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are expressly repealed to the extent of any such inconsistency or conflict.

SECTION ELEVEN. If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The Council of the City of Kerrville, Texas, declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION TWELVE. The penalty for violation of this Ordinance shall be in accordance with the general penalty provisions contained in Section 1-8, or its successor section, of the Code of Ordinances of the City of Kerrville, Texas, which provides for a fine not exceeding TWO THOUSAND DOLLARS (\$2,000.00).

SECTION THIRTEEN. Pursuant to Texas Local Government Code §52.013(a) and Section 3.07 of the City’s Charter, the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by law as an alternative method of publication.

SECTION FOURTEEN. This Ordinance shall become effective immediately upon the expiration of ten days following publication, as provided for by Section 3.07b. of the City Charter.

PASSED AND APPROVED ON FIRST READING, this the 14th day of May, A.D., 2013.

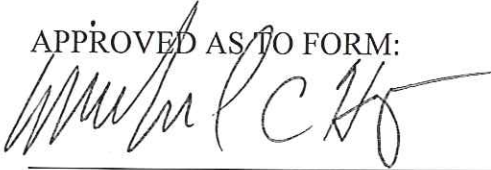
PASSED AND APPROVED ON SECOND AND FINAL READING, this the ___ day of _____, A.D., 2013.

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Agenda Item:

5C. An Ordinance No. 2013-11 approving and adopting rate schedule "RRM – Rate Review Mechanism" for Atmos Energy Corporation, Mid-Tex Division to be in force in the City for a period of time as specified in the rate schedule; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; and requiring delivery of this ordinance to the company and ACSC legal counsel. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: An Ordinance approving and adopting rate schedule “RRM – Rate Review Mechanism” for Atmos Energy Corp., Mid-Tex Division to be in force in the City for a period of time as specified in the rate schedule; adopting a savings clause; determining that this Ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; and requiring delivery of this Ordinance to the company and ACSC legal counsel
SECOND READING

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: May 19, 2013

SUBMITTED BY: Mike Hayes
City Attorney

CLEARANCES:

EXHIBITS: *Ordinance; Fact Sheet*

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OR FINANCE:

SUMMARY STATEMENT

The City of Kerrville, along with 154 other cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC” or “Steering Committee”). In 2007, ACSC and Atmos Mid-Tex agreed to implement an annual rate review mechanism for Atmos Mid-Tex, known as the Rate Review Mechanism (“RRM”), as a temporary replacement for the statutory mechanism known as GRIP (the “Gas Reliability Infrastructure Program”). This first RRM tariff expired in 2011, and although ACSC and Atmos Mid-Tex met many times to attempt to reach an agreement on a renewed or replacement tariff, they were unable to do so. Atmos Mid-Tex filed a full rate case in 2012. The resulting rates were approved by the Railroad Commission in December 2012 in G.U.D. No. 10170.

ACSC and the Company renewed discussions to develop revisions to the RRM tariff, and have reached a tentative agreement on the form of the RRM tariff to be in effect for a four-year period from 2013 to 2017. If the RRM process is to continue to function as a substitute for the GRIP process, cities that exercise original jurisdiction must adopt a tariff that authorizes the process. For the reasons outlined below, the ACSC Executive Committee and ACSC legal counsel recommend approval of the new RRM tariff by all ACSC member cities.

RRM Background:

The RRM tariff was originally approved by ACSC member cities as part of the settlement agreement resolving the Atmos Mid-Tex 2007 system-wide rate filing at the Railroad Commission. The RRM process was created collaboratively by ACSC and Atmos Mid-Tex as an alternative to the legislatively-authorized GRIP rate adjustment process. GRIP, like the RRM, is a form of expedited rate relief for gas utilities that avoids the long and costly process of a full rate filing. However, ACSC strongly opposes the GRIP process because it constitutes piecemeal ratemaking, does not allow any review by cities of the reasonableness of capital expenditures, and does not allow participation by cities in the Railroad Commission's review of the annual GRIP filings, or recovery by cities of their rate case expenses. The Railroad Commission undertakes only an administrative review of GRIP filings (instead of a full hearing) and the rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any real regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual adjustment as a substitute for GRIP filings.

Purpose of the Ordinance:

The purpose of the Ordinance is to approve the RRM tariff ("**Attachment A**") that reflects the negotiated RRM process. For the RRM process to continue, cities exercising original jurisdiction must approve a tariff that authorizes the process.

Reasons Justifying Approval of the Negotiated RRM Tariff:

In the opinion of ACSC's Executive Committee, the RRM process is a better deal for customers than the GRIP process. Atmos Mid-Tex has stated if it were to file for a rate adjustment in 2013 under the GRIP provisions, it would request approximately \$5 million more in rate relief than it plans to request in a filing under this revised RRM tariff. ACSC assumes that is because the GRIP process only evaluates changes to capital investment. The RRM process looks at revenues (that may be increasing) and expenses (that may be declining), as well as capital investment.

Additionally, the statute authorizing the GRIP rate adjustment process allows the Company to place the entirety of any rate increase in the unavoidable monthly customer charge portion of its rates. If the Company were to file for an increase under the GRIP provisions, the entire amount of the increase would be collected through the fixed portion of the bill, rather than the volumetric charge that varies by a customer's usage. Between 2007 and 2012, ACSC was able to negotiate rate design results that constrained residential customer charges to the \$7.00 to \$7.50 range. However, the Railroad Commission has recently raised the residential customer charge to \$17.70.

The Company has agreed that for the first filing under the revised RRM tariff, there will be no increase to the residential customer charge. Thus, some of the primary benefits of the attached RRM tariff are that it moderates the impact of rate adjustments on residential customers by not

changing the residential customer charge for the first RRM period. In subsequent years only 40% of the proposed increase in revenues to the residential class will be recovered through the fixed customer charge, and in no event will the residential customer charge increase by more than \$.50 per month. No such constraints exist under the GRIP process.

Additionally, the attached RRM tariff provides a discount as an incentive for cities permitting the Company annual rate relief. The RRM tariff includes an adjustment amount that is a reduction to the Company's requested increase. The adjustment lowers the Company's rate request by at least \$3 million each year. Additional reductions will also be made each year depending on the size of the Company's requested increase. The attached RRM tariff also caps at 55% the percentage of equity that can be used to calculate the Company's capital structure. Railroad Commission policy allows rates to be based on a parent company's actual capital structure, which for Atmos could mean increases in equity above the most recent level of 52%.

Under the RRM tariff, cities are also able to review the Company's annual expenses and capital investments and make adjustments, or disallowances, for any such expenses or investments that are considered to be unreasonable or unnecessary. The cities' costs in reviewing the annual filings, such as fees associated with the hiring of expert consultants and legal counsel, will be reimbursed by the Company on a monthly basis.

If cities do not approve the RRM tariff, the Company has stated that it will reinstitute its annual filings under the GRIP provisions. The anticipated GRIP adjustment for 2013 would be approximately \$5 million higher than the Company anticipates requesting through an RRM filing. Additionally, GRIP rate adjustments would place the entire amount of the Company's requested increase into the customer charge. The ACSC Executive Committee recommends that ACSC city members take action to approve the Ordinance authorizing the RRM tariff.

Explanation of "Be It Ordained" Paragraphs:

1. This section approves all findings in the Ordinance.
2. This section adopts the attached RRM Tariff ("Attachment A") and finds the adoption of the tariff to be just, reasonable, and in the public interest. Note that only the new tariff being revised is attached to the Ordinance. The initial RRM Tariff has expired by its own terms, and other existing tariffs not being changed in any way are not attached to the Ordinance.
3. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
4. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
5. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the

Ordinance are to be interpreted as if the offending section or clause never existed.

6. This section provides for an effective date upon passage.

7. This section paragraph directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for ACSC.”

RECOMMENDED ACTION

Consideration and action on the proposed Ordinance for second reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2013-__**

AN ORDINANCE APPROVING AND ADOPTING RATE SCHEDULE “RRM – RATE REVIEW MECHANISM” FOR ATMOS ENERGY CORPORATION, MID-TEX DIVISION TO BE IN FORCE IN THE CITY FOR A PERIOD OF TIME AS SPECIFIED IN THE RATE SCHEDULE; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND ACSC LEGAL COUNSEL

WHEREAS, the City of Kerrville, Texas (“City”) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (“Atmos Mid-Tex” or “the Company”), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee (“ACSC”), a coalition of cities, most of whom retain original jurisdiction over the rates and services of Atmos Mid-Tex; and

WHEREAS, in 2007 ACSC member cities and Atmos Mid-Tex collaboratively developed the Rate Review Mechanism (“RRM”) Tariff that allows for an expedited rate review process controlled by cities as a substitute for the legislatively-constructed Gas Reliability Infrastructure Program (“GRIP”); and

WHEREAS, the GRIP mechanism does not permit the City to review rate increases and constitutes piecemeal ratemaking; and

WHEREAS, the RRM process permits City review of requested rate increases and provides for a holistic review of the true cost of service for Atmos Mid-Tex; and

WHEREAS, the initial RRM tariff expired in 2011; and

WHEREAS, ACSC’s representatives have worked with Atmos Mid-Tex to negotiate a renewal of the RRM process that avoids litigation and Railroad Commission filings; and

WHEREAS, the ACSC's Executive Committee and ACSC's legal counsel recommend ACSC members approve the negotiated new RRM tariff; and

WHEREAS, the attached Rate Schedule "RRM – Rate Review Mechanism" ("RRM Tariff") provides for a reasonable expedited rate review process that is a substitute for, and is superior to, the statutory GRIP process; and

WHEREAS, the expedited rate review process as provided by the RRM Tariff avoids piecemeal ratemaking; and

WHEREAS, the RRM tariff reflects the ratemaking standards and methodologies authorized by the Railroad Commission in the most recent Atmos Mid-Tex rate case, G.U.D. No. 10170; and

WHEREAS, the RRM Tariff provides for an annual reduction in Atmos Mid-Tex's requested rate increase of at least \$3 million; and

WHEREAS, the RRM Tariff provides for a lower customer charge than if Atmos Mid-Tex pursued GRIP filings; and

WHEREAS, the attached RRM Tariff as a whole is in the public interest;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, TEXAS:

SECTION ONE. The findings set forth in this Ordinance are hereby in all things approved.

SECTION TWO. The City Council finds that the RRM Tariff, which is attached hereto and incorporated herein as **Attachment A**, is reasonable and in the public interest, and is hereby in force and effect in the City.

SECTION THREE. To the extent any ordinance previously adopted by the City Council is inconsistent with this Ordinance, it is hereby repealed.

SECTION FOUR. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION FIVE. If any one or more sections or clauses of this Ordinance is judged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

SECTION SIX. This Ordinance shall become effective from and after its passage.

SECTION SEVEN. A copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Christopher Felan, Vice President of Rates and Regulatory Affairs for Atmos Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1600, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED ON FIRST READING, this the 14th day of May, A.D., 2013.

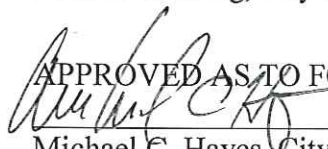
PASSED AND APPROVED ON SECOND AND FINAL READING, this the ____ day of _____, A.D., 2013.

ATTEST:

Pratt, Jr., Mayor

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL AREAS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS CUSTOMERS	
EFFECTIVE DATE:	Bills Rendered on and after October 15, 2013	PAGE 1 OF 6

I. Applicability

Applicable to Residential, Commercial, Industrial, and Transportation tariff customers in the Mid-Tex Division of Atmos Energy Corporation ("Company") except such customers within the City of Dallas. This Rate Review Mechanism ("RRM") provides for an annual adjustment to the Company's Rate Schedules R, C, I and T ("Applicable Rate Schedules"). Rate calculations and adjustments required by this tariff shall be determined on a System-Wide cost basis.

II. Definitions

"Test Period" is defined as the twelve months ending December 31 of each preceding calendar year.

The "Effective Date" is the date that adjustments required by this tariff are applied to customer bills. The annual Effective Date is June 1. The 2013 filing Effective Date is October 15, 2013.

Unless otherwise noted in this tariff, the term "Final Order" refers the final order issued by the Railroad Commission of Texas in GUD 10170.

The term "System-Wide" means all incorporated and unincorporated areas served by the Company.

"Review Period" is defined as the period from the Filing Date until the Effective Date.

The "Filing Date" is as early as practicable but no later than March 1 of each year with the exception of 2013, which shall have a Filing Date of July 15, 2013. The last annual Effective Date is June 1, 2017.

III. Calculation

The RRM shall calculate an annual, System-Wide cost of service ("COS") that will be used to adjust applicable rate schedules prospectively as of the Effective Date. The annual cost of service will be calculated according to the following formula:

$$\text{COS} = \text{OM} + \text{DEP} + \text{RI} + \text{TAX} + \text{CD} - \text{ADJ}$$

Where:

OM = all reasonable and necessary operation and maintenance expenses from the Test Period adjusted for known and measurable items and prepared

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL AREAS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS CUSTOMERS	
EFFECTIVE DATE:	Bills Rendered on and after October 15, 2013	PAGE 2 OF 6

consistent with the rate making treatments approved in the Final Order. Known and measurable adjustments shall be limited to those changes that have occurred prior to the Filing Date. OM may be adjusted for atypical and non-recurring items. Shared Services allocation factors shall be recalculated each year based on the latest component factors used during the Test Period, but the methodology used will be that approved in the Final Order.

DEP = depreciation expense calculated at depreciation rates approved by the Final Order.

RI = return on investment calculated as the Company's pretax return multiplied by rate base at Test Period end. Rate base is prepared consistent with the rate making treatments approved in the Final Order, except that no post Test Period adjustments will be permitted. Pretax return is the Company's weighted average cost of capital before income taxes. The Company's weighted average cost of capital is calculated using the methodology from the Final Order including the Company's actual capital structure and long term cost of debt as of the Test Period end (adjusted for any known and measurable changes) and the return on equity from the Final Order. However, in no event will the percentage of equity exceed 55%. Regulatory adjustments due to prior regulatory rate base adjustment disallowances will be maintained. Cash working capital will be calculated using the lead/lag days approved in the Final Order. With respect to pension and other postemployment benefits, the Company will record a regulatory asset or liability for these costs until the amounts are included in the next annual rate adjustment implemented under this tariff. Each year, the Company's filing under this Rider RRM will clearly state the level of pension and other postemployment benefits recovered in rates.

TAX = income tax and taxes other than income tax from the Test Period adjusted for known and measurable changes occurring after the Test Period and before the Filing Date, and prepared consistent with the rate making treatments approved in the Final Order.

CD = interest on customer deposits.

ADJ = Downward adjustment to the overall, System-Wide test year cost of service in the amount of \$3,000,000.00, adjusted by a percentage equal to the total percentage increase in base-rate revenue sought pursuant to this tariff.

IV. Annual Rate Adjustment

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL AREAS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS CUSTOMERS	
EFFECTIVE DATE:	Bills Rendered on and after October 15, 2013	PAGE 3 OF 6

The Company shall provide schedules and work papers supporting the Filing's revenue deficiency/sufficiency calculations using the methodology accepted in the Final Order. The result shall be reflected in the proposed new rates to be established for the effective period. The Revenue Requirement will be apportioned to customer classes in the same manner that Company's Revenue Requirement was apportioned in the Final Order. For the Residential Class, 40% of the increase may be recovered in the customer charge. The increase to the Residential customer charge shall not exceed \$0.50 per month in any given year. The remainder of the Residential Class increase not collected in the customer charge will be recovered in the usage charge. The Company will forgo any change in the Residential customer charge with the first proposed rate adjustment pursuant to this tariff. For all other classes, the change in rates will be apportioned between the customer charge and the usage charge, consistent with the Final Order. Test Period billing determinants shall be adjusted and normalized according to the methodology utilized in the Final Order.

V. Filing

The Company shall file schedules annually with the regulatory authority having original jurisdiction over the Company's rates on or before the Filing Date that support the proposed rate adjustments. The schedules shall be in the same general format as the cost of service model and relied-upon files upon which the Final Order was based. A proof of rates and a copy of current and proposed tariffs shall also be included with the filing. The filing shall be made in electronic form where practical. The Company's filing shall conform to Minimum Filing Requirements (to be agreed upon by the parties), which will contain a minimum amount of information that will assist the regulatory authority in its review and analysis of the filing. The Company and regulatory authority will endeavor to hold a technical conference regarding the filing within ten (10) calendar days after the Filing Date.

The 2013 Filing Date will be July 15, 2013.

A sworn statement shall be filed by an Officer of the Company affirming that the filed schedules are in compliance with the provisions of this Rate Review Mechanism and are true and correct to the best of his/her knowledge, information, and belief. No testimony shall be filed, but a brief narrative explanation shall be provided of any changes to corporate structure, accounting methodologies, allocation of common costs, or atypical or non-recurring items included in the filing.

VI. Evaluation Procedures

The regulatory authority having original jurisdiction over the Company's rates shall review and render a decision on the Company's proposed rate adjustment prior to the

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL AREAS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS CUSTOMERS	
EFFECTIVE DATE:	Bills Rendered on and after October 15, 2013	PAGE 4 OF 6

Effective Date. The Company shall provide all supplemental information requested to ensure an opportunity for adequate review by the relevant regulatory authority. The Company shall not unilaterally impose any limits upon the provision of supplemental information and such information shall be provided within seven (7) working days of the original request. The regulatory authority may propose any adjustments it determines to be required to bring the proposed rate adjustment into compliance with the provisions of this tariff.

The regulatory authority may disallow any net plant investment that is not shown to be prudently incurred. Approval by the regulatory authority of net plant investment pursuant to the provisions of this tariff shall constitute a finding that such net plant investment was prudently incurred. Such finding of prudence shall not be subject to further review in a subsequent RRM or Statement of Intent filing.

During the Review Period, the Company and the regulatory authority will work collaboratively and seek agreement on the level of rate adjustments. If, at the end of the Review Period, the Company and the regulatory authority have not reached agreement, the regulatory authority shall take action to modify or deny the proposed rate adjustments. The Company shall have the right to appeal the regulatory authority's action to the Railroad Commission of Texas. Upon the filing of an appeal of the regulatory authority's order relating to an annual RRM filing with the Railroad Commission of Texas, the regulatory authority having original jurisdiction over the Company's rates shall not oppose the implementation of the Company's proposed rates subject to refund, nor will the regulatory authority advocate for the imposition of a third party surety bond by the Company. Any refund shall be limited to and determined based on the resolution of the disputed adjustment(s) in a final, non-appealable order issued in the appeal filed by the Company at the Railroad Commission of Texas.

In the event that the regulatory authority and Company agree to a rate adjustment(s) that is different from the adjustment(s) requested in the Company's filing, the Company shall file compliance tariffs consistent with the agreement. No action on the part of the regulatory authority shall be required to allow the rate adjustment(s) to become effective on June 1. To the extent that the regulatory authority does not take action on the Company's RRM filing by May 31, the rates proposed in the Company's filing shall be deemed approved effective June 1. (2013 filing RRM rate will be effective October 15, 2013 if no action is taken). Notwithstanding the preceding sentence, a regulatory authority may choose to take affirmative action to approve a rate adjustment under this tariff. In those instances where such approval cannot reasonably occur by May 31, the rates finally approved by the regulatory authority shall be deemed effective as of June 1.

To defray the cost, if any, of regulatory authorities conducting a review of the Company's annual RRM filing, the Company shall reimburse the regulatory authorities on a monthly basis for their reasonable expenses incurred upon submission of invoices

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL AREAS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS CUSTOMERS	
EFFECTIVE DATE:	Bills Rendered on and after October 15, 2013	PAGE 5 OF 6

for such review. Any reimbursement contemplated hereunder shall be deemed a reasonable and necessary operating expense of the Company in the year in which the reimbursement is made. A regulatory authority seeking reimbursement under this provision shall submit its request for reimbursement to the Company no later than August 1 of the year in which the RRM filing is made and the Company shall reimburse regulatory authorities in accordance with this provision on or before August 30 of the year the RRM filing is made.

To the extent possible, the provisions of the Final Order shall be applied by the regulatory authority in determining whether to approve or disapprove of Company's proposed rate adjustment.

This Rider RRM does not limit the legal rights and duties of a regulatory authority. Nothing herein shall abrogate the jurisdiction of the regulatory authority to initiate a rate proceeding at any time to review whether rates charged are just and reasonable. Similarly, the Company retains its right to utilize the provisions of Texas Utilities Code, Chapter 104, Subchapter C to request a change in rates. The provisions of this Rider RRM are implemented in harmony with the Gas Utility Regulatory Act (Texas Utilities Code, Chapters 101-105).

The annual rate adjustment process set forth in this tariff shall remain in effect during the pendency of any Statement of Intent rate filing.

VII. Reconsideration, Appeal and Unresolved Items

Orders issued pursuant to this mechanism are ratemaking orders and shall be subject to appeal under Sections 102.001(b) and 103.021, et seq., of the Texas Utilities Code (Vernon 2007).

VIII. Notice

Notice of each annual RRM filing shall be provided by including the notice, in conspicuous form, in the bill of each directly affected customer no later than forty-five (45) days after the Company makes its annual filing pursuant to this tariff. The notice to customers shall include the following information:

- a) a description of the proposed revision of rates and schedules;
- b) the effect the proposed revision of rates is expected to have on the rates applicable to each customer class and on an average bill for each affected customer;

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

Attachment "A"

RATE SCHEDULE:	RRM – Rate Review Mechanism	
APPLICABLE TO:	ALL AREAS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS CUSTOMERS	
EFFECTIVE DATE:	Bills Rendered on and after October 15, 2013	PAGE 6 OF 6

- c) the service area or areas in which the proposed rates would apply;
- d) the date the annual RRM filing was made with the regulatory authority; and
- e) the Company's address, telephone number and website where information concerning the proposed rate adjustment be obtained.

The New RRM: How Does It Stack Up?

RRM (2007-2011)

- Negotiated limits to the amount of increase included in customer charge.
- Less money requested from ratepayers, because it considers the Company's entire cost of providing service, including declining expenses.
- Cities can review reasonableness of expenses and negotiate disallowances.
- Reimbursement of Cities' rate case expenses.
- Cities can order reductions to requested increase.
- Better working relationship between Cities and Company.

GRIP

- All increase included in customer charge.
- More costly to ratepayers, because it does not consider the Company's entire cost of providing service, including declining expenses.
- Cities have no input as to reasonableness or recovery of expenses.
- No reimbursement of Cities' rate case expenses.
- No reduction in requested increase.
- Poorer working relationship between Cities and Company.

New RRM Tariff

- Includes limits on percentage of increase to be included in monthly customer charge.
- Shorter turn-around on discovery.
- Technical conference to expedite receipt of information from Company.
- No post-test year adjustments.
- Time limit for O&M known and measurable adjustments.
- Reduction in requested increase of at least \$3 million each year.
- Tracks the methodologies approved by the Railroad Commission in the most recent Mid-Tex rate case.

Agenda Item:

6A. Kerrville-Kerr County Joint Airport Board budget for Fiscal Year 2014.
(Bruce McKenzie, airport manager)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

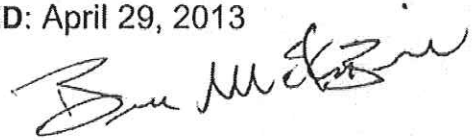
SUBJECT: Kerrville-Kerr County Airport Budget

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: April 29, 2013

SUBMITTED BY: Bruce McKenzie
Airport Manager

CLEARANCES:



EXHIBITS:

AGENDA MAILED TO: FY 2014 Budget approved by the Joint Airport Board

APPROVED FOR SUBMITTAL BY CITY MANAGER:



Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

The Kerrville-Kerr County joint Airport Board would like to present the FY 2014 Airport budget for approval.

RECOMMENDED ACTION

This item is for discussion and possible action. The Joint Airport Board would like to request approval by the Kerrville City Council for the FY 2014 Airport Budget at the May 28, 2013, City Council Meeting.

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
BOARD APPROVED BUDGET FOR 2014
WITH BUDGET COMPARISON 2008-2012

Revision 11

Revenues	2008	2009	2010	2011	2012	2013	2013	2013	2013	2014	Averages
47-AIRPORT	Actual	Actual	Actual	Actual	Actual	Approved	Budget	Budget	Remaining	Proposed	Budget
INTERGOVERNMENTAL REVENUE											
47-300-602 KERR COUNTY	188,334	262,000	601,850	228,572	110,000	90,401	90,401	52,734	58%	80,401	278,151
47-300-603 KERRVILLE	188,334	262,000	391,732	250	110,000	90,401	90,401	52,734	58%	80,401	190,463
47-300-604 GRANTS	0	0	0	0	0	0	0	0	0	0	0
47-300-606 TX DOT REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERGOVERNMENTAL REVENUE	376,668	524,000	993,582	228,822	220,000	180,802	180,802	105,468		160,802	468,614
LEASE/RENTAL INCOME											
47-325-301 AIRPORT LAND LEASES	103,503	94,940	102,318	112,461	119,602	108,884	108,884	48,111.8	55%	118,128	106,565
47-325-602 TERMINAL LEASES	14,141	14,354	12,206	15,125	12,639	15,361	15,361	10,469	68%	13,486	13,693
47-325-603 T-HANGAR LEASES	48,250	44,438	43,644	47,238	42,550	52,400	52,400	28,000	53%	42,500	45,224
47-325-604 VEHICLE RENTAL SURCHARGE	3,951	3,187	3,165	3,585	3,592	3,528	3,528	2,015	57%	3,528	3,496
47-325-605 T-HANGAR STORAGE FACILITY LEASES	1,320	1,320	2,737	1,320	610	1,320	1,320	990	75%	660	1,461
47-325-625 PARKING LOT LEASES								-5,625		6,000	
TOTAL LEASE/RENTAL INCOME	171,164	158,239	164,070	179,730	178,993	181,493	181,493	96,621		184,302	170,439
REIMBURSEMENT											
47-350-601 FUEL FLOW FEES	39,427	32,969	30,132	31,712	30,811	35,310	35,310	13,269.33	62%	35,310	33,010
47-350-602 OTHER	0	0	0	86	296	0	0	0	0	0	0
TOTAL REIMBURSEMENT	39,427	32,969	30,132	31,798	31,107	35,310	35,310	13,269		35,310	33,010
INTEREST INCOME											
47-380-601 INTEREST INCOME	6,404	2,639	2,661	137	132	100	100	81	80%	100	2,395
TOTAL INTEREST INCOME	6,404	2,639	2,661	137	132	100	100	81		100	2,395
TRANSFER IN											
47-390-601	0	0	0	0	0	0	0	0	0	0	0
47-390-610 TRANSFER IN	0	0	95,249	0	0	0	0	0	0	0	0
TOTAL TRANSFER IN	0	0	95,249	0	0	0	0	0	0	0	0
*** TOTAL REVENUES ***	593,664	717,847	1,285,693	440,487	430,232	397,705	397,705	224,210		380,514	674,459

increase with CPI; minus rent for Brinkman Hangar after Dec. 2013

increase with CPI

* Potential increase in revenue -10 new t-hangers (\$275.00 x 10 = 2750.00 x 12 months = \$33000.00)

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
DRAFT BUDGET
FOR 2014

FY 2006 thru FY 2010 are from the City

Expenses	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Approved Budget	2013 Amt Spent	2013 Budget Remaining	2013 % Remaining	2014 Proposed Budget	Averages
SALARIES & BENEFITS											
47-700-101 AIRPORT MANAGER	0	71,000	76,000	80,000	81,833	82,000	33,115.42	48,885	60%	84,260	77,208
47-700-102 OFFICE PERSONNEL PART TIME	0	20,908	23,494	25,144	27,954	25,680	9,771.3	15,909	62%	26,536	24,375
47-700-104 AIRPORT MAINTENANCE STAFF	0	0	0	0	0	40,002	13,649	26,353	66%	41,202	0
47-700-205 OVERTIME	0	0	0	0	0	0	0	0	0	0	0
800-003 TEMPORARY EMPLOYEE	0	0	0	0	0	0	0	0	0	0	0
800-004 LONGEVITY	0	0	0	0	0	0	0	0	0	0	0
47-700-201 FICA	0	7,003	7,611	8,020	8,374	11,298	3,907	7,391	65%	11,298	7,752
800-005 SOCIAL SECURITY	0	0	0	0	0	0	0	0	0	0	0
47-700-202 GROUP INSURANCE	0	7,996	8,063	7,860	7,010	15,720	5,320	10,400	66%	15,720	7,732
47-700-203 RETIREMENT	0	9,296	10,954	11,542	12,414	17,608	4,521	13,087	74%	14,266	11,051
47-700-204 WORKMAN'S COMP	0	0	0	2,700	1,778	7,086	802	6,284	89%	4,541	1,120
47-700-206 UNEMPLOYMENT INSURANCE	0	0	0	0	0	250	0	250	100%	250	0
TOTAL SALARIES & BENEFITS	0	116,203	126,122	135,265	139,362	199,644	128,558	198,073		129,238	

1-3. 3% increase for personnel : \$2460 for Mgr, \$770 for Ofc, Per., and \$ 1200 for Maint Staff

AIRPORT

47-800-008 PROFESSIONAL DEVELOPMENT	0	5,957	5,070	6,687	5,697	6,000	737	5,263	88%	6,000	5,853
47-800-009 LOCAL MEETING EXPENSE	0	67	235	525	0	0	0	0	0	0	207
47-800-010 PROFESSIONAL SERVICES - aka "Special St	17,314	5,513	0	8,307	8,984	20,000	10,900	18,910	95%	10,000	5,701
47-800-101 OFFICE SUPPLIES	3,840	2,894	2,180	1,049	1,502	1,500	764	736	49%	1,500	1,906
47-800-102 SMALL TOOLS AND EQUIPMENT	1,741	401	523	5352	4,867	3,000	1,363	1,637	55%	3,000	2,786
47-800-103 CHEMICAL AND MEDICAL SUPPLIES	6,901	2,516	3,919	4,000	1,680	4,000	0	4,000	100%	4,000	3,029
47-800-104 FUEL AND OIL SUPPLIES	0	490	514	3,603	4,595	4,500	1,019	3,481	77%	5,500	2,301
47-800-105 FOOD SUPPLIES	585	-217	903	94	0	0	0	0	0	0	195
47-800-106 JANITORIAL SUPPLIES	1,253	1,984	2,318	2,025	1,529	2,200	526	1,674	76%	2,200	1,964
47-800-107 POSTAGE	273	205	451	71	-15	200	136	64	32%	300	178
47-800-108 UPS/FED-EX	0	0	0	0	0	0	0	0	0	0	0
800-111 COMPUTER UPGRADE	1,800	0	0	0	0	0	0	0	0	0	0
47-800-109 COMPUTER SOFTWARE	0	0	0	0	0	1,000	237	763	76%	1,000	0
47-800-110 SOD, SEED, PLANTING	349	0	0	0	0	0	0	0	0	0	0
47-800-111 VEHICLE PARTS	0	0	0	0	0	0	0	0	0	0	0
47-800-112 WEARING APPAREL	0	0	0	0	0	1,820	532	1,288	70%	2,000	0
47-800-201 LAND	25,923	22,992	29,864	25,771	31,622	45,000	7,500	37,500	83%	45,000	27,562
47-800-202 BUILDINGS AND STRUCTURES	9,676	20,555	33,339	12,477	10,604	15,000	2863	12,137	80%	15,000	19,244
47-800-203 VEHICLE MAINTENANCE	0	0	667	0	0	5,000	1,213	3,787	76%	5,000	167
800-204 PARTS @ CITY GARAGE	0	654	102	0	0	0	0	0	0	0	189
47-800-204 OFFICE EQUIPMENT	1,680	1,522	1,820	1,778	858	1,500	0	1,500	100%	1,500	1,494
47-800-205 INSTRUMENTS AND APPARATUS	917	8,326	7,492	14,765	3,619	6,000	4163	1,837	31%	7,000	8,551
47-800-206 STREETS	0	0	0	0	0	0	0	0	0	0	0
47-800-207 TRAFFIC CONTROL DEVICES	142	-659	-331	5,695	917	0	0	0	0	0	1,405
47-800-208 TAXIWAYS/RUNWAYS	0	0	0	0	0	0	0	0	0	0	0
47-800-209 REPAIRS - GENERAL	0	0	0	0	1,243	2,500	63	2,437	97%	2,500	311

1. Increased for increase in fuel costs

3. Increase for uniforms for maintenance dept (2 people)

2. Increase for mailing forms to TxDot via FedEx

4. Replacement of small equipment and purchase of bulbs for runway lights.

5. This account is for repair of vehicle (trucks and mowers)

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
DRAFT BUDGET
FOR 2014

FY 2006 thru FY 2010 are from the City

Expenses	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Approved Budget	2013 Amt Spent	2013 Budget Remaining	2013 % Remaining	2014 Proposed Budget	Averages
800-214 RAMP GRANT MATCH	0	0	0	0	0	0	0	0	0	0	0
47-800-301 CONTRACT SERVICES	0	0	0	0	0	0	0	0	0	0	0
47-800-302 PROPERTY INSURANCE (County)	0	0	0	0	0	7,500	0	7,500	100%	7,500	7,500
47-800-303 LIABILITY INSURANCE (City)	10,745	0	0	0	0	2,200	1609.21	591	27%	2,200	2,200
47-800-304 SPECIAL SERVICES - aka "Professional Svcs"	72	1,219	24,440	2,694	2,690	2,000	824	1,176	59%	3,000	2,000
47-800-305 EQUIPMENT RENTAL	0	0	0	111	326	300	175	125	41%	400	300
47-800-306 ADVERTISING	0	0	276	158,524	158,524	0	0	0	0	0	0
47-800-307 MANAGEMENT CONTRACT	343,545	268,318	251,000	158,524	0	0	0	0	0	0	0
47-800-308 REIMBURSE COUNTY EMPLOYEE	0	96,165	126,122	0	0	0	0	0	0	0	0
47-800-309 OUTSOURCED SERVICES	0	0	0	0	0	0	0	0	0	0	0
47-800-310 CONTINGENCY	0	0	0	0	0	0	0	0	0	0	0
47-800-311 LEGAL SERVICES	0	0	0	7,910	4,594	5,000	1344	3,656	73%	5,000	5,000
47-800-401 PHONE SERVICE - Cell Phones Only	261	624	973	1,748	841	900	300	600	67%	900	900
47-800-402 CELL PHONE SERVICE	0	0	0	0	0	0	0	0	0	0	0
47-800-403 NATURAL GAS/PROPANE	0	1,628	0	0	0	0	0	0	0	0	0
47-800-404 WATER & SEWER	336	661	937	686	457	750	195	555	74%	750	750
47-800-405 INTERNET PROVIDER	0	0	0	0	0	500	0	500	100%	500	500
47-800-406 LIGHT AND POWER	9,472	6,310	10,598	10,662	11,125	13,500	4668	8,832	65%	14,500	13,500
47-800-501 CERTIFICATES, AWARDS, ETC	0	586	0	0	0	0	0	0	0	0	0
47-800-503 DUES AND SUBSCRIPTIONS	525	851	327	1,539	606	750	350	400	53%	750	750
800-503 MOTOR VEHICLE	19,941	0	0	0	0	0	0	0	0	0	0
47-800-505 OTHER CHARGES	2,540	2,709	2,516	2,409	0	0	0	0	0	0	0
47-800-507 CONTINGENCY	10,500	0	16,004	7,640	0	20,000	1089	18,911	95%	10,000	20,000
47-800-509 DEPRECIATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0
800-510 WATER SYSTEM IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
47-800-511 OTHER EXPENSE	0	0	0	0	0	0	0	0	0	0	0
47-800-513 RESERVE FOR CAPITAL	0	0	0	0	0	5,000	0	5,000	100%	5,000	5,000
47-800-901 TRANSFER OUT - GENERAL	50,289	275,350	696,916	0	0	0	0	0	0	0	0
47-800-902 TRANSFER OUT - MAINTENANCE	0	0	0	0	0	0	0	0	0	0	0
47-800-903 TRANSFER OUT - ROAD & BR	0	0	0	0	0	0	0	0	0	0	0
TOTAL AIRPORT	520,618	727,621	1,219,175	286,122	256,864	177,620	0	144,860		162,000	136,131

1. Increase for rate increase for new copier

2. Increase yellow page ad rate increase and if we should need to advertise for board member

3. Increase with new parking lot and T-hangers (10 T-hangers @ \$7 per month x 12 = 840.00 and \$250.00 for flood lights in new parking area).

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

DRAFT BUDGET
FOR 2014

FY 2006 thru FY 2010 are from the City

Expenses	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Approved Budget	2013 Amt Spent	2013 Budget Remaining	2013 % Remaining	2014 Proposed Budget	Averages
TERMINAL											
47-801-101 SUPPLIES	0	0	0	0	0	0	0	0	0	0	0
47-801-300 PHONE SERVICES - Term phones & Fire Al	1,131	572	575	331	300	2,191	75	2,116	97%	2,191	2,191
47-801-301 LIGHT & POWER	11,851	7,828	10,454	9,482	9,421	11,000	2952	8,048	73%	11,000	11,000
47-801-302 PROPANE GAS	3,871	825	4,407	4,281	3,236	4,500	2235	2,265	50%	4,500	4,500
47-801-303 WATER & SEWER	2,510	3,008	2,263	2,710	2,284	2,750	342	2,408	88%	2,750	2,750
TOTAL 01-TERMINAL	19,362	12,234	17,699	16,803	15,241	20,441	5,604	14,837		20,441	20,441
*** TOTAL EXPENSES ***	539,980	856,057	1,362,997	438,191	411,468	397,705	5,604	288,255		380,514	285,810
REVENUE OVER/(UNDER) EXPENDITURES	53,684	(138,210)	(77,304)	2,296	18,765	-		(64,045)		-	388,649
M&O EXPENDITURES	489,691	580,707	666,081	438,191	411,468	397,705		288,255		380,514	285,810

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

FOR 2014

FY 2006 thru FY 2010 are from the City

Revenues	2008 Actual	2009 Actual	2010 Actual	County 2011 Actual	2012 Actual	2013 Approved Budget	2013 Amt Spent	2013 Budget Remaining	2013 % Remaining	2014 Proposed Budget	Averages
48 - AIRPORT CAPITAL											
Reimbursement											
CAPITAL GRANTS - TXDOT											
48-350-100 REIMBURSEMENT FM TX DOT	0	0	7,196,490	0	0	0	0	0	0	0	0
TOTAL Reimbursement	29,046	54,543	54,543	50,000	48,350	50,000	26,202	23,798		50,000	50,000
	29,046	54,543	7,251,033	50,000	48,350	50,000	26,202	23,798		50,000	50,000
Intergovernmental											
48-351-100 KERR COUNTY RAMP GRANT M	0	0	0	25,000	25,000	25,000	0	25,000		25,000	25,000
48-351-101 CITY OF KVILLE RAMP GRANT	0	0	0	25,000	25,000	25,000	0	25,000		25,000	25,000
48-351-102 KERR COUNTY PROJECT MATCH	0	0	0	0	0	0	0	0		0	0
48-351-103 CITY OF KERRVILLE PROJECT MATCH	0	0	0	0	0	0	0	0		0	0
TOTAL Intergovernmental	0	0	0	50,000	50,000	50,000	0	50,000		50,000	50,000
Interest											
48-360-100 INTEREST EARNINGS	0	0	0	121	0	0	0	0		0	0
TOTAL Transfers In	0	0	0	121	0	0	0	0		0	0
48-500-100 TRANSFER IN - GENERAL	0	0	0	-4,293	0	0	0	0		0	0
48-500-110 TRANSFER IN - AIRPORT	275,000	621,916	376,364	0	0	0	0	0		0	0
48-500-115 TRANSFER IN	0	0	0	0	0	0	0	0		0	0
TOTAL Transfers In	275,000	621,916	376,364	-4,293	0	0	0	0		0	0
TOTAL REVENUES	304,046	676,459	7,627,397	95,828	98,350	100,000	0	73,798		100,000	100,000

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
DRAFT BUDGET
FOR 2014

FY 2006 thru FY 2010 are from the City

Expenses	2008 Actual	2009 Actual	2010 Actual	County 2011 Actual	2012 Actual	2013 Approved Budget	2013 Amt Spent	2013 Budget Remaining	2013 % Remaining	2014 Proposed Budget	Averages
CAPITAL OUTLAY											
800-201 LAND MAINTENANCE	49,678	0	0	0	0	0	0	0	0	0	0
800-202 BUILDING & STRUCTURE MAINT	0	0	0	0	0	0	0	0	0	0	0
800-405 OTHER CHARGES	0	150,304	0	0	0	0	0	0	0	0	0
48-600-101 LAND	0	0	0	0	0	0	0	0	0	0	0
48-600-102 BUILDINGS AND STRUCTURES	122,390	112,429	112,429	0	0	0	0	0	0	0	0
800-507 STREET IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
48-600-103 WATER SYSTEM IMPROVEMENTS	15,798	319,138	296,876	294,480	0	0	0	0	0	0	0
800-500 CAPITAL OUTLAY	0	0	7,196,490	0	0	0	0	0	0	0	0
48-600-104 GRANT MATCH	0	0	0	123,615	100,000	0	0	8,450	0	100,000	100,000
48-600-105 DRAINAGE IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
48-600-106 GRANT MATCH T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0	0
48-600-107 TXDOT REIMBURSE 2000-2001	0	0	0	0	0	0	0	0	0	0	0
48-600-108 RELOCATE 12/30 PARALLEL	0	0	0	20,993	0	0	0	0	0	0	0
48-600-109 ENGINEERING SVCS/DESIGN	0	0	0	0	0	0	0	0	0	0	0
48-600-110 MASTER PLAN	0	0	0	0	0	0	0	0	0	0	0
48-600-111 SURVEYING	0	0	0	0	0	0	0	0	0	0	0
48-600-112 CONTRACT SERVICES	0	19,950	19,950	0	0	0	0	0	0	0	0
48-600-113 INSTRUMENTS AND APPARATUS	0	0	0	0	0	0	0	0	0	0	0
48-600-114 REHAB AIRPORT RUNWAY	0	0	0	0	0	0	0	0	0	0	0
48-600-115 SITE PREP FUTURE HANGAR	0	0	0	0	0	0	0	0	0	0	0
800-517 CITY T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0	0
800-518 KERR COUNTY T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0	0
800-519 GRANT MATCH LIGHTING IMPROVE	0	0	0	0	0	0	0	0	0	0	0
800-520 TXDOT REIMBURSEMENT LIGHTING	0	0	0	0	0	0	0	0	0	0	0
800-948 TRANSFER OUT	0	0	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL OUTLAY	6,374	95,249	7,625,745	439,089	100,000	0	0	8,450	0	100,000	100,000
TOTAL EXPENDITURES	194,240	697,070	7,625,745	434,796	100,000			8,450		100,000	100,000
REVENUE OVER/(UNDER) EXPENDITURES	(165,194)	(642,527)	(374,712)	(334,675)	(1,650)			65,348		-	-

Agenda Item:

6B. Economic development grant agreement between Kerrville's 4th On the River and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Funding agreement between the City of Kerrville, Texas Economic Improvement Corporation and Kerrville's 4th on the River

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 22, 2013

SUBMITTED BY: Ashlea Boyle,  **CLEARANCES:** Todd Parton,
Main Street / Special Projects Manager City Manager

EXHIBITS: Funding Agreement

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$25,000	\$1,008,430,000	\$25,000	40-800-975-02

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE: 

SUMMARY STATEMENT

At its meeting of May 20, 2013 the Economic Improvement Corporation (EIC) held a public hearing and approved a funding agreement with Kerrville's 4th on the River for rented items in conjunction with hosting the 3rd Annual Kerrville's 4th on the River event to be held at Louise Hays Park. The event will be held Thursday, July 4, 2013 and will consist of children's activities, food vendors, and live music in conjunction with the annual City fireworks display sponsored by Mamacitas.

The funding agreement is for the reimbursement of eligible expenses in an amount not to exceed **\$25,000**. Eligible reimbursement expenses are for rental of:

- Stage / sound equipment
- Tents
- Port-a-potties
- Fencing
- Generators
- Ticket Booths

The event has been held in Louise Hays Park for the past two years; however, to accommodate the Louise Hays Park Improvements and River Trail Project, the original plan, when the funding application transpired, was to temporarily move the event to Peterson Plaza for 2013 and 2014. The original funding request was for a total of \$22,450. It was announced at the April 15, 2013 EIC meeting that the project timeline will allow for use of the park for the 2013 event. This resulted in additional funding in the amount of \$2,550 to accommodate the transition of event locations as rented equipment may need to

be modified.

Attached is the final draft of the funding agreement between Kerrville's 4th on the River and the EIC. This agreement has been drafted as per direction of the EIC and has been finalized through negotiations of both entities.

RECOMMENDED ACTION

City staff recommends the consideration and approval of this funding agreement as presented.

ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN
KERRVILLE'S 4TH ON THE RIVER AND
THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

This Agreement entered into by and between KERRVILLE'S 4TH ON THE RIVER, a Texas nonprofit corporation ("K4OR"), acting herein by and through its duly authorized President, Ben Modisett ("K4OR Officer"), and the CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION ("EIC"), a Texas nonprofit corporation established pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 (otherwise known as the Development Corporation Act of 1979 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code) (hereafter referred to as "the Act"), acting by and through its duly authorized President, David Wampler.

WITNESSETH:

WHEREAS, EIC was formed to administer a sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for economic development projects; and

WHEREAS, pursuant to the Act, the EIC is authorized to provide funding relating to projects which the EIC finds to be encompassed within the definition of "Projects" as that word is defined by Chapters 501 and 505 of the Act, including:

Equipment and improvements found by the EIC to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, and events, including stadiums, auditoriums, parks and park facilities, exhibition facilities, and related store, restaurant, and concessions and other related improvements that enhance any of the items described by Section 505.152 of the Act; and

WHEREAS, K4OR is hosting the 3rd Annual Kerrville's 4th on the River event on July 4, 2013, at Louise Hays Park ("Event"); and

WHEREAS, K4OR's mission is to help the Kerrville community in its revitalization efforts to attract and create a more vibrant downtown focusing on the Guadalupe River; and

WHEREAS, K4OR has and will continue to advertise the Event both locally and beyond so as to maximize the attendance of tourists to the Event; and

WHEREAS, K4OR has applied for a grant from EIC for funding to rent equipment, including stage and sound equipment, tents, fencing, generators, ticket booths, and port-a-potties (collectively referred to herein as "Equipment") for the Event on July 4, 2013; and

WHEREAS, EIC has determined that such a grant complies with the Act and is in keeping with the mission of EIC and *City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures* in that it will enhance the "quality of life" within the community; and

WHEREAS, EIC finds that it will be in the public interest to enter into an agreement with K4OR to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to K4OR for its cost in renting the Equipment for use at the Event; and

WHEREAS, on May 20, 2013, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, EIC held a public hearing pursuant to Section 505.159 of the Act related to the proposed expenditure of 4B Revenues for the purposes provided above;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, K4OR and the EIC agree as follows:

ARTICLE I. EIC'S OBLIGATIONS

- A. EIC hereby grants to K4OR an amount up to Twenty-Five Thousand and No/100 Dollars (\$25,000.00) ("Grant") for costs relating to the rental of Equipment for the Event. The specific items approved for rental by the K4OR are listed on the attachment included as **Exhibit A**.
- B. Subject to the terms and conditions set forth in Article II, the Grant will be provided to K4OR by EIC and EIC shall administer the Grant on a reimbursable basis. Prior to any payment from EIC, K4OR must first submit written evidence of costs, such as invoices, receipts, and bills of sale for review and approval. Following the submission and verification thereof, EIC shall then reimburse K4OR for the cost of the Equipment.
- C. Payments made by EIC to K4OR from 4B Revenues will be limited to the payments of "costs" as defined by the Act and as specified above for the Project.
- D. In no event will the total amount of the Grant exceed Twenty-Five Thousand and No/100 Dollars (\$25,000.00).

ARTICLE II. K4OR'S OBLIGATIONS

- A. In order to receive reimbursement from EIC, K4OR must rent the Equipment for the Event and may not use such equipment for any other purpose.
- B. K4OR must keep and maintain complete and accurate records relating to the costs of the Equipment, separate and identifiable from its other records, for three (3) years following the termination of this Agreement. EIC and its representatives shall be entitled to inspect the records during the term of this Agreement and for three (3) years thereafter, upon reasonable notice.
- C. K4OR will only be liable to EIC for the actual amount of the Grant to be conveyed to K4OR and will not be liable to EIC for any other actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by K4OR under the terms of this Agreement.

- D. K4OR shall provide a written report to the EIC no later than 30 days following the Event. The report shall include, but may not be limited to: attendance for the Event, gross revenue for the Event, total expenses for the Event, list of exhibitors, and the estimated number of attendees at the Event from outside of Kerr County.

**ARTICLE III.
SALE OF PROJECT, MERGER OR CONSOLIDATION OF K4OR**

- A. A sale of all or any of the assets of K4OR will not release K4OR from its duties and responsibilities to EIC under the terms of this Agreement and shall not result in the assignment of this Agreement by such acquiring entity without prior written consent from EIC, which will not be unreasonably withheld; provided, that K4OR's proposed successor shall have the financial condition to fully satisfy K4OR's duties and responsibilities hereunder and agrees to assume K4OR's responsibilities under this Agreement. EIC may, in its sole discretion, reasonably determine whether such proposed successor's financial condition is satisfactory.
- B. In the event of any proposed merger or other consolidation of K4OR with any third party not affiliated with K4OR, K4OR shall at least thirty (30) days prior to any such merger or consolidation provide EIC with information and assurance reasonably acceptable to EIC regarding: (1) the surviving entity's assumption and satisfaction of the K4OR's obligations hereunder and (2) the financial condition of the surviving entity upon such merger or other consolidation to demonstrate that the surviving entity has the financial condition to fully satisfy K4OR's duties and responsibilities hereunder. Failure to provide such information may be considered a breach of this Agreement.
- C. Notwithstanding anything in this Agreement to the contrary, it is expressly understood and agreed that EIC shall have no rights to approve or disapprove any sale or merger transaction of any kind involving K4OR. In the event of any sale or merger involving K4OR or its affiliates, the surviving entity shall assume K4OR's obligations and rights hereunder and be entitled to any and all benefits to be received pursuant to this Agreement.

**ARTICLE IV.
K4OR'S REPRESENTATIONS AND WARRANTIES**

- A. K4OR represents and warrants as of the date hereof:
- (1) K4OR is a Texas nonprofit corporation existing in good standing and authorized to do business in the State of Texas;
- (2) Execution of this Agreement has been duly authorized by K4OR and this Agreement is not in contravention of K4OR's governing authority or any agreement or instrument to which K4OR is a party or by which it may be bound as of the date hereof;
- (3) No litigation or governmental proceeding is pending, or, to the knowledge of K4OR Officer, threatened against or affecting K4OR, which may result in a material adverse change in K4OR's business, properties, or operations sufficient to jeopardize K4OR's legal existence; and

(4) No written application, written statement, or correspondence submitted by K4OR to EIC in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of K4OR Officer, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading.

- B. Except as expressly set forth in this Article IV, K4OR makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE V.
EIC'S REPRESENTATIONS AND WARRANTIES**

- A. EIC represents and warrants as of the date hereof:

(1) EIC, to the best of the knowledge of its Board of Directors, is legally authorized to enter into this Agreement by virtue of the statute under which it is governed and by the authorities and powers vested in it as a corporation duly and properly organized under the Act;

(2) Execution of this Agreement has been duly authorized by EIC;

(3) No litigation or governmental proceeding is pending, or, to the knowledge of any of EIC's officers, threatened against or affecting EIC, which may result in EIC's inability to meet its obligations under this Agreement; and

(4) EIC has no reasonable basis for believing that it has or will have incurred debts beyond its ability to pay as such debts mature, including but not limited to the obligations set forth in this Agreement.

- B. Except as expressly set forth in this Article V, EIC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE VI.
CONDITIONS UNDER WHICH EIC MAY SUSPEND PERFORMANCE
OF ITS OBLIGATIONS UNDER THIS AGREEMENT**

- A. Under any of the following conditions EIC may, at its option, after fifteen (15) days written notice to K4OR, suspend its further performance under this Agreement until such time as K4OR shall have cured the condition(s) and so notified EIC, in writing, that the condition(s) have been cured:

(1) K4OR becomes insolvent. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.

(2) The appointment of a receiver of K4OR, or of all or any substantial part of the Property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

- (3) The adjudication of K4OR as bankrupt.
- (4) The filing by K4OR of a petition to be adjudged as bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.
- B. Should any of these conditions not be cured by K4OR within ninety (90) days, K4OR will be considered to have breached this Agreement and EIC may, at its option, with written notice to K4OR, terminate this Agreement and K4OR shall be obligated to refund the EIC the full amount of any Grant funding received from the EIC.

ARTICLE VII. REMEDIES

- A. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement by any party hereto, or any successor to such party, such defaulting or breaching party (or successor) shall upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In the event that remedial action is not taken or not diligently pursued and the default or breach shall not be cured or remedied within a reasonable time (but in no event later than ninety (90) days from the date of notification of such breach), the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to, seeking specific performance and/or injunctive relief.
- B. Upon breach of this Agreement by either party and the failure to cure as permitted by this Article VII, the non-breaching party shall have the sole right and discretion to either terminate this Agreement and/or pursue any and all remedies which may be provided by law and this Agreement. Each party acknowledges and agrees that K4OR is not entitled to recover any amounts in excess of the Grant contracted for under this Agreement and that EIC, pursuant to a breach and failure to cure by K4OR in accordance with this Agreement, is entitled to recover attorney fees, collection costs, and any other costs due to its pursuit of repayment and remedies under this Agreement.
- C. Any delay by any party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights will not, so long as the breach or default by another party is continuing, operate as a waiver of such rights or to deprive it of or limit such rights in any way; nor will any waiver in fact be made by any party with respect to any specific default by any other party except to the extent specifically waived in writing.

ARTICLE VIII. GENERAL PROVISIONS

- A. Severability. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of

such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

- B. Amendment. This Agreement may be amended only by written amendment signed by both parties.
- C. Venue. All payments made pursuant to this Agreement and other obligations performed under this Agreement shall be made or performed in Kerrville, Kerr County, Texas. Venue will lie in Kerr County, Texas; and this Agreement is governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.
- D. Notices. All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC
President
City of Kerrville, Texas, Economic Improvement Corporation
701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

With a copy to:
City Manager
City of Kerrville
701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

Kerrville's 4th on the River
Ben Modisett
President
Kerrville's 4th on the River
P.O. Box 295081
Kerrville, Texas 78029-5081
Email: bmodisett@me.com

- E. Assignment. This Agreement is binding upon the parties hereto and their successors and assigns. Except as set forth in Article III, this Agreement may not be assigned by either party without the specific prior written consent of the other, which consent will not be

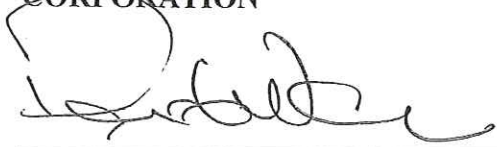
unreasonably withheld. In the event that a party consents to any valid assignment of this Agreement by the other party hereto, the assigning party will be relieved of any and all obligations and liabilities on the part of such assigning party under this Agreement. K4OR may, without written consent of EIC, assign this Agreement to any entity controlled and 100% owned by K4OR or by the parent, subsidiary, or affiliate of K4OR provided the entity assumes all of K4OR's obligations and liabilities under this Agreement; agrees to comply with all provisions of this Agreement; has the legal, managerial, technical, and financial ability to properly perform and discharge such obligations and liabilities; and such abilities are each at least as great as those of K4OR and K4OR provides a written guarantee of such assignee's performance in a form reasonably acceptable to EIC. EIC shall be advised in writing of such assignment and of the entity's qualifications at least sixty (60) days before such assignment occurs.

- F. Parties In Interest. Nothing in this Agreement shall entitle any party other than K4OR or EIC to any claim, cause of action, remedy, or right of any kind except as expressly provided in Article IV.
- G. Term. The term of this Agreement (the "Term") shall commence on the date that signatures of the parties are affixed to this Agreement (the "Effective Date"), and will terminate on the earlier of: (i) either on July 31, 2013, or when the requirements set forth in this Agreement are completed, whichever date is later; (ii) when terminated by mutual agreement of the parties; (iii) when terminated pursuant to Articles VI or VII; (iv) or at the K4OR's sole and absolute discretion, but only upon the K4OR's return of all Grant funding to EIC that it has received under this Agreement. Upon termination of this Agreement as specified herein, all rights, duties and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.
- H. Interpretation. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arms length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.
- I. No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.
- J. Survival of Terms. All rights, duties, liabilities and obligations accrued prior to termination will survive termination.
- K. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

EXECUTED AND EFFECTIVE, as of the date indicated above, by the City of Kerrville, Texas, Economic Improvement Corporation, by and through its Board President, duly authorized to execute same by action of the Board; and by Kerrville's 4th on the River, acting through the K4OR Officer.

(signatures begin on following page)

CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT
CORPORATION



David Wampler, President

Date: May 20, 2013

KERRVILLE'S 4TH ON THE RIVER

Ben Modisett, President

Date: _____

ATTEST:


Cheryl Brown, Recording Secretary

APPROVED AS TO FORM:



Michael C. Hayes, Attorney for EIC

EXHIBIT "A"

April 1, 2013

Dear Mr. Parton,

Kerrville's 4th on the River is a 501(c)3 tax-exempt organization based in Kerrville, TX. The mission of Kerrville's 4th on the River is to help the Kerrville Community in its revitalization efforts to attract and create a more vibrant downtown focusing on the Guadalupe River.

Kerrville's 4th on the River was started 2 years ago and has been successful events that coincided with the City of Kerrville's fireworks presentation. You may have heard about our events, for Kerrville was one of the only communities to even have a fireworks display in 2011, and was one of the most amazing displays we have ever seen. Thanks to many generous businesses in Kerrville like Mamacitas (who has given the city a grant to fund the fireworks display for 10 years) and James Avery Craftsman (our title sponsor for the 2011 event) and HEB and Guadalupe National Bank (title sponsors in 2012) we were able to bring upwards of 20,000 people to our downtown and city park to enjoy the festivities.

I am writing this letter to ask the Kerrville Economic Improvement Corporation to assist us this year in providing a free concert in downtown Kerrville.

We will have food vendors, kid's activities, and the live music. We want our event to be very family oriented and to be as economically feasible as possible for everyone to enjoy.

Our project Budget is as follows:

Stage/Sound-	\$14,500.00
Tents-	\$ 1,500.00
Port a Potties	\$ 2750.00
Fencing	\$ 200.00
Generators	\$ 2,000.00
Ticket Booths	<u>\$ 1,500.00</u>
Total	\$22,450.00

Thank you for your consideration.



Benjamin Modisett
Kerrville's 4th on the River
President

Agenda Item:

6C. Economic development grant agreement between Kerrville Area Chamber of Commerce and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Funding agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Kerrville Area Chamber of Commerce for Kerrfest

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 22, 2013

SUBMITTED BY: Ashlea Boyle, *AB* **CLEARANCES:** Todd Parton,
Main Street / Special Projects Manager City Manager

EXHIBITS: Funding Agreement

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *VP*

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$10,500	\$1,008,430,000	\$10,500	40-800-975-02

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE: *Sy*

SUMMARY STATEMENT

At its meeting of May 20, 2013 the Economic Improvement Corporation (EIC) held a public hearing and approved a funding agreement with the Kerrville Area Chamber of Commerce for spectator grandstands in conjunction with hosting the 3rd Annual Kerrfest event held May 16-19, 2013 at the Hill Country Youth Event Center. The event consisted of a carnival, rodeo, chili and BBQ cook-offs, homebrew competition, street dance, live music and more.

In 2011, approximately 700-800 people attended the event and 1,500+ attended in 2012. The attendance was expected to increase for the 2013 event as well. Grandstands were necessary to accommodate the number of spectators as the outdoor arena currently does not have spectator seating. Rented bleachers in 2011 and 2012 only accommodated seating for 300 people which deemed inadequate for the number of attendees.

The funding agreement is for a reimbursement in an amount not to exceed **\$10,500** for rental of spectator grandstands which was to provide box seating for the sponsors and over 600 additional seats for spectators.

Attached is the final draft of the funding agreement between the Kerrville Area Chamber of Commerce and the EIC. This agreement has been drafted as per direction of the EIC and has been finalized though negotiations of both entities.

RECOMMENDED ACTION

City staff recommends the consideration and approval of this funding agreement as presented.

ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN
KERRVILLE AREA CHAMBER OF COMMERCE AND
THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

This Agreement entered into by and between KERRVILLE AREA CHAMBER OF COMMERCE, a Texas nonprofit corporation ("KACC"), acting herein by and through its duly authorized President/CEO, Harold Dean ("KACC Officer"), and the CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION ("EIC"), a Texas nonprofit corporation established pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 (otherwise known as the Development Corporation Act of 1979 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code) (hereafter referred to as "the Act"), acting by and through its duly authorized President, David Wampler.

WITNESSETH:

WHEREAS, EIC was formed to administer a sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for economic development projects; and

WHEREAS, pursuant to the Act, the EIC is authorized to provide funding relating to projects which the EIC finds to be encompassed within the definition of "Projects" as that word is defined by Chapters 501 and 505 of the Act, including:

Equipment and improvements found by the EIC to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, and events, including stadiums, auditoriums, parks and park facilities, exhibition facilities, and related store, restaurant, and concessions and other related improvements that enhance any of the items described by Section 505.152 of the Act; and

WHEREAS, KACC is hosting the 3rd Annual KerrFest May 16 through May 19, 2013 at the Hill Country Youth Event Center ("KerrFest"); and

WHEREAS, KACC has and will continue to advertise KerrFest both locally and beyond so as to maximize the attendance of tourists to the event; and

WHEREAS, KACC has applied for a grant from EIC for funding to rent equipment, including spectator grandstands, from May 16, 2013 through May 19, 2013; and

WHEREAS, EIC has determined that such a grant complies with the Act and is in keeping with the mission of EIC and *City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures* in that it will enhance the "quality of life" within the community; and

WHEREAS, EIC finds that it will be in the public interest to enter into an agreement with KACC to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to KACC for its cost in renting equipment for use at the event; and

WHEREAS, on May 20, 2013, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, EIC held a public hearing pursuant to Section 505.159 of the Act related to the proposed expenditure of 4B Revenues for the purposes provided above;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, KACC and the EIC agree as follows:

**ARTICLE I.
EIC'S OBLIGATIONS**

- A. EIC hereby grants to KACC an amount up to Ten Thousand Five Hundred and No/100 Dollars (\$10,500.00) ("Grant") for costs relating to the rental of equipment, including spectator grandstands (collectively referred to herein as "Equipment") for KerrFest. The specific items approved for rental by the KACC are listed on the attachment included as **Exhibit A**.
- B. Subject to the terms and conditions set forth in Article II, the Grant will be provided to KACC by EIC and EIC shall administer the Grant on a reimbursable basis. Prior to any payment from EIC, KACC must first submit written evidence of costs, such as invoices, receipts, and bills of sale for review and approval. Following the submission and verification thereof, EIC shall then reimburse KACC for the cost.
- C. Payments made by EIC to KACC from 4B Revenues will be limited to the payments of "costs" as defined by the Act and as specified above for the Project.
- D. In no event will the total amount of the Grant exceed Ten Thousand Five Hundred and No/100 Dollars (\$10,500.00).

**ARTICLE II.
KCAA'S OBLIGATIONS**

- A. In order to receive reimbursement from EIC, KACC must rent the Equipment for the KerrFest and may not use such equipment for any other purpose.
- B. KACC must keep and maintain complete and accurate records relating to the costs of the Equipment, separate and identifiable from its other records, for three (3) years following the termination of this Agreement. EIC and its representatives shall be entitled to inspect the records during the term of this Agreement and for three (3) years thereafter, upon reasonable notice.
- C. KACC will only be liable to EIC for the actual amount of the Grant to be conveyed to KACC and will not be liable to EIC for any other actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by KACC under the terms of this Agreement.
- D. KACC shall provide a written report to the EIC no later than 30 days following the event. The report shall include, but may not be limited to: attendance for each day of KerrFest, gross receipts for KerrFest, total expenses for KerrFest, total ticket sales for KerrFest, list

of exhibitors, and the estimated number of attendees from outside of Kerr County who attended KerrFest.

ARTICLE III.
SALE OF PROJECT, MERGER OR CONSOLIDATION OF KACC

- A. A sale of all or any of the assets of KACC will not release KACC from its duties and responsibilities to EIC under the terms of this Agreement and shall not result in the assignment of this Agreement by such acquiring entity without prior written consent from EIC, which will not be unreasonably withheld; provided, that KACC's proposed successor shall have the financial condition to fully satisfy KACC's duties and responsibilities hereunder and agrees to assume KACC's responsibilities under this Agreement. EIC may, in its sole discretion, reasonably determine whether such proposed successor's financial condition is satisfactory.
- B. In the event of any proposed merger or other consolidation of KACC with any third party not affiliated with KACC, KACC shall at least thirty (30) days prior to any such merger or consolidation provide EIC with information and assurance reasonably acceptable to EIC regarding: (1) the surviving entity's assumption and satisfaction of the KACC's obligations hereunder and (2) the financial condition of the surviving entity upon such merger or other consolidation to demonstrate that the surviving entity has the financial condition to fully satisfy KACC's duties and responsibilities hereunder. Failure to provide such information may be considered a breach of this Agreement.
- C. Notwithstanding anything in this Agreement to the contrary, it is expressly understood and agreed that EIC shall have no rights to approve or disapprove any sale or merger transaction of any kind involving KACC. In the event of any sale or merger involving KACC or its affiliates, the surviving entity shall assume KACC's obligations and rights hereunder and be entitled to any and all benefits to be received pursuant to this Agreement.

ARTICLE IV.
KACC'S REPRESENTATIONS AND WARRANTIES

- A. KACC represents and warrants as of the date hereof:
 - (1) KACC is a Texas nonprofit corporation existing in good standing and authorized to do business in the State of Texas;
 - (2) Execution of this Agreement has been duly authorized by KACC and this Agreement is not in contravention of KACC's governing authority or any agreement or instrument to which KACC is a party or by which it may be bound as of the date hereof;
 - (3) No litigation or governmental proceeding is pending, or, to the knowledge of KACC Officer, threatened against or affecting KACC, which may result in a material adverse change in KACC's business, properties, or operations sufficient to jeopardize KACC's legal existence; and

(4) No written application, written statement, or correspondence submitted by KACC to EIC in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of KACC Officer, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading.

- B. Except as expressly set forth in this Article IV, KACC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE V.
EIC'S REPRESENTATIONS AND WARRANTIES**

- A. EIC represents and warrants as of the date hereof:

(1) EIC, to the best of the knowledge of its Board of Directors, is legally authorized to enter into this Agreement by virtue of the statute under which it is governed and by the authorities and powers vested in it as a corporation duly and properly organized under the Act;

(2) Execution of this Agreement has been duly authorized by EIC;

(3) No litigation or governmental proceeding is pending, or, to the knowledge of any of EIC's officers, threatened against or affecting EIC, which may result in EIC's inability to meet its obligations under this Agreement; and

(4) EIC has no reasonable basis for believing that it has or will have incurred debts beyond its ability to pay as such debts mature, including but not limited to the obligations set forth in this Agreement.

- B. Except as expressly set forth in this Article V, EIC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE VI.
CONDITIONS UNDER WHICH EIC MAY SUSPEND PERFORMANCE
OF ITS OBLIGATIONS UNDER THIS AGREEMENT**

- A. Under any of the following conditions EIC may, at its option, after fifteen (15) days written notice to KACC, suspend its further performance under this Agreement until such time as KACC shall have cured the condition(s) and so notified EIC, in writing, that the condition(s) have been cured:

(1) KACC becomes insolvent. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.

(2) The appointment of a receiver of KACC, or of all or any substantial part of the Property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

(3) The adjudication of KACC as bankrupt.

(4) The filing by KACC of a petition to be adjudged as bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

- B. Should any of these conditions not be cured by KACC within ninety (90) days, KACC will be considered to have breached this Agreement and EIC may, at its option, with written notice to KACC, terminate this Agreement and KACC shall be obligated to refund the EIC the full amount of any Grant funding received from the EIC.

ARTICLE VII. REMEDIES

- A. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement by any party hereto, or any successor to such party, such defaulting or breaching party (or successor) shall upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In the event that remedial action is not taken or not diligently pursued and the default or breach shall not be cured or remedied within a reasonable time (but in no event later than ninety (90) days from the date of notification of such breach), the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to, seeking specific performance and/or injunctive relief.
- B. Upon breach of this Agreement by either party and the failure to cure as permitted by this Article VII, the non-breaching party shall have the sole right and discretion to either terminate this Agreement and/or pursue any and all remedies which may be provided by law and this Agreement. Each party acknowledges and agrees that KACC is not entitled to recover any amounts in excess of the Grant contracted for under this Agreement and that EIC, pursuant to a breach and failure to cure by KACC in accordance with this Agreement, is entitled to recover attorney fees, collection costs, and any other costs due to its pursuit of repayment and remedies under this Agreement.
- C. Any delay by any party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights will not, so long as the breach or default by another party is continuing, operate as a waiver of such rights or to deprive it of or limit such rights in any way; nor will any waiver in fact be made by any party with respect to any specific default by any other party except to the extent specifically waived in writing.

ARTICLE VIII. GENERAL PROVISIONS

- A. Severability. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a

part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

- B. Amendment. This Agreement may be amended only by written amendment signed by both parties.
- C. Venue. All payments made pursuant to this Agreement and other obligations performed under this Agreement shall be made or performed in Kerrville, Kerr County, Texas. Venue will lie in Kerr County, Texas; and this Agreement is governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.
- D. Notices. All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC

President

City of Kerrville, Texas, Economic Improvement Corporation

701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

With a copy to:

City Manager

City of Kerrville

701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

Kerrville Area Chamber of Commerce

Harold Dean

President/CEO

1700 Sidney Baker, Suite 100

Kerrville, Texas 78028

Email: president@kerrvilletx.com

- E. Assignment. This Agreement is binding upon the parties hereto and their successors and assigns. Except as set forth in Article III, this Agreement may not be assigned by either party without the specific prior written consent of the other, which consent will not be unreasonably withheld. In the event that a party consents to any valid assignment of this Agreement by the other party hereto, the assigning party will be relieved of any and all

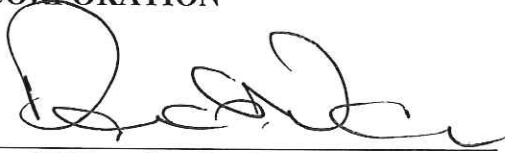
obligations and liabilities on the part of such assigning party under this Agreement. KACC may, without written consent of EIC, assign this Agreement to any entity controlled and 100% owned by KACC or by the parent, subsidiary, or affiliate of KACC provided the entity assumes all of KACC's obligations and liabilities under this Agreement; agrees to comply with all provisions of this Agreement; has the legal, managerial, technical, and financial ability to properly perform and discharge such obligations and liabilities; and such abilities are each at least as great as those of KACC and KACC provides a written guarantee of such assignee's performance in a form reasonably acceptable to EIC. EIC shall be advised in writing of such assignment and of the entity's qualifications at least sixty (60) days before such assignment occurs.

- F. Parties In Interest. Nothing in this Agreement shall entitle any party other than KACC or EIC to any claim, cause of action, remedy, or right of any kind except as expressly provided in Article IV.
- G. Term. The term of this Agreement (the "Term") shall commence on the date that signatures of the parties are affixed to this Agreement (the "Effective Date"), and will terminate on the earlier of: (i) either on June 30, 2013, or when the requirements set forth in this Agreement are completed, whichever date is later; (ii) when terminated by mutual agreement of the parties; (iii) when terminated pursuant to Articles VI or VII; (iv) or at the KACC's sole and absolute discretion, but only upon the KACC's return of all Grant funding to EIC that it has received under this Agreement. Upon termination of this Agreement as specified herein, all rights, duties and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.
- H. Interpretation. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arms length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.
- I. No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.
- J. Survival of Terms. All rights, duties, liabilities and obligations accrued prior to termination will survive termination.
- K. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

EXECUTED AND EFFECTIVE, as of the date indicated above, by the City of Kerrville, Texas, Economic Improvement Corporation, by and through its Board President, duly authorized to execute same by action of the Board; and by the Kerrville Area Chamber of Commerce, acting through the KACC Officer.

(signatures begin on following page)

**CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT
CORPORATION**



David Wampler, President

Date: May 20, 2013

**KERRVILLE AREA CHAMBER OF
COMMERCE**

Harold Dean, President/CEO

Date: _____

ATTEST:



Cheryl Brown, Recording Secretary

APPROVED AS TO FORM:



Michael C. Hayes, Attorney for EIC



EXHIBIT "A" 73

It's all right here.

April 3, 2013

Dear Economic Improvement Corporation:

Thank you for your consideration of the attached request for funding. The Kerrville Area Chamber of Commerce (KACOC) requests funding in the amount of \$10,560.00 for the lease of grandstands for the 2013 Kerrfest event, to be held May 16-19, 2013, at the Hill Country Youth Event Center.

Kerrfest is the largest special event hosted by KACOC. Our major event sponsors are Wells Fargo Bank and Crenwelge Motors. We will be hosting a Midway carnival all four days of the event. On Thursday night, we will kick off Kerrfest with a Junior rodeo. A jackpot team roping will take place Saturday morning with an estimated 100 teams. Open Pro Rodeo performances will be held Friday and Saturday nights. In addition to these rodeo events, on Friday and Saturday, we are hosting two CASI-sanctioned chili cook-offs, and on Saturday we'll have a Lone Star Barbecue Society-sanctioned BBQ cook-off and a homebrew competition. A good old fashioned street dance will be held Saturday night after the rodeo featuring local favorite John Christopher Way and Barbwire, sponsored by JM Lowe and Co. These events will draw contestants, spectators, and families from all over the state of Texas.

This is the third year for the event to take place. In 2011, we had between 700-800 people attend the event. Last year, that number increased to 1,500+ over the four-day event. The anchor of Kerrfest is the rodeo that takes place Friday and Saturday nights. Unfortunately, there is no spectator seating at the outdoor arena in order to accommodate our visitors. For the past two years, we have had to bring in portable aluminum bleachers, with seating only provided for approximately 300 people. With the increased numbers expected for this year, we are deeply concerned about the need to provide adequate seating.

Please refer to the attached quote for spectator grandstands. This would provide box seating for our sponsors and over 600 seats for spectators. Providing safe, professional-grade, adequate seating for our anchor event is absolutely essential to the continued success and reputation of Kerrfest. We have enjoyed great partnerships with the City of Kerrville, Kerr County, and the Kerrville Convention and Visitors Bureau to promote our hill country town and businesses.

We humbly request your consideration of this funding request in the amount of \$10,560.00. Thank you in advance.

Sincerely,

Harold Dean, IOM
President/CEO

Encl:

- a) EIC Funding Request Application
- b) 2012 Kerrfest P&L
- c) Star of Texas Tents and Events Proposal
- d) Economic Impact Analysis

Agenda Item:

6D. Economic development grant agreement between Texas Folk Music Foundation dba Kerrville Folk Festival and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Funding agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Texas Folk Music Foundation dba Kerrville Folk Festival

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 22, 2013

SUBMITTED BY: Ashlea Boyle,  **CLEARANCES:** Todd Parton,
Main Street / Special Projects Manager City Manager

EXHIBITS: Funding Agreement

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$8,500	\$1,008,430,000	\$8,500	40-800-975-02

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE: 

SUMMARY STATEMENT

At its meeting of May 20, 2013 the Economic Improvement Corporation (EIC) held a public hearing and approved a funding agreement with the Texas Folk Music Foundation for transportation services in conjunction with hosting the 42nd Annual Kerrville Folk Festival. The bus will transport passengers between the three major events / points of interest being held Memorial Day Weekend, May 24-26, 2013, which are the Kerrville Folk Festival, Texas Arts and Crafts Fair, Kerr County Market Days, and the general downtown historic area. The development of the transportation services will allow for greater cross participation between the events, tourism and community shopping opportunities.

The Kerrville Folk Festival held in Quiet Valley Ranch, has had approximately 50,000 annual attendees over the last four years. The focus of the festival is to promote emerging artists while giving the audience exposure to both new and recognized seasoned talent.

The original funding request was for a total of \$2,805 for transportation services via chartered bus. At its meeting of April 15, 2013, the EIC approved funding for up to 3 buses to better facilitate the transportation route and reduce wait time.

Attached is the final draft of the funding agreement between the Texas Folk Music Foundation dba Kerrville Folk Festival and the EIC for a reimbursement of eligible expenses in an amount not to exceed **\$8,500** for transportation services. This agreement has been drafted as per direction of the EIC and has been finalized though negotiations of both entities.

RECOMMENDED ACTION

City staff recommends the consideration and approval of this funding agreement as presented.

**ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN
TEXAS FOLK MUSIC FOUNDATION dba KERRVILLE FOLK FESTIVAL AND
THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION**

This Agreement entered into by and between TEXAS FOLK MUSIC FOUNDATION dba KERRVILLE FOLK FESTIVAL, a Texas nonprofit corporation ("KFF"), acting herein by and through its duly authorized Producer, Dalis Allen ("KFF Officer"), and the CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION ("EIC"), a Texas nonprofit corporation established pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 (otherwise known as the Development Corporation Act of 1979 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code) (hereafter referred to as "the Act"), acting by and through its duly authorized President, David Wampler.

WITNESSETH:

WHEREAS, EIC was formed to administer a sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for economic development projects; and

WHEREAS, pursuant to the Act, the EIC is authorized to provide funding relating to projects which the EIC finds to be encompassed within the definition of "Projects" as that word is defined by Chapters 501 and 505 of the Act, including:

Equipment found by the EIC to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, and events, including stadiums, auditoriums, parks and park facilities, exhibition facilities, and related store, restaurant, and concessions and other related improvements that enhance any of the items described by Section 505.152 of the Act; and

WHEREAS, KFF is hosting the 42nd Annual Kerrville Folk Festival beginning Memorial Day weekend and continuing over the next several weeks at Quiet Valley Ranch ("Festival"); and

WHEREAS, KFF has and will continue to advertise the Festival both locally and beyond so as to maximize the attendance of tourists to the event; and

WHEREAS, KFF has applied for a grant from EIC for funding to rent transportation services (bus) to transport passengers between the Festival, Texas Arts & Crafts Fair, Kerr County Market Days and the general downtown historic area May 25-26, 2013; and

WHEREAS, EIC has determined that such a grant complies with the Act and is in keeping with the mission of EIC and *City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures* in that it will enhance the "quality of life" within the community; and

WHEREAS, EIC finds that it will be in the public interest to enter into an agreement with KFF to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to KFF for its cost in renting transportation services; and

WHEREAS, on May 20, 2013, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, EIC held a public hearing pursuant to Section 505.159 of the Act related to the proposed expenditure of 4B Revenues for the purposes provided above;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, KFF and the EIC agree as follows:

**ARTICLE I.
EIC'S OBLIGATIONS**

- A. EIC hereby grants to KFF an amount up to Eight Thousand Five Hundred and No/100 (\$8,500.00) ("Grant") for costs relating to KFF's acquisition of transportation services (collectively referred to herein as "Equipment") for the transporting passengers between the Festival, Texas Arts & Crafts Fair, Kerr County Market Days and the general downtown historic area on May 25 through May 26, 2013. The EIC will not provide payments for any other purpose.
- B. Subject to the terms and conditions set forth in Article II, the Grant will be provided to KFF by EIC and EIC shall administer the Grant on a reimbursable basis. Prior to any payment from EIC, KFF must first submit written evidence of costs, such as invoices, receipts, and bills of sale for review and approval. Following the submission and verification thereof, EIC shall then reimburse KFF for the cost.
- C. Payments made by EIC to KFF from 4B Revenues will be limited to the payments of "costs" as defined by the Act and as specified above for the Project.
- D. In no event will the total amount of the Grant exceed Eight Thousand Five Hundred and No/100 Dollars (\$8,500.00).

**ARTICLE II.
KFF'S OBLIGATIONS**

- A. In order to receive reimbursement from EIC, KFF must acquire transportation services for transporting passengers between the Festival, Texas Arts & Crafts Fair, Kerr County Market Days and the general downtown historic area May 25-26, 2013.
- B. KFF must keep and maintain complete and accurate records relating to the costs of the Equipment, separate and identifiable from its other records, for three (3) years following the termination of this Agreement. EIC and its representatives shall be entitled to inspect the records during the term of this Agreement and for three (3) years thereafter, upon reasonable notice.
- C. KFF will only be liable to EIC for the actual amount of the Grant to be conveyed to KFF and will not be liable to EIC for any other actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by KFF under the terms of this Agreement.
- D. KFF shall provide a written report to the EIC no later than 30 days following the Festival. The report shall include, but may not be limited to: attendance for each day of the

Festival, gross receipts for the Festival, total expenses for the Festival, total ticket sales for the Festival, list of exhibitors, and the estimated number of attendees at the Festival from outside of Kerr County.

**ARTICLE III.
SALE OF PROJECT, MERGER OR CONSOLIDATION OF KFF**

- A. A sale of all or any of the assets of KFF will not release KFF from its duties and responsibilities to EIC under the terms of this Agreement and shall not result in the assignment of this Agreement by such acquiring entity without prior written consent from EIC, which will not be unreasonably withheld; provided, that KFF's proposed successor shall have the financial condition to fully satisfy KFF's duties and responsibilities hereunder and agrees to assume KFF's responsibilities under this Agreement. EIC may, in its sole discretion, reasonably determine whether such proposed successor's financial condition is satisfactory.
- B. In the event of any proposed merger or other consolidation of KFF with any third party not affiliated with KFF, KFF shall at least thirty (30) days prior to any such merger or consolidation provide EIC with information and assurance reasonably acceptable to EIC regarding: (1) the surviving entity's assumption and satisfaction of the KFF's obligations hereunder and (2) the financial condition of the surviving entity upon such merger or other consolidation to demonstrate that the surviving entity has the financial condition to fully satisfy KFF's duties and responsibilities hereunder. Failure to provide such information may be considered a breach of this Agreement.
- C. Notwithstanding anything in this Agreement to the contrary, it is expressly understood and agreed that EIC shall have no rights to approve or disapprove any sale or merger transaction of any kind involving KFF. In the event of any sale or merger involving KFF or its affiliates, the surviving entity shall assume KFF's obligations and rights hereunder and be entitled to any and all benefits to be received pursuant to this Agreement.

**ARTICLE IV.
KFF'S REPRESENTATIONS AND WARRANTIES**

- A. KFF represents and warrants as of the date hereof:
 - (1) KFF is a Texas nonprofit corporation existing in good standing and authorized to do business in the State of Texas;
 - (2) Execution of this Agreement has been duly authorized by KFF and this Agreement is not in contravention of KFF's governing authority or any agreement or instrument to which KFF is a party or by which it may be bound as of the date hereof;
 - (3) No litigation or governmental proceeding is pending, or, to the knowledge of KFF Officer, threatened against or affecting KFF, which may result in a material adverse change in KFF'S business, properties, or operations sufficient to jeopardize KFF's legal existence; and

- (4) No written application, written statement, or correspondence submitted by KFF to EIC in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of KFF Officer, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading.
- B. Except as expressly set forth in this Article IV, KFF makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE V.
EIC'S REPRESENTATIONS AND WARRANTIES**

- A. EIC represents and warrants as of the date hereof:
- (1) EIC, to the best of the knowledge of its Board of Directors, is legally authorized to enter into this Agreement by virtue of the statute under which it is governed and by the authorities and powers vested in it as a corporation duly and properly organized under the Act;
- (2) Execution of this Agreement has been duly authorized by EIC;
- (3) No litigation or governmental proceeding is pending, or, to the knowledge of any of EIC's officers, threatened against or affecting EIC, which may result in EIC's inability to meet its obligations under this Agreement; and
- (4) EIC has no reasonable basis for believing that it has or will have incurred debts beyond its ability to pay as such debts mature, including but not limited to the obligations set forth in this Agreement.
- B. Except as expressly set forth in this Article V, EIC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE VI.
CONDITIONS UNDER WHICH EIC MAY SUSPEND PERFORMANCE
OF ITS OBLIGATIONS UNDER THIS AGREEMENT**

- A. Under any of the following conditions EIC may, at its option, after fifteen (15) days written notice to KFF, suspend its further performance under this Agreement until such time as KFF shall have cured the condition(s) and so notified EIC, in writing, that the condition(s) have been cured:
- (1) KFF becomes insolvent. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.
- (2) The appointment of a receiver of KFF, or of all or any substantial part of the Property, and the failure of such receiver to be discharged within sixty (60) days thereafter.
- (3) The adjudication of KFF as bankrupt.

- (4) The filing by KFF of a petition to be adjudged as bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.
- B. Should any of these conditions not be cured by KFF within ninety (90) days, KFF will be considered to have breached this Agreement and EIC may, at its option, with written notice to KFF, terminate this Agreement and KFF shall be obligated to refund the EIC the full amount of any Grant funding received from the EIC.

ARTICLE VII. REMEDIES

- A. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement by any party hereto, or any successor to such party, such defaulting or breaching party (or successor) shall upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In the event that remedial action is not taken or not diligently pursued and the default or breach shall not be cured or remedied within a reasonable time (but in no event later than ninety (90) days from the date of notification of such breach), the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to, seeking specific performance and/or injunctive relief.
- B. Upon breach of this Agreement by either party and the failure to cure as permitted by this Article VII, the non-breaching party shall have the sole right and discretion to either terminate this Agreement and/or pursue any and all remedies which may be provided by law and this Agreement. Each party acknowledges and agrees that KFF is not entitled to recover any amounts in excess of the Grant contracted for under this Agreement and that EIC, pursuant to a breach and failure to cure by KFF in accordance with this Agreement, is entitled to recover attorney fees, collection costs, and any other costs due to its pursuit of repayment and remedies under this Agreement.
- C. Any delay by any party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights will not, so long as the breach or default by another party is continuing, operate as a waiver of such rights or to deprive it of or limit such rights in any way; nor will any waiver in fact be made by any party with respect to any specific default by any other party except to the extent specifically waived in writing.

ARTICLE VIII. GENERAL PROVISIONS

- A. Severability. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

- B. Amendment. This Agreement may be amended only by written amendment signed by both parties.
- C. Venue. All payments made pursuant to this Agreement and other obligations performed under this Agreement shall be made or performed in Kerrville, Kerr County, Texas. Venue will lie in Kerr County, Texas; and this Agreement is governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.
- D. Notices. All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC
President
City of Kerrville, Texas, Economic Improvement Corporation
701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

With a copy to:
City Manager
City of Kerrville
701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

Texas Folk Music Foundation dba Kerrville Folk Festival
Dalis Allen
Producer
3876 Medina Highway
Kerrville, Texas 78028

- E. Assignment. This Agreement is binding upon the parties hereto and their successors and assigns. Except as set forth in Article III, this Agreement may not be assigned by either party without the specific prior written consent of the other, which consent will not be unreasonably withheld. In the event that a party consents to any valid assignment of this Agreement by the other party hereto, the assigning party will be relieved of any and all obligations and liabilities on the part of such assigning party under this Agreement. KFF may, without written consent of EIC, assign this Agreement to any entity controlled and 100% owned by KFF or by the parent, subsidiary, or affiliate of KFF provided the entity assumes all of KFF's obligations and liabilities under this Agreement; agrees to comply

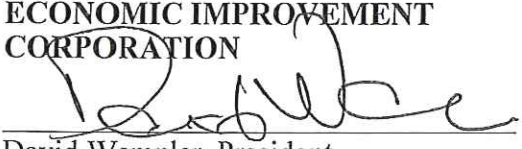
with all provisions of this Agreement; has the legal, managerial, technical, and financial ability to properly perform and discharge such obligations and liabilities; and such abilities are each at least as great as those of KFF and KFF provides a written guarantee of such assignee's performance in a form reasonably acceptable to EIC. EIC shall be advised in writing of such assignment and of the entity's qualifications at least sixty (60) days before such assignment occurs.

- F. Parties In Interest. Nothing in this Agreement shall entitle any party other than KFF or EIC to any claim, cause of action, remedy, or right of any kind except as expressly provided in Article IV.
- G. Term. The term of this Agreement (the "Term") shall commence on the date that signatures of the parties are affixed to this Agreement (the "Effective Date"), and will terminate on the earlier of: (i) either on July 31, 2013, or when the requirements set forth in this Agreement are completed, whichever date is later; (ii) when terminated by mutual agreement of the parties; (iii) when terminated pursuant to Articles VI or VII; (iv) or at the KFF's sole and absolute discretion, but only upon the KFF's return of all Grant funding to EIC that it has received under this Agreement. Upon termination of this Agreement as specified herein, all rights, duties and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.
- H. Interpretation. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arms length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.
- I. No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.
- J. Survival of Terms. All rights, duties, liabilities and obligations accrued prior to termination will survive termination.
- K. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

EXECUTED AND EFFECTIVE, as of the date indicated above, by the City of Kerrville, Texas, Economic Improvement Corporation, by and through its Board President, duly authorized to execute same by action of the Board; and by Texas Folk Music Foundation dba Kerrville Folk Festival., acting through the KFF Officer.

(signatures begin on following page)

**CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT
CORPORATION**



David Wampler, President

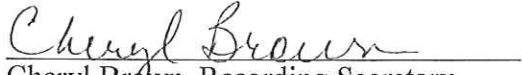
Date: May 20, 2013

**TEXAS FOLK MUSIC FOUNDATION
dba
KERRVILLE FOLK FESTIVAL**

Dalis Allen, Producer

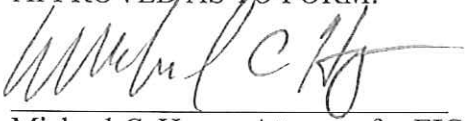
Date: _____

ATTEST:



Cheryl Brown, Recording Secretary

APPROVED/AS TO FORM:



Michael C. Hayes, Attorney for EIC



The Texas Folk Music Foundation, dba Kerrville Folk Festival (KFF), in a collaborative project with the Texas Arts & Crafts Fair, the Kerrville Downtown Business Association and the City of Kerrville, propose the development of a Saturday, May 25th and Sunday, May 26th free Bus Ride service. The bus will pick up and drop off riders between the three major events/areas being held Memorial Day weekend in Kerrville and Kerr County. This temporary addition to the Transportation Infrastructure in Kerrville would provide Public transportation designed to offer greater opportunities for tourism and sales tax revenues in Kerrville and Kerr County.

2013 brings to Kerrville, Kerr County and surrounding communities the 42nd Kerrville Folk Festival. For the past 41 years, people from across the nation and around the world have attended KFF's yearly event. Over the last four years, KFF has provided the State of Texas and Kerr County with over \$138,445 in sales tax revenue from income received from its' estimated 50,000 yearly attendees. In addition to Sales Tax revenues paid to the Texas State Comptroller's office, the community of Kerrville receives approximately \$1.9 million in Direct Economic Impact from Festival attendees each year. The development of a temporary Bus route will allow greater participation and community shopping opportunities to patrons who visit our festival each year.

This proposed public transportation bus route would begin at Peterson Plaza, located at 700 Water Street at the corner of Sidney Baker. Bus riders from Kerrville will park their cars in the City of Kerrville's Parking Garage, and walk across the street to the Peterson Plaza pick-up location. Passengers would then travel on a looped route whose first stop to drop off or pick up passengers would be the KFF Festival Grounds located 9 miles S of Kerrville on Hwy 16. The second stop on the route will be the Texas Arts and Crafts Fair. After stopping at the Arts and Crafts Fair to drop off or pick up passengers, the bus will continue on to the original departure point at Peterson Plaza where they can enjoy the assortment of shops and eateries offered in the Historic Downtown Kerrville area or the Kerr County Market Days located on the Kerr County Courthouse grounds. Whether the bus offers Festival attendees a way to "go to town" without using their own vehicle or offers citizens a way to shop the Arts & Crafts Fair or enjoy an evening of music at the Kerrville Folk Festival, this project offers public transportation to Tourist and Residents alike which will enable them to attend events happening Memorial Day weekend in Kerrville and Kerr County.

To keep Kerrville and Kerr County Sales Tax dollars in the community, an estimated quote from the Kerrville Bus Company has been attached. Charter Quotation 20183 identifies a 55 passenger coach be used in the project for an estimated \$2,800 to \$3,000 fee. It is felt by all parties involved in this proposed project to be a worthwhile investment to increase their revenue base and thus increase the Sales Tax revenues received by Kerrville and Kerr County Texas.

Sincerely,

Dalis Allen, Producer
Kerrville Folk Festival
3876 Medina Hwy
Kerrville, Tx 78028

City of Kerrville
Funding Application - Hotel Occupancy Tax
FY 2012

Attachment A

Project Description

The primary purpose of the funding request is to: advocate tourism of Kerrville by advertising in other cities around the state of Texas; marketing the festivals worldwide as a draw to Kerrville by printing, mailing and distributing over 10,000 brochures & programs; creating, printing & distributing posters; web site administration; and the promotion of these events at other venues and festivals around the country that would draw similar participants to Kerrville.

For years, our web site has promoted local hotels and a link to the Kerrville Chamber of Commerce and Visitor's Bureau for links to local attractions and accommodations. The board of the Texas Folk Music Foundation embraces the simple Formula for Economic Impact: (A) Offer quality concerts and programs with a wide variety of music genres in a fun, family-oriented atmosphere; and (B) market these audiences utilizing a multitude of advertising tools including magazines, newspaper, radio, TV, electronically and via social networking to (C) participants internationally, nationally, regionally and locally; equals (D) increased tourism in Kerrville and increased sales tax revenues from visiting guests.

2011 marked the 40th year for the Kerrville Folk Festival. The Kerrville Chamber of Commerce has documented the millions of tourism dollars these annual festivals and wine & music festivals have brought in to Kerrville as a direct result of this nationally-acclaimed arts initiative.

Agenda Item:

6E. Economic development grant agreement between Texas Hill Country Wine and Brew Festival and the City of Kerrville, Texas Economic Improvement Corporation. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Funding agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Texas Hill Country Wine and Brew Festival

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 22, 2013

SUBMITTED BY: Ashlea Boyle, *ab* **CLEARANCES:** Todd Parton,
Main Street / Special Projects Manager City Manager

EXHIBITS: Funding Agreement

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *JP*

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$20,432	\$1,008,430,000	\$20,432	40-800-975-02

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE: *dy*

SUMMARY STATEMENT

At its meeting of May 20, 2013 the Economic Improvement Corporation (EIC) held a public hearing and approved a funding agreement with the Comanche Trace for rented items for the 1st Annual Texas Hill Country Wine and Brew Festival to be held around Lake Comanche Trace on July 6, 2013. The festival will feature Texas wineries, microbreweries, specialty food vendors, unique retail booths, and live music.

The Texas Hill Country Wine and Brew Festival has applied for 501C3 status and expects to receive determination in May 2013. Based on other similar festivals in the area, the anticipated attendance for this event is 3,000 attendees. Proceeds from the Texas Hill Country Wine and Brew Festival will be distributed to organizations that benefit the lives, education, and well-being of the citizens of Kerr County.

The funding agreement is for a reimbursement of eligible expenses in an amount not to exceed **\$20,432**. Eligible reimbursement expenses are for rental of:

- Tents (\$3,463)
- Generators (\$700)
- Fencing (\$7,950)
- Port-a-potties (\$2,273)
- Chairs (\$788)
- Tables (\$388)
- Dumpsters (\$750)
- Misting Fans (\$920)

- Stage (\$2,000)
- Sound System (\$1,200)

Attached is the final draft of the funding agreement between the Texas Hill Country Wine and Brew Festival and the EIC. This agreement has been drafted as per direction of the EIC and has been finalized through negotiations of both entities.

RECOMMENDED ACTION

City staff recommends the consideration and approval of this funding agreement as presented.

ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN
TEXAS HILL COUNTRY WINE AND BREW FESTIVAL AND
THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

This Agreement entered into by and between TEXAS HILL COUNTRY WINE AND BREW FESTIVAL, a Texas nonprofit corporation ("THCWBF"), acting herein by and through its duly authorized President, Trevor Hyde ("THCWBF Officer"), and the CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION ("EIC"), a Texas nonprofit corporation established pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 (otherwise known as the Development Corporation Act of 1979 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code) (hereafter referred to as "the Act"), acting by and through its duly authorized President, David Wampler.

WITNESSETH:

WHEREAS, EIC was formed to administer a sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for economic development projects; and

WHEREAS, pursuant to the Act, the EIC is authorized to provide funding relating to projects which the EIC finds to be encompassed within the definition of "Projects" as that word is defined by Chapters 501 and 505 of the Act, including:

Equipment and improvements found by the EIC to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, and events, including stadiums, auditoriums, parks and park facilities, exhibition facilities, and related store, restaurant, and concessions and other related improvements that enhance any of the items described by Section 505.152 of the Act; and

WHEREAS, THCWBF is hosting the 1st Annual Texas Hill Country Wine and Brew Festival ("Festival") to be held around Lake Comanche Trace on July 6, 2013; and

WHEREAS, THCWBF has and will continue to advertise the Festival both locally and beyond so as to maximize the attendance of tourists to the event; and

WHEREAS, THCWBF intends to distribute proceeds from the Festival to organizations that benefit the lives, education, and well-being of the citizens of Kerr County; and

WHEREAS, THCWBF has applied for a grant from EIC for funding to rent equipment, including tents, generators, and porta-potties for the Festival; and

WHEREAS, EIC has determined that such a grant complies with the Act and is in keeping with the mission of EIC and *City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures* in that it will enhance the "quality of life" within the community; and

WHEREAS, EIC finds that it will be in the public interest to enter into an agreement with THCWBF to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to THCWBF for its cost in renting equipment for use at the Festival; and

WHEREAS, on May 20, 2013, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, EIC held a public hearing pursuant to Section 505.159 of the Act related to the proposed expenditure of 4B Revenues for the purposes provided above;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, THCWBF and the EIC agree as follows:

ARTICLE I. EIC'S OBLIGATIONS

- A. EIC hereby grants to THCWBF an amount up to Twenty Thousand Four Hundred and Thirty-Two and No/100 Dollars (\$20,432.00) ("Grant") for costs relating to the rental of equipment, to include tents, generators, and porta-potties (collectively referred to herein as "Equipment") for the Festival. The specific items approved for rental by the THCWBF are listed on the attachment included as **Exhibit A**.
- B. Subject to the terms and conditions set forth in Article II, the Grant will be provided to THCWBF by EIC and EIC shall administer the Grant on a reimbursable basis. Prior to any payment from EIC, THCWBF must first submit written evidence of costs, such as invoices, receipts, and bills of sale for review and approval. Following the submission and verification thereof, EIC shall then reimburse THCWBF for the cost.
- C. Payments made by EIC to THCWBF from 4B Revenues will be limited to the payments of "costs" as defined by the Act and as specified above for the Project.
- D. In no event will the total amount of the Grant exceed Twenty Thousand Four Hundred Thirty-Two Dollars and No/100 (\$20,432.00).

ARTICLE II. THCWBF'S OBLIGATIONS

- A. In order to receive reimbursement from EIC, THCWBF must rent the Equipment for the Festival and may not use such equipment for any other purpose.
- B. THCWBF must keep and maintain complete and accurate records relating to the costs of the Equipment, separate and identifiable from its other records, for three (3) years following the termination of this Agreement. EIC and its representatives shall be entitled to inspect the records during the term of this Agreement and for three (3) years thereafter, upon reasonable notice.
- C. THCWBF will only be liable to EIC for the actual amount of the Grant to be conveyed to THCWBF and will not be liable to EIC for any other actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by THCWBF under the terms of this Agreement.
- D. THCWBF shall provide a written report to the EIC no later than 30 days following the Festival. The report shall include, but may not be limited to: attendance at the Festival, gross receipts for the Festival, total expenses for the Festival, total ticket sales for the

Festival, list of exhibitors, and the estimated number of attendees at the Festival from outside of Kerr County.

ARTICLE III. SALE OF PROJECT, MERGER OR CONSOLIDATION OF THCWBF

- A. A sale of all or any of the assets of THCWBF will not release THCWBF from its duties and responsibilities to EIC under the terms of this Agreement and shall not result in the assignment of this Agreement by such acquiring entity without prior written consent from EIC, which will not be unreasonably withheld; provided, that THCWBF's proposed successor shall have the financial condition to fully satisfy THCWBF's duties and responsibilities hereunder and agrees to assume THCWBF's responsibilities under this Agreement. EIC may, in its sole discretion, reasonably determine whether such proposed successor's financial condition is satisfactory.
- B. In the event of any proposed merger or other consolidation of THCWBF with any third party not affiliated with THCWBF, THCWBF shall at least thirty (30) days prior to any such merger or consolidation provide EIC with information and assurance reasonably acceptable to EIC regarding: (1) the surviving entity's assumption and satisfaction of the THCWBF's obligations hereunder and (2) the financial condition of the surviving entity upon such merger or other consolidation to demonstrate that the surviving entity has the financial condition to fully satisfy THCWBF's duties and responsibilities hereunder. Failure to provide such information may be considered a breach of this Agreement.
- C. Notwithstanding anything in this Agreement to the contrary, it is expressly understood and agreed that EIC shall have no rights to approve or disapprove any sale or merger transaction of any kind involving THCWBF. In the event of any sale or merger involving THCWBF or its affiliates, the surviving entity shall assume THCWBF's obligations and rights hereunder and be entitled to any and all benefits to be received pursuant to this Agreement.

ARTICLE IV. THCWBF'S REPRESENTATIONS AND WARRANTIES

- A. THCWBF represents and warrants as of the date hereof:
 - (1) THCWBF is a Texas nonprofit corporation existing in good standing and authorized to do business in the State of Texas;
 - (2) Execution of this Agreement has been duly authorized by THCWBF and this Agreement is not in contravention of THCWBF's governing authority or any agreement or instrument to which THCWBF is a party or by which it may be bound as of the date hereof;
 - (3) No litigation or governmental proceeding is pending, or, to the knowledge of THCWBF Officer, threatened against or affecting THCWBF, which may result in a material adverse change in THCWBF's business, properties, or operations sufficient to jeopardize THCWBF's legal existence; and

- (4) No written application, written statement, or correspondence submitted by THCWBF to EIC in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of THCWBF Officer, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading.
- B. Except as expressly set forth in this Article IV, THCWBF makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE V.
EIC'S REPRESENTATIONS AND WARRANTIES**

- A. EIC represents and warrants as of the date hereof:
- (1) EIC, to the best of the knowledge of its Board of Directors, is legally authorized to enter into this Agreement by virtue of the statute under which it is governed and by the authorities and powers vested in it as a corporation duly and properly organized under the Act;
- (2) Execution of this Agreement has been duly authorized by EIC;
- (3) No litigation or governmental proceeding is pending, or, to the knowledge of any of EIC's officers, threatened against or affecting EIC, which may result in EIC's inability to meet its obligations under this Agreement; and
- (4) EIC has no reasonable basis for believing that it has or will have incurred debts beyond its ability to pay as such debts mature, including but not limited to the obligations set forth in this Agreement.
- B. Except as expressly set forth in this Article V, EIC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE VI.
CONDITIONS UNDER WHICH EIC MAY SUSPEND PERFORMANCE
OF ITS OBLIGATIONS UNDER THIS AGREEMENT**

- A. Under any of the following conditions EIC may, at its option, after fifteen (15) days written notice to THCWBF, suspend its further performance under this Agreement until such time as THCWBF shall have cured the condition(s) and so notified EIC, in writing, that the condition(s) have been cured:
- (1) THCWBF becomes insolvent. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.
- (2) The appointment of a receiver of THCWBF, or of all or any substantial part of the Property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

(3) The adjudication of THCWBF as bankrupt.

(4) The filing by THCWBF of a petition to be adjudged as bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

- B. Should any of these conditions not be cured by THCWBF within ninety (90) days, THCWBF will be considered to have breached this Agreement and EIC may, at its option, with written notice to THCWBF, terminate this Agreement and THCWBF shall be obligated to refund the EIC the full amount of any Grant funding received from the EIC.

ARTICLE VII. REMEDIES

- A. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement by any party hereto, or any successor to such party, such defaulting or breaching party (or successor) shall upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In the event that remedial action is not taken or not diligently pursued and the default or breach shall not be cured or remedied within a reasonable time (but in no event later than ninety (90) days from the date of notification of such breach), the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to, seeking specific performance and/or injunctive relief.
- B. Upon breach of this Agreement by either party and the failure to cure as permitted by this Article VII, the non-breaching party shall have the sole right and discretion to either terminate this Agreement and/or pursue any and all remedies which may be provided by law and this Agreement. Each party acknowledges and agrees that THCWBF is not entitled to recover any amounts in excess of the Grant contracted for under this Agreement and that EIC, pursuant to a breach and failure to cure by THCWBF in accordance with this Agreement, is entitled to recover attorney fees, collection costs, and any other costs due to its pursuit of repayment and remedies under this Agreement.
- C. Any delay by any party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights will not, so long as the breach or default by another party is continuing, operate as a waiver of such rights or to deprive it of or limit such rights in any way; nor will any waiver in fact be made by any party with respect to any specific default by any other party except to the extent specifically waived in writing.

ARTICLE VIII. GENERAL PROVISIONS

- A. Severability. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a

part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

- B. Amendment. This Agreement may be amended only by written amendment signed by both parties.
- C. Venue. All payments made pursuant to this Agreement and other obligations performed under this Agreement shall be made or performed in Kerrville, Kerr County, Texas. Venue will lie in Kerr County, Texas; and this Agreement is governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.
- D. Notices. All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC

President

City of Kerrville, Texas, Economic Improvement Corporation

701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

With a copy to:

City Manager

City of Kerrville

701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

Texas Hill Country Wine and Brew Festival

Trevor Hyde

President

2801 Comanche Trace Drive

Kerrville, Texas 78028

Email: thyde@comanchetrace.com

- E. Assignment. This Agreement is binding upon the parties hereto and their successors and assigns. Except as set forth in Article III, this Agreement may not be assigned by either party without the specific prior written consent of the other, which consent will not be unreasonably withheld. In the event that a party consents to any valid assignment of this Agreement by the other party hereto, the assigning party will be relieved of any and all

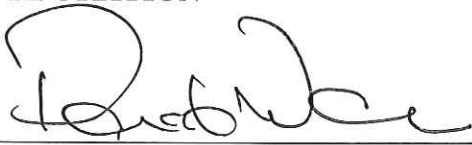
obligations and liabilities on the part of such assigning party under this Agreement. THCWBF may, without written consent of EIC, assign this Agreement to any entity controlled and 100% owned by THCWBF or by the parent, subsidiary, or affiliate of THCWBF provided the entity assumes all of THCWB's obligations and liabilities under this Agreement; agrees to comply with all provisions of this Agreement; has the legal, managerial, technical, and financial ability to properly perform and discharge such obligations and liabilities; and such abilities are each at least as great as those of THCWBF and THCWBF provides a written guarantee of such assignee's performance in a form reasonably acceptable to EIC. EIC shall be advised in writing of such assignment and of the entity's qualifications at least sixty (60) days before such assignment occurs.

- F. Parties In Interest. Nothing in this Agreement shall entitle any party other than THCWBF or EIC to any claim, cause of action, remedy, or right of any kind except as expressly provided in Article IV.
- G. Term. The term of this Agreement (the "Term") shall commence on the date that signatures of the parties are affixed to this Agreement (the "Effective Date"), and will terminate on the earlier of: (i) either on July 31, 2013, or when the requirements set forth in this Agreement are completed, whichever date is later; (ii) when terminated by mutual agreement of the parties; (iii) when terminated pursuant to Articles VI or VII; (iv) or at the THCWBF's sole and absolute discretion, but only upon the THCWBF's return of all Grant funding to EIC that it has received under this Agreement. Upon termination of this Agreement as specified herein, all rights, duties and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.
- H. Interpretation. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arms length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.
- I. No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.
- J. Survival of Terms. All rights, duties, liabilities and obligations accrued prior to termination will survive termination.
- K. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

EXECUTED AND EFFECTIVE, as of the date indicated above, by the City of Kerrville, Texas, Economic Improvement Corporation, by and through its Board President, duly authorized to execute same by action of the Board; and by Texas Hill Country Wine and Brew Festival, Inc., acting through the THCWBF Officer.

(signatures begin on following page)

**CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT
CORPORATION**



David Wampler, President

Date: May 20, 2013

**TEXAS HILL COUNTRY
WINE AND BREW FESTIVAL**

Trevor Hyde, President

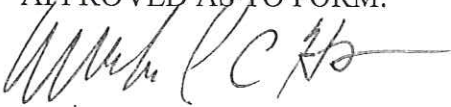
Date: _____

ATTEST:



Cheryl Brown, Recording Secretary

APPROVED AS TO FORM:



Michael C. Hayes, Attorney for EIC

EXHIBIT "A"

Texas Hill Country Wine & Brew Fest
Estimated Rental Expenses
3/22/2013

Tent Rentals	3,463
Generator Rentals	700
Temporary Fencing (est. 5000')	7,950
Port-a-potties (30 @ 75.78ea)	2,273
Chair Rentals (350 @ 2.25ea)	788
Table Rentals (50 @ 7.75ea)	388
Dumpster Rentals	750
Misting Fan Rentals	920
Stage Rental	2,000
Sound System Rental	<u>1,200</u>
Total Rentals	20,432

Agenda Item:

6F. Application for 4B sales tax funding for improvements to the Cailloux Theater in an amount not to exceed \$200,652. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Consideration for direction to city staff to submit an application for 4B sales tax funding for improvements to the Cailloux Theater in an amount not to exceed \$200,652

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 22, 2013

SUBMITTED BY: Ashlea Boyle,  **CLEARANCES:** Todd Parton,
Main Street / Special Projects Manager City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

A 4B sales tax funding application has been submitted by Playhouse 2000, Inc. (P2K) for improvements to the facility and equipment at Playhouse 2000 and The Kathleen C. Cailloux Theater.

Improvements, which qualify under the 4B regulations, would be phased over a two year time period of FY 2013-2014 and FY 2014-2015 and would address interior and exterior lighting, a facility addition, outdoor staging, modular seating risers, and roof improvements to the VK Garage. Because the Cailloux Theater is a City owned facility, some of the requested improvements are the responsibility of the City. As per the development and operation agreement between the City and P2K, P2K is responsible for the maintenance, repair, management and operations of the facilities.

At its meeting of May 20, 2013, the Economic Improvement Corporation (EIC) considered the application and made a motion of support for two separate applications to be submitted. A revised application from P2K will be submitted for roof upgrades and replacement to the VK Garage and for a modular seating riser system.

The second application would be from the City of Kerrville for upgrades to the interior and exterior lighting of the Cailloux Theater which are outlined below.

Interior Lighting – up to \$121,000

The overhead lighting in the auditorium appears to be from the original building dating back

to 1959. One “bank” of lights has failed in a way that cannot be repaired, leaving a dark swath across the center of the seating chamber. Addressing this issue is necessary for the safety of the public as well as avoiding possible failure to additional segments of the system which could render the auditorium unusable. A replacement of the dimmer system would cost \$43,290. Due to the age of the equipment, it is recommended to upgrade the system with a dimmable energy efficient LED overhead lighting system. It is also appropriate to consider the possibility of upgrading the entire facility which includes the lobby to dimmable LED equipment which total to \$121,000.

Exterior Lighting – up to \$79,652

The Cailloux Theater was constructed with exterior lighting to bathe the building in a beautiful white light. Over time, the fixtures have suffered water infiltration which has rendered the system inoperable thus requiring complete replacement of the lighting system. Replacement of the system is expected to cost \$79,652. City staff is evaluating several options that include replacing the recessed lights, installing surface mounted ground lights, and building mounted lights.

RECOMMENDED ACTION

As directed by the EIC, City staff is requesting consideration and approval to proceed with submitting an application to the EIC for upgrades to the interior and exterior lighting of the Cailloux Theater, as presented, in an amount not to exceed \$200,652.

Agenda Item:

6G. Appointment of Mayor Pro Tem. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Appointment of Mayor Pro Tem

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: May 10, 2013

SUBMITTED BY: Brenda Craig
City Secretary

CLEARANCES: Todd Parton
City Manager

EXHIBITS: None

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

In accordance with the City Charter, Section 3.02, following the canvass of the regular election, the city council shall choose one of its members (other than the mayor) to serve as mayor pro tem.

RECOMMENDED ACTION

Select mayor pro tem.

Agenda Item:

7A. Update on activities of the Kerrville Economic Development Corporation.
(Councilmember Conklin)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Update on Kerrville Economic Development Corporation (KEDC) activities.

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 20, 2013

SUBMITTED BY: Carson Conklin **CLEARANCES:** Todd Parton
Councilmember Place 1 City Manager

EXHIBITS: None

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

Councilmember Conklin is the City Council representative to the Kerrville Economic Development Corporation (KEDC) Board of Directors. One of the functions of each board member is to provide an update on KEDC activities, programs and initiatives. In accordance with his board duties and responsibilities, Councilmember Conklin will brief the City Council regarding KEDC matters.

RECOMMENDED ACTION

This is a routine report and no action will be required.

Agenda Item:

7B. Economic update. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Kerrville Budget/Economic Update

FOR AGENDA OF: May 28, 2013 **DATE SUBMITTED:** May 13, 2013

SUBMITTED BY: Mike Erwin
Director of Finance

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Economic Update

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure Required: \$	Current Balance in Account: \$	Amount Budgeted: \$	Account Number:
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PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OR FINANCE:

SUMMARY STATEMENT

The City of Kerrville staff will present and update Council on a biweekly basis as to the status of the City's budget and current economic trends affecting the City.

RECOMMENDED ACTION

No action required information purposes only.

CITY OF KERRVILLE
ECONOMIC UPDATE AS OF MAY 21, 2013

	Current Month	Previous Month	1 Year Ago	Trend	Current Month
National					
Unemployment	7.50%	7.60%	8.10%	↓	April
Consumer Confidence	68.1	61.9	68.7	↔	April
1 year T-Bills	0.11%	0.11%	0.20%	↓	5/20/13

State					
Monthly Unemployment	6.10%	6.30%	6.50%	↓	April
Monthly Sales Tax	\$2,150.9m	\$1,977.9m	\$2,069.6m	↑	April

Local					
Monthly Unemployment (Kerr Co.)	5.10%	5.30%	5.30%	↓	April
Median Listing Price	\$199,500	\$200,000	\$220,000	↔	5/15/13
Monthly Sales Tax	\$502,989	\$431,654	\$446,695	↑	May
Monthly EIC Tax	\$251,468	\$215,800	\$223,320	↑	May
Monthly HOT	\$93,740	\$54,303	\$88,694	↑	March

	FY13 Budget	FY13 as of 4/30/2013	FY13 % Received	FY12 as of 4/30/2012	FY12 % Received
General Fund					
Tax Revenue	\$14,939,900	\$12,025,155	80.49%	\$11,755,893	81.07%
Property Tax	\$8,050,000	\$7,998,878	99.36%	\$7,863,840	99.54%
Sales Tax	\$4,885,000	\$3,129,970	64.07%	\$2,946,281	64.75%
Permits & Fees	\$324,975	\$169,602	52.19%	\$165,881	51.20%
Intergovernmental	\$1,191,000	\$734,483	61.67%	\$876,830	74.75%
Service Revenues	\$2,411,860	\$1,524,279	63.20%	\$1,415,444	55.05%
Grant Revenue	\$29,500	\$16,144	54.73%	\$27,359	103.24%
Fines & Forfeitures	\$513,618	\$262,593	51.13%	\$290,199	59.43%
Interest & Misc.	\$240,850	\$140,901	58.50%	\$120,767	31.74%
Transfers In	\$1,250,000	\$729,167	58.33%	\$744,896	58.77%
Total General Fund	\$20,901,703	\$15,602,323	74.65%	\$15,397,269	74.27%
Total General Fund Expenditures	\$21,209,503	\$12,002,342	56.59%	\$11,025,953	54.19%
Water/Sewer Fund					
Water Sales	\$4,500,000	\$2,691,853	59.82%	\$2,250,614	51.09%
Sewer Sales	\$3,800,000	\$2,011,004	52.92%	\$2,130,703	56.88%
Other Revenue	\$725,500	\$400,975	55.27%	\$417,671	56.81%
Total Water & Sewer Fund	\$9,025,500	\$5,103,833	56.55%	\$4,798,989	54.00%
Total W&S Fund Expenditures	\$8,931,239	\$4,836,998	54.16%	\$6,421,971	60.80%

Agenda Item:

7C. Pending legislation from the 83rd Texas Legislature, regular session. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Update on the State of Texas 83rd Legislative Session

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: May 23, 2013

SUBMITTED BY: Todd Parton,
City Manager

CLEARANCES:

EXHIBITS: Texas Municipal League (TML) Legislative Updates may be viewed at the TML website at www.tml.org.

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:



Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

Staff will provide an update regarding the current legislation status for the list of bills in which staff have been monitoring.

Legislative Updates authored by the Texas Municipal League are available for viewing at www.tml.org. These updates provide a comprehensive list and brief synopsis of each bill filed on a weekly basis. The TML Legislative Update Issues to be considered at this time are:

- May 3, 2013, Number 17
- May 10, 2013, Number 18
- May 17, 2013, Number 19

Dates of Interest:

- **May 27, 2013** – Last day of 83rd Regular Session
- **June 16, 2013** – Last day governor can sign or veto bills passed during the regular legislative session
- **August 26, 2013** – Date that bills without specific effective dates (that could not be effective immediately) become law

RECOMMENDED ACTION

This report is for informational purposes only.

STAFF RECOMMENDATION	CITY COUNCIL POSITION	BILL NUMBER	STATUS*	SUMMARY	BILL TEXT
	Support	HB 2414 - Button	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Government Efficiency & Reform with vote of 7 Ayes, 0 Nays, 0 Present Not Voting, 0 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of Senate committee on Open Government with vote of 4 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent. Stage 5 - Passed	relating to requirements for open meetings held by videoconference call.	http://legiscan.com/TX/text/HB2414/H/772695/Texas-2013-HB2414-Introduced.html
	Support	SB 1297 - Watson	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Open Government with vote of 4 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of House committee on Government Efficiency & Reform with vote of 5 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent. Stage 5 - Passed	relating to written electronic communications between members of a governmental body.	http://legiscan.com/TX/text/SB1297/H/811586/Texas-2013-SB1297-Encrossed.html
	Support	SB 985 - Zaffrinl (companion bill to HB 1795)	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Intergovernmental Relations with vote of 5 Ayes, 0 Nays, 0 Present Not Voting, 0 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of House committee on Business & Industry with vote of 4 Ayes, 0 Nays, 2 Present Not Voting, 1 Absent. Stage 5 - Passed	relating to authorizing broker agreements for the sale of real property by certain municipalities.	http://legiscan.com/TX/text/SB985/H/808831/Texas-2013-SB985-Comm_Sub.html

	Oppose	SB 14 - Williams (companion bill to HB14)	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Finance with vote of 10 Ayes, 3 Nays, 1 Present Not Voting, 1 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of House committee on Appropriations with vote of 22 Ayes, 0 Nays, 0 Present Not Voting, 5 Absent.	relating to the fiscal transparency and accountability of certain entities responsible for public monies.	http://legiscan.com/TX/text/SB14/072678/Texas-2013-SB14-introduced.html
	Oppose	SB 657 - Paxton	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Finance with vote of 14 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent. Stage 3 - Passed Stage 4 -	relating to procedural requirements for adopting and filing a school district budget and voting requirements for setting a property tax rate by the governing body of a taxing unit, including a school district.	http://legiscan.com/TX/text/SB657/072982/Texas-2013-SB657-introduced.html
	Oppose	SB 656 - Paxton	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Open Government with vote of 4 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent. Stage 3 - Passed Stage 4 - Passed Stage 5 - Passed, bill reported out of House committee on Ways & Means with vote of 6 Ayes, 0 Nays, 0 Present Not Voting, 3 Absent.	relating to providing transparency in the taxing and budgeting process of certain local governments.	http://legiscan.com/TX/text/SB656/072983/Texas-2013-SB656-introduced.html
	Oppose	HB 1724 - Bohac	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Ways & Means with vote of 5 Ayes, 0 Nays, 0 Present Not Voting, 4 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of Senate committee on Economic Development with vote of 5 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent. Stage 5 - Passed	relating to the statute of limitations on municipal and county hotel occupancy taxes and interest on delinquent payments of municipal hotel occupancy taxes.	http://legiscan.com/TX/text/HB1724/072994/Texas-2013-HB1724-introduced.html

	Watch	HB 1973 - Lucio	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Natural Resources with vote of 9 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of Senate committee on Natural Resources with vote of 10 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent. Stage 5 - Passed	relating to the provision of water by a public utility or water supply or sewer service corporation for use in fire suppression.	http://legiscan.com/TX/text/HB1973/60766865/Texas-2013-HB1973-introduced.html
	Neutral / Watch	SB 567 - Watson	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Open Government with vote of 4 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of House committee on Natural Resources with vote of 9 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent. Stage 5 - Passed	relating to rates for water service, to the transfer of functions relating to the economic regulation of water and sewer service from the Texas Commission on Environmental Quality to the Public Utility Commission of Texas, and to the duties of the Office of Public Utility Counsel regarding the economic regulation of water and sewer service.	http://legiscan.com/TX/text/SB567/61810725/Texas-2013-SB567-Enrossed.html
	Oppose	SB 272 - Seliger (companion bill to HB 2577)	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Natural Resources with vote of 10 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent. Stage 3 - Passed Stage 4 -	relating to water well recordkeeping and reporting requirements, including the production, use, and withdrawal of groundwater.	http://legiscan.com/TX/text/SB272/61709534/Texas-2013-SB272-introduced.html
	Neutral / Watch	HB 693 - Phillips	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Natural Resources with vote of 7 Ayes, 0 Nays, 0 Present Not Voting, 4 Absent. Stage 3 - Passed Stage 4 - Passed, bill reported out of Senate committee on Natural Resources with vote of 9 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent. Stage 5 - Passed	relating to the authority of a water and sewer utility to collect voluntary contributions on behalf of a local library.	http://legiscan.com/TX/text/HB693/61705399/Texas-2013-HB693-introduced.html
	Oppose	HB 2908 - Dutton	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Urban Affairs with vote of 5 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent.	relating to authority of a municipality to adopt certain ordinances.	http://legiscan.com/TX/text/HB2908/61777607/Texas-2013-HB2908-introduced.html

	Oppose	HB 2953 - Guillen	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Licensing & Administrative Procedures with vote of 8 Ayes, 1 Nay, 0 Present Not Voting, 0 Absent.	relating to the authority of a municipality to regulate a business or occupational license holder.	http://legiscan.com/TX/text/HB2953/Id/834553/Texas-2013-HB2953-Comm_Sub.html
	Oppose	SB 1466 - Eares	Stage 1 - Passed	relating to the authority of a municipality to regulate state licensees.	http://legiscan.com/TX/text/SB1466/Id/731309/Texas-2013-SB1466-Introduced.html
	Support	SB 1639 - Carona	Stage 1 - Passed Stage 2 - Passed, bill reported out of Senate committee on Business & Commerce with vote of 5 Ayes, 4 Nays, 0 Present Not Voting, 0 Absent.	relating to the application of foreign laws and foreign forum selection in certain family law proceedings	http://legiscan.com/TX/text/SB1639/Id/820449/Texas-2013-SB1639-Comm_Sub.html
	Oppose	HB 20 - Kolthorst	Stage 1 - Passed	relating to the repurchase of real property from an entity with eminent domain authority.	http://legiscan.com/TX/text/HB20/Id/756773/Texas-2013-HB20-Introduced.html
	Oppose	HB 1250 - Springer	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Land & Resource Management with vote of 9 Ayes, 0 Nays, 0 Present Not Voting, 0 Absent.	relating to the initial use of certain property acquired for a public use.	http://legiscan.com/TX/text/HB1250/Id/823083/Texas-2013-HB1250-Comm_Sub.html
	Oppose	SB 1894 - Fraser	Stage 1 - Passed	relating to the procedure for review by the Texas Commission on Environmental Quality and related entities of environmental flow standards and environmental flow set-asides for river basin and bay systems and related matters.	http://legiscan.com/TX/text/SB1894/Id/821830/Texas-2013-SB1894-Introduced.html
	Support	HB 56 - Burnam	Stage 1 - Passed	relating to the tax exemption for permanent hotel residents.	http://legiscan.com/TX/text/HB56/Id/667880/Texas-2013-HB56-Introduced.html
	Support	HB 2521 - Springer	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Urban Affairs with vote of 6 Ayes, 0 Nays, 0 Present Not Voting, 1 Absent.	relating to a project authorized to be undertaken by a Type B economic development corporation in connection with housing.	http://legiscan.com/TX/text/HB2521/Id/773256/Texas-2013-HB2521-Introduced.html
	Support	HB 374 - Guillen	Stage 1 - Passed	relating to the authority of certain development corporations to undertake projects with respect to community libraries.	http://legiscan.com/TX/text/HB374/Id/678152/Texas-2013-HB374-Introduced.html
	Support	HB 691 - Phillips	Stage 1 - Passed	relating to the authority of a county or municipality to regulate the location of halfway houses, providing a penalty.	http://legiscan.com/TX/text/HB691/Id/705459/Texas-2013-HB691-Introduced.html
	Support	HB 1795 - Isaac	Stage 1 - Passed	relating to authorizing broker agreements for the sale of real property by certain municipalities.	http://legiscan.com/TX/text/HB1795/Id/759659/Texas-2013-HB1795-Introduced.html
	Support	HB 1935 - Schaefer	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Economic & Small Business Development with vote of 7 Ayes, 1 Nay, 0 Present Not Voting, 1 Absent.	relating to authorizing general infrastructure projects to be undertaken by economic development corporations.	http://legiscan.com/TX/text/HB1935/Id/766259/Texas-2013-HB1935-Introduced.html

	Support	HB 2181 - Stephenson	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Economic & Small Business Development with vote of 6 Ayes, 3 Nays, 0 Present Not Voting, 0 Absent.	relating to authorizing development corporations to finance projects to support primary job training facilities and programs at certain educational institutions.	http://legiscan.com/TX/text/HB2181/ld/770828/Texas-2013-HB2181-introduced.html
	Support	HB 3360 - Dutton	Stage 1 - Passed	relating to periodic reauthorization of municipal building permit fees.	http://legiscan.com/TX/text/HB3360/ld/779947/Texas-2013-HB3360-introduced.html
	Oppose	HB 3513 - Guillen	Stage 1 - Passed	relating to a municipality's comprehensive development.	http://legiscan.com/TX/text/HB3513/ld/780201/Texas-2013-HB3513-introduced.html
	Neutral / Watch	HB 3087 - Workman	Stage 1 - Passed	relating to the condemnation of conservation easements.	http://legiscan.com/TX/text/HB3087/ld/782327/Texas-2013-HB3087-introduced.html
	Neutral / Watch	HB 3088 - Workman	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Land & Resource Management with vote of 5 Ayes, 1 Nays, 0 Present Not Voting, 3 Absent.	relating to liability of a political subdivision and potential penalties for a violation of certain laws relating to local permits.	http://legiscan.com/TX/text/HB3088/ld/781167/Texas-2013-HB3088-introduced.html
	Neutral / Watch	HB 3089 - Workman	Stage 1 - Passed	relating to limitations on the application of certain municipal regulations to local permits.	http://legiscan.com/TX/text/HB3089/ld/781168/Texas-2013-HB3089-introduced.html
	Neutral / Watch	HB 3090 - Workman	Stage 1 - Passed	relating to uniformity of requirements of certain municipal regulations to local permits.	http://legiscan.com/TX/text/HB3090/ld/781173/Texas-2013-HB3090-introduced.html
	Oppose	HB 14 - Pitts	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Appropriations with vote of 23 Ayes, 0 Nays, 0 Present Not Voting, 4 Absent.	relating to the fiscal transparency and accountability of certain entities responsible for public monies.	http://legiscan.com/TX/text/HB14/ld/776612/Texas-2013-HB14-introduced.html
	Oppose	HB 1173 - Anchia	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Natural Resources with vote of 9 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent.	relating to a credit against the ad valorem taxes imposed on property on which certain water conservation systems have been installed.	http://legiscan.com/TX/text/HB1173/ld/731823/Texas-2013-HB1173-introduced.html
	Neutral / Oppose	HB 3112 - Hilderbran	Stage 1 - Passed	relating to the public notice required to be provided by certain taxing units before adopting an ad valorem tax rate.	http://legiscan.com/TX/text/HB3112/ld/777769/Texas-2013-HB3112-introduced.html
	Oppose	HB 143 - Hilderbran	Stage 1 - Passed	proposing a constitutional amendment abolishing ad valorem taxes and limiting the rate and applicability of state and local sales and use taxes	http://legiscan.com/TX/text/HB143/ld/783248/Texas-2013-HB143-introduced.html
	Oppose	HB 144 - Hilderbran	Stage 1 - Passed	proposing a constitutional amendment authorizing the legislature to limit the frequency of reappraisal of real property for ad valorem tax purposes	http://legiscan.com/TX/text/HB144/ld/783247/Texas-2013-HB144-introduced.html
	Oppose	HB 2176 - Kolthorst	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Urban Affairs with vote of 5 Ayes, 2 Nays, 0 Present Not Voting, 0 Absent.	relating to procedures and requirements for the issuance of certificates of obligation, would: (1) provide that, except in a case of grave public necessity to meet an unusual and unforeseen condition, a city may not issue a certificate of obligation (CO) if the voters voted down a bond proposition for the same purpose within the preceding three years; (2) extend the timeframe to publish newspaper notice of intention to issue a CO from 30 to 45 days before the passage of the ordinance; (3) require a city issuing a CO to maintain an internet website, and to continuously post notice of intention to issue a CO on its website for 45 days before the passage of the CO issuance ordinance;	http://legiscan.com/TX/text/HB2176/ld/769017/Texas-2013-HB2176-introduced.html

	Oppose	HB 3742 - Laverder	Stage 1 - Passed	to repeal certain state sales, use, excise, franchise, severance, production, occupations, gross receipts and inheritance taxes, to repeal or limit certain local sales, use, excise and ad valorem property taxes, to enact a statewide and local value added tax, and to reform school finance and administration; providing penalties.	http://legiscan.com/TX/text/HB3742/ID/790246/Texas-2013-HB3742-introduced.html
	Watch	SB 1374 - Hinojosa (companion bill is HB 1768)	Stage 1 - Passed	relating to identification requirements for certain fire hydrants and flush valves.	http://legiscan.com/TX/text/SB1374/ID/777350/Texas-2013-SB1374-introduced.html
	Oppose	SB 96 - Nichols	Stage 1 - Passed	relating to prohibiting the use of eminent domain to take private property for recreational purposes.	http://legiscan.com/TX/text/SB96/ID/668337/Texas-2013-SB96-introduced.html
	Oppose	HB 754 - Achby (companion bill to SB 96)	Stage 1 - Passed	relating to prohibiting the use of eminent domain to take private property for recreational purposes.	http://legiscan.com/TX/text/HB754/ID/709929/Texas-2013-HB754-introduced.html
	Neutral / Watch	SB 1168 - Hegar	Stage 1 - Passed	relating to interstate cooperation to address regional water issues.	http://legiscan.com/TX/text/SB1168/ID/775457/Texas-2013-SB1168-introduced.html
	Neutral / Watch	HB 1189 - Larson (companion bill to SB 1168)	Stage 1 - Passed	relating to interstate cooperation to address regional water issues.	http://legiscan.com/TX/text/HB1189/ID/732753/Texas-2013-HB1189-introduced.html
	Neutral / Watch	HB 1307 - Geren (companion bill to SB 507)	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Natural Resources with vote of 9 Ayes, 0 Nays, 0 Present Not Voting, 2 Absent.	relating to rates for water service, to the transfer of functions relating to the economic regulation of water and sewer service from the Texas Commission on Environmental Quality to the Public Utility Commission of Texas, and to the duties of the Office of Public Utility Counsel regarding the economic regulation of water service.	http://legiscan.com/TX/text/HB1307/ID/738668/Texas-2013-HB1307-introduced.html
	Oppose	HB 2577 - Larson	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on Natural Resources with vote of 8 Ayes, 0 Nays, 0 Present Not Voting, 3 Absent.	relating to water well recordkeeping and reporting requirements, including the production, use, and withdrawal of groundwater.	http://legiscan.com/TX/text/HB2577/ID/777173/Texas-2013-HB2577-introduced.html
	Support	HB 246 - Waile	Stage 1 - Passed	relating to the rates charged by water and sewer utilities	http://legiscan.com/TX/text/HB246/ID/670655/Texas-2013-HB246-introduced.html
	Oppose	HB 1149 - Harless	Stage 1 - Passed	relating to the establishment of integrated rate areas subject to the original jurisdiction of the Railroad Commission of Texas.	http://legiscan.com/TX/text/HB1149/ID/730859/Texas-2013-HB1149-introduced.html
	Support	HB 1663 - Guillen	Stage 1 - Passed	relating to timing and frequency with which a public utility may file for a rate change application.	http://legiscan.com/TX/text/HB1663/ID/757343/Texas-2013-HB1663-introduced.html
	Support	HB 1456 - Gooden	Stage 1 - Passed Stage 2 - Passed, bill reported out of House committee on County Affairs with vote of 5 Ayes, 0 Nays, 0 Present Not Voting, 4 Absent.	relating to the right of a county to intervene in an original rate proceeding.	http://legiscan.com/TX/text/HB1456/ID/729924/Texas-2013-HB1456-introduced.html
STAGES* House Bills					
Stage 1 - bill filed	Stage 1 - bill filed				
Stage 2 - out of house committee	Stage 2 - out of senate committee				
Stage 3 - voted on by house	Stage 3 - voted on by senate				
Stage 4 - out of senate committee	Stage 4 - out of house committee				
Stage 5 - voted on by senate	Stage 5 - voted on by house				
Stage 6 - governor action	Stage 6 - governor action				
Stage 7 - bill becomes law	Stage 7 - bill becomes law				

Agenda Item:

8A. Appointments to the Beautification Advisory Committee. (staff)

**BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Appointments to the Kerrville Beautification Advisory Committee

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: May 15, 2013

SUBMITTED BY: Brenda Craig
City Secretary *BC*

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Board List

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *[Signature]*

SUMMARY STATEMENT

Consider appointment to the following board:

Kerrville Beautification Advisory Committee: Two positions being added to the current committee.

RECOMMENDED ACTION

Consider appointment.

CITY OF KERRVILLE BEAUTIFICATION ADVISORY COMMITTEE

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
WEBB-SMITH, JUDY Chairperson 22 Antelope Trail	257-2577	12-11-12		12-11-14
DOUGLASS, BRANDON Secretary 909 Tanglewood Lane	739-9882 (O) 729-9882 (H)	12-11-12		12-11-13
TRITENBACH, DAVID 216 Riverhill Blvd.	895-1953 (H)	12-11-12		12-11-14

COUNCIL EX-OFFICIO: Jack Pratt

Qualifications: Resident of the city.

Purpose:

- Evaluate the community on issues and matters pertaining to beautification of the community and to provide a report to the City Council;
- Educate the public and increase awareness regarding beautification of the community;
- Prepare and implement a beautification recognition program as approved by the City Council;
- Coordinate community beautification efforts;
- Prepare and present to the City Council for its consideration and approval a set of goals and objectives for a community beautification program; and
- Provide a report to the City Council at least twice a year on Kerrville Beautification Advisory Committee matters.

Term of Office: Two years; maximum of two consecutive terms

Quorum: Majority

Number of Members: Minimum of three, no more than five.

Meeting Time & Place:

Established by: Resolution 40-2012, November 13, 2012

Agenda Item:

8B. Appointments to the Economic Improvement Corporation. (staff)

**BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Appointments to the Economic Improvement Corporation

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: May 14, 2013

SUBMITTED BY: Brenda Craig
City Secretary 

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Board List

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

SUMMARY STATEMENT

Consider appointments to the following board:

Economic Improvement Corporation: The following appointments expire on June 1, 2013: Kenneth Early, Gary Cochrane, and Larry Howard.

RECOMMENDED ACTION

Consider appointments.

ECONOMIC IMPROVEMENT CORPORATION

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
WAMPLER, DAVID President 411 Bobwhite	895-3600 (O) 896-7832 (H)	05-22-12		06-01-14
EARLY, KENNETH Vice-President 2756 Indian Wells Dr. E	792-1966 (O) (H)	05-24-11		06-01-13
BOYLAND, REX Secretary P.O. Box 29004 1343 Bandera Hwy. #112	895-8028 (O) 257-0042 (H)	05-25-10	05-22-12	06-01-14
COCHRANE, GARY 2305 Birkdale Ln.	896-8808 (O) 459-8808 (H)	12-13-11		06-01-13
HOWARD, LARRY 650 Oakland Hill Ln.	895-4400 (O) 895-1988 (H)	05-24-11		06-01-13
KEEBLE, STACIE 3533 La Cumbre Drive	895-7725 (H)	05-24-11		06-01-13
RICKERT, POLLY 2768 Indian Wells	830-997-5855 (O) 210-264-1305 (H)	09-13-11	05-22-12	06-01-14

CITY STAFF:

Ashlea Boyle 258-1153 (O)
Special Projects Manager

Qualifications: Resident of the city and at least three directors must be persons who are not employees, officers or members of the governing body of the city.

Purpose: Benefiting and accomplishing public purposes of the city permitted by Section 4B of the Act including, but not limited to, the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare, and financing the acquisition, construction and/or equipping, and/or the maintenance and operating costs of any "Project" (as defined in Section 4B of the Act).

Term of Office: Two years; maximum of two consecutive terms

Quorum: Majority

Number of Members: Seven

Meeting Time & Place: Third Monday, 4:00 p.m., City Hall Council Chambers

Established by: Resolution No. 1995-112, amended by Resolution Nos. 1999-184; 032-2009

Revised: May 24, 2013

Agenda Item:

8C. Appointment of councilmembers to various City boards and commissions.
(staff)

**BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: City Council Appointments to Various Boards and Commissions

FOR AGENDA OF: May 28, 2013

DATE SUBMITTED: May 14, 2013

SUBMITTED BY: Brenda Craig 
City Secretary

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Board Lists

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

SUMMARY STATEMENT

Consider councilmember appointments to the following boards:

CITY BOARD	EXISTING COUNCIL REPRESENTATIVE	PROPOSED COUNCIL REPRESENTATIVE
Audit Committee	Gene Allen Justin MacDonald	
Beautification Advisory Committee	Jack Pratt	
Economic Improvement Corporation	Stacie Keeble	
Food Service Advisory Board	Stacie Keeble	
Golf Course Advisory Board	Carson Conklin	
Kerrville Economic Development Corporation	Carson Conklin	
Kerrville Public Utility Board	Jack Pratt	
Library Advisory Board	Justin MacDonald	
Main Street Advisory Board	Gene Allen	
Municipal Court Review Committee	Jack Pratt Stacie Keeble	
Parks and Recreation Advisory Board	Gene Allen	
Planning and Zoning Commission	Carson Conklin	
Playhouse 2000	Stacie Keeble	
Zoning Ordinance Input Committee (ZOIC)	Carson Conklin	

RECOMMENDED ACTION

Consider appointments.

CITY OF KERRVILLE BEAUTIFICATION ADVISORY COMMITTEE

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
WEBB-SMITH, JUDY Chairperson 22 Antelope Trail	257-2577	12-11-12		12-11-14
DOUGLASS, BRANDON Secretary 909 Tanglewood Lane	739-9882 (O) 729-9882 (H)	12-11-12		12-11-13
TRITENBACH, DAVID 216 Riverhill Blvd.	895-1953 (H)	12-11-12		12-11-14

COUNCIL EX-OFFICIO: Jack Pratt

Qualifications: Resident of the city.

Purpose:

- Evaluate the community on issues and matters pertaining to beautification of the community and to provide a report to the City Council;
- Educate the public and increase awareness regarding beautification of the community;
- Prepare and implement a beautification recognition program as approved by the City Council;
- Coordinate community beautification efforts;
- Prepare and present to the City Council for its consideration and approval a set of goals and objectives for a community beautification program; and
- Provide a report to the City Council at least twice a year on Kerrville Beautification Advisory Committee matters.

Term of Office: Two years from the date of their appointment, or until their successors' appointments are made; maximum of two consecutive terms

Quorum: Majority

Number of Members: Three

Meeting Time & Place:

Established by: Resolution 40-2012, which was passed on November 13, 2012

ECONOMIC IMPROVEMENT CORPORATION

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
WAMPLER, DAVID President 411 Bobwhite	895-3600 (O) 896-7832 (H)	05-22-12		06-01-14
EARLY, KENNETH Vice-President 2756 Indian Wells Dr. E	792-1966 (O) (H)	05-24-11		06-01-13
BOYLAND, REX Secretary P.O. Box 29004 1343 Bandera Hwy. #112	895-8028 (O) 257-0042 (H)	05-25-10	05-22-12	06-01-14
COCHRANE, GARY 2305 Birkdale Ln.	896-8808 (O) 459-8808 (H)	12-13-11		06-01-13
HOWARD, LARRY 650 Oakland Hill Ln.	895-4400 (O) 895-1988 (H)	05-24-11		06-01-13
KEEBLE, STACIE 3533 La Cumbre Drive	895-7725 (H)	05-24-11		06-01-13
RICKERT, POLLY 2768 Indian Wells	830-997-5855 (O) 210-264-1305 (H)	09-13-11	05-22-12	06-01-14

CITY STAFF:

Ashlea Boyle 258-1153 (O)
Special Projects Manager

Qualifications: Resident of the city and at least three directors must be persons who are not employees, officers or members of the governing body of the city.

Purpose: Benefiting and accomplishing public purposes of the city permitted by Section 4B of the Act including, but not limited to, the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare, and financing the acquisition, construction and/or equipping, and/or the maintenance and operating costs of any "Project" (as defined in Section 4B of the Act).

Term of Office: Two years; maximum of two consecutive terms

Quorum: Majority

Number of Members: Seven

Meeting Time & Place: Third Monday, 4:00 p.m., City Hall Council Chambers

Established by: Resolution No. 1995-112, amended by Resolution Nos. 1999-184; 032-2009

Revised: May 24, 2013

FOOD SERVICE ADVISORY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
HUGHES, BRENDA Chairperson 709 Galbraith Ave.	257-4540 (O) 370-3614 (H)	12-13-11		12-01-13
ARCHER, TYLER Vice-Chairperson 240 Valley View	210-372-2812 (O) 257-7000 (H)	12-13-11		12-01-13
BADING, DEBBIE 627 Lois Street #14	257-1348 (O) 210-326-3313 (H)	12-11-12		12-01-14
DITTMAR, REBECCA 155 Aqua Vista	353-1305 (O) 896-9037 (H)	12-11-12		12-01-14
McCRACKEN, SUSAN 406 Ave. B	895-4655 (O) 377-9847 (H)	12-08-09	12-13-11	12-01-13
VAZQUEZ, ABEL 158 Valley View	257-0606 (O) 896-9899 (H)	01-11-11	12-11-12	12-01-14
YOUNG, DARRELL 1326 Ranchero Rd.	257-0800 (O) 896-1852 (H)	12-11-12		12-01-14
COUNCIL LIAISON:				
STACIE KEEBLE 3533 La Cumbre Dr.	895-7725 (H)			
CITY STAFF:				
Danny Batts	258-1178 (O)			
Director of Bldg. Svcs.	896-0517 (F)			
Chief Building Inspector				

Qualifications: Shall be composed of local certified food managers from the food service or food processing industry, any member of the local restaurant association who owns or conducts business in the city of Kerrville or any citizen of Kerr County qualified by training and/or experience to advise on the application of the food code.

Powers and Duties: To hear appeals and make recommendations to the health official for variances from provisions of the code; to provide assistance to the health official concerning interpretations of the code; to advise the city manager, at his request, regarding the suspension or revocation of food permits; and to consider and make recommendations to city council regarding any matters relating to the food service program.

Term of Office: Two Years; no member shall serve more than two consecutive terms.

Quorum: Four

Number of Members: Seven

Meeting Time & Place: Quarterly (Mar, Jun, Sep & Dec), Third Tuesday, 3:00 p.m., Council Chambers

Absences: Any member who misses three consecutive regular meetings shall thus cause his/her seat on the board to become vacant. The council shall then appoint a new member to fill the vacancy.

Established by: Ordinance 1989-30; amended by Ordinance 1994-11
Code of Ordinances: Chapter 58 - Article II - Section 58-34

Revised: December 13, 2012

GOLF COURSE ADVISORY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
CODY, B. K. 1602 Quinlan Creek Chair	896-4472 (H)	06-24-08	07-12-11	07-01-13
ANGELL, PAT 2329 Rock Creek Vice-Chair	896-0347 (H)	04-08-08	07-12-11	07-01-13
BIRDSALL, GRAHAM 721 Riverhill Blvd.	896-8022 (H)	09-11-12		07-01-14
HOWARD, JAMES 1312 Water St.	903-399-3011 (H) 890-5464 (O)	08-24-10	07-12-11	07-01-13
McCARTER, CHARLES 937 Myrta	210-286-4646 (C) 895-1112 (H)	09-11-12		07-01-14
STERN, ALLEN 2565 Bandera Hwy.	895-2892 (H) 739-5353 (O)	09-11-12		07-01-14
THOMAS, BILL 435 Coronado Drive	895-2323 (O) 895-3695 (H)	07-28-09	07-12-11	07-01-13
COUNCIL LIAISON: Carson Conklin 720 Earl Garrett	895-5202 (O)			
CITY STAFF: Kristine Ondrias Assistant City Manager Scott McDonough General Manager of Golf & Tennis	258-1106 (O) 258-1400 (O)			

Qualifications:	Of the seven (7) regular voting members appointed by the City Council, six (6) shall be residents of the City of Kerrville, Texas, and one (1) member may reside outside the City but within Kerr County.
Purpose and Duties:	The purpose of the Board is to advise the City Council and city staff on matters relating to the operation of the Scott Schreiner Municipal Golf Course.
Term of Office:	Two Years. No member shall serve more than two consecutive full terms without having at least one full year off of the Board between terms.
Vacancies:	Upon the vacancy, removal, or expiration of the term of office of any member, the city council shall appoint a successor who shall hold that position for the unexpired term or for the period of two years when the appointment is made as the result of the expiration of a board member's term.

Quorum: Four members of the board, excluding liaison members.
Number of Members: Seven
Meeting Time & Place: Fourth Wednesday, every other month, at 4:30 p.m.; City Council Chambers
Absences: The name of any member having three consecutive absences from regularly called meetings of the board, or who in any consecutive twelve-month period is absent from more than 25 percent of the regularly called meetings, shall be forwarded to the city council for consideration for removal and replacement on the board.
Established by: Resolution No. 037-2009, which repealed Resolution Nos. 99-230, 99-307, 080-2000, and 136-2004
Revised:

Kerrville Economic Development Corporation
Board of Directors

Don Barnett
President
830-257-2191

Thomas Houdeshell
Vice President
830-792-1156

David Wampler
830-895-3600

Dorene Canales
Executive Assistant
830-896-1157
dorenecanales@kerr-edc.com

Carson Conklin
City of Kerrville
830-258-1110

Charlie McIlvain
Board Member
830-792-3535

Kyle Bond
Board Member
830-257-8233

Dan Troxell
Board Member

Tracy McCuan
Treasurer
Board Member
830-792-8230

830-257-2200

Judge Pat Tinley
830-792-2211

KERRVILLE PUBLIC UTILITY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
SAMPLE, JOHN Chairman P.O. Box 291341 355 W. Main	257-6625 (H)	04-22-09		04-21-14
GAMBLE, FRED Vice Chairman 715 Travis	257-5135 (H)	04-22-10		04-21-15
FINE, STEPHEN Secretary 1210 Virginia Dr.	257-6020 (O) 896-2934 (H)	03-28-06	04-22-11	04-21-16
STACY, PHILIP Treasurer P.O. Box 222 Hunt, TX 78024	792-1990 (O) 830-367-7007 (H)	02-28-12		04-21-17
PRATT, JACK Mayor P.O. Box 294000	895-2214 (O)	05-22-12		05-22-14
Staff McCUAN, TRACY General Manager P.O. Box 294999	257-3050 (O)			

Qualifications: Citizen of the United States of America who reside or conduct business on a full-time basis in Kerr County, Texas and who use the system for personal, residential, business and/or company use. No person who is related within the second degree of consanguinity or affinity to any member of the board of trustees shall be eligible for election as a member of the board.

Vacancies: All vacancies shall be filled by the city council from nominations of at least three persons for each position to be filled by the majority vote of the remaining members of the board of trustees. If the city council does not act upon such nominations within 30 days after submission in writing to the city council, the board of trustees by majority vote of the remaining members shall nominate three additional persons for each position to be filled. If the city council does not act upon such additional nominations within 30 days after submission of such additional nominations, the board shall be empowered to fill such vacancies by the majority vote of the remaining members of the board of trustees.

Powers: To take, have and exercise exclusive possession and control of the system, and all additions thereto, and to collect, and enforce the collection of all funds and revenues that may be or become owing or that may arise out of the operation of the system, and to disburse the same. To fix all rates for all services to be

furnished by the system, with the power to alter the same at any time or times, subject to approval of the city council of the city of Kerrville. To employ and pay the compensation of a general manager of the system, and attorneys, engineers and other professional or technical aids as may be necessary. To do any and all things necessary in reference to the installing and maintaining of a complete system of records and accounts pertaining to the system and to make monies available for the payment of revenue bonds.

- Term of Office: Five years; a person who has served as a member of the Board for an initial term shall be eligible to be re-appointed for one additional consecutive term of five years, and one only, but may serve for any number of non-consecutive terms so long as such member has not served as a member of the board for at least two years next preceding the term for which such member is appointed. A member who is appointed to the board to serve out an unexpired portion of a retired member's term shall not be considered to have served a "term" unless the unexpired portion of the term so served is two years or more. Permanent removal of residence from, or the failure to conduct business on a full-time basis in Kerr County by any member of the board shall vacate his office as a member of the board.
- Quorum: Three
- Number of Members: Five
- Meeting Time & Place: Third Thursday, 8:30 a.m., 2250 Memorial Blvd.
- Absences: Any member of the board, other than the Mayor, who shall be continuously absent from all meetings held by the board for a period of four consecutive months shall, unless he shall have been granted leave of absence by the unanimous vote of the remaining members of the board, be considered to have vacated his office as a member of the board.
- Established by: Ordinance No. 1987-45 (purchase); Resolution 1987-106 (Board);
- Revised: May 14, 2013

LIBRARY ADVISORY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
* GROSS, T. SCOTT 709 Riverhill Blvd.	792-5555 (H)	08-22-12		11-22-13
* JONES, THOMAS #2 Antelope Trail	210-289-5483 (O) 257-5635 (H)	07-05-12		11-22-13
* MARTIN, DIANA K. 3931 Kite Ct.	896-3300 (H)	03-10-09	12-13-11	11-22-13
** SMITH, JANE 2009 Crown View Dr.	792-9144 (H)	04-22-13		11-22-14
* WARD, JUDY CARR 103 Creekside Dr.	895-3740 (H)	11-23-10	11-13-12	11-22-14

EX OFFICIO MEMBER:

Justin MacDonald	257-5323 (O)	05-22-12
(H) 524 Oakland Hills	896-4821 (H)	
(O) 2951 Fall Creek Rd.		

CITY STAFF:

Laura Bechtel	258-1260 (O)
Library Director	
505 Water Street	
Kim Meisner	258-1140 (O)
Director of General Operations	
800 Junction Highway	377-7691 (C)

Qualifications: Members must maintain a library card in good standing.

Powers and Duties: The Board is an advisory board to the city council; shall have the authority to hold meetings within the city and to consider and make recommendations to the Council from time to time on any and all matters pertaining to the Library. Upon a majority vote of the total membership.

Term of Office: All Board appointments shall serve two (2) year terms. No Board member shall serve more than two (2) consecutive two (2) year term on the Board without having at least one (1) full year off of the Board between terms. A majority of the members' terms shall expire in even-number years with the remaining members' terms expiring in odd-numbered years.

Quorum: Three members

Number of Members: Five members

Meeting Time & Place: Third Tuesday of Every Month; 3:00 pm; Butt-Holdsworth Memorial Library

Absences: Any member who is absent from twenty-five percent (25%) of the board's regular meetings during any twelve (12) month period, or who is absent from any three (3) consecutive regular meetings, shall be considered for removal by the City Council. The staff member has the responsibility of reporting a member's non-attendance to the City Council in writing, and the City Secretary shall notify the board member in writing that their non-attendance has been reported to the City Council. However, a member whose absences are directly related to a medical or family emergency may seek consideration from the board upon which they serve to qualify such absences as excused.

Established by: Ordinance No. 1967-17; amended by Ordinance Nos. 80-5, 84-14, 84-58, 85-01, 87-24, 87-60, 87-61, and 2005-19 (in its entirety); Resolution Nos. 045-2006, 107-2006, 076-2007, and 122-2007 did not change this board. Code of Ordinances: Chapter 66 - Article II – Sections 66-31 through 66-34; Amended by Ordinance No. 2010-05; Amended by Ordinance No. 2011-16.

Revised: May 10, 2013

* Appointed by Kerrville City Council – voting member

** Appointed by Friends of the Butt-Holdsworth Memorial Library

MAIN STREET ADVISORY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
RAIN, SCOTT Chairman 106 Bowie	459-1156 (H) 257-8588	01-25-11	01-22-13	01-31-15
SCHNEIDER, RICH Vice Chairman 312 Valley Drive	370-4876 (H) 257-7373 (O)	01-25-11	01-22-13	01-31-15
BRASWELL, SHELBY 260 Thompson Dr. #3	896-4100 (O) 377-5509 (H)	03-13-12	01-22-13	01-31-15
CLANTON, TAMMI 3340 Loop 534	792-7456 (O) 459-5752 (H)	01-24-12		01-31-14
COBBS, STAN 521 Guadalupe St. #1202	895-8771 (O) 895-8771 (H)	01-24-12		01-31-14
MARTIN, DAVID 1717 Foothills Dr.	895-1313 (O) 895-1857 (H)	05-08-12		01-31-14
PEREZ, LETICIA 4312 Bandera Hwy Center Point, TX 78010	895-2000 (O) 210-508-8706 (H)	01-22-13		01-31-15
WILSON, CAROLINE 220 Riverhill Club Ln. #13	512-787-7964 (H)	09-11-12		01-31-14
YATES, AARON 317 Sidney Baker, #400	830-214-7635 (O) 377-9058 (H)	03-13-12	01-22-13	01-31-15
COUNCIL LIAISON:				
Gene Allen	895-5111 (O)			
2106 Vista Ridge Dr.	792-4651 (H)			
1221 Junction Hwy				
CITY STAFF:				

Powers and Duties:	To encourage participation in the Main Street Revitalization Program; to establish goals and priorities for the Main Street Program; to review design appropriateness for the purpose of participation in the main street low-interest loan program and incentive grant projects; and to advise and support the main street program manager.
Term of Office:	Two years with a maximum of two full successive terms (Bylaws)
Quorum:	Five members
Number of Members:	Nine
Absences:	Any member who miss three consecutive meetings may be replaced (Bylaws)
Meeting Time & Place:	Third Thursday at 12:00 p.m., 701 Main Street
Established by:	Resolution No. 1994-133
Revised:	January 31, 2013

PARKS AND RECREATION ADVISORY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
NYE-SALLADIN, LISA Vice-Chairperson 1015 Morningside Dr.	377-7198 (C) 896-3834 (H)	04-13-10	03-27-12	03-31-14
ALFORD, NANCY E. 2213 Singing Wind	214-663-9903 (C)	03-27-12	04-09-13	03-31-15
LENARD, CAROL 70 Apache Dr.	928-8499 (C)	04-09-13		03-31-15
LIPSCOMB, DAVID 909 Lake Drive	895-4232 (H)	04-12-11	04-09-13	03-31-15
MUSE, BILL 2956 Oak Park Dr.	928-7028 (C) 792-7355 (W)	4-09-13		03-31-15
SANDER, SUSAN 500 Josephine	370-3306 (C)	04-13-10	03-27-12	03-31-14
SCOTT-JOHNSON, MEG 438 Timber Ridge Dr.	713-724-4168 (C) 257-0022 (H)	03-27-12		03-31-14
WALLACE, ED 131 Royal Oaks	257-5272 (H) 377-0455 (C)	11-30-11	04-09-13	03-31-15
COUNCIL LIAISON:				
Gene Allen 2106 Vista Ridge Dr. 1221 Junction Highway	895-5111 (O)			
CITY STAFF:				
Kristine Ondrias Assistant City Manager	258-1106 (O)			
Malcolm Matthews Director of Parks & Recreation	258-1150 (O)			

Qualifications: A majority shall be residents of the city of Kerrville, and all shall be residents of Kerr County.

Powers and Duties: Shall constitute an advisory board to the city council and shall periodically assist city staff in procedural matters. The board shall have authority to hold hearings in the city and to consider and make recommendations to the city council in writing on any and all matters pertaining to the city's parks and recreation system.

Term of Office: Two years with a maximum of two terms. No member shall serve more than two terms without having at least one full year off between terms.

Quorum: Five

Members: Eight

Meeting Time & Place: Third Thursday, 8:15 a.m., City Council Chambers

Absences: Any member having three consecutive unexcused absences shall have his membership reviewed by the board. By majority vote, the board may recommend to the council that such member be removed from office. The council may then act upon such recommendation and either remove or retain such member.

Established by: Ordinance No. 1984-37, amended by Ordinance No. 1987-24

Code of Ordinances: Chapter 74 - Article II – Sections 74-31 through 74-38

Revised: April 10, 2013

PLANNING AND ZONING COMMISSION

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
WATTERSON, DAVID Chairman 177 Phoenix Dr.	634-3300 (O) 377-6400 (C)	01-12-10	01-10-12	01-01-14
BUELL, HAROLD Vice-Chairman 1214 Jack Dr.	896-0114 (O) 895-2444 (H)	01-09-07	01-10-12	01-01-14
HAMILTON, EDWARD 1316 Warbler Dr.	257-4020 (O) 895-1979 (H)	01-22-13		01-01-15
MORGAN, WILLIAM 1744 Glen Road	739-9655 (O) 257-6263 (H)	01-22-13		01-01-15
STEVENS, JOHN "BART" 822 Lamar Street	895-2021 (O) 512-350-0863 (H)	07-05-12	01-22-13	01-01-15

ALTERNATES:

McRAE, CHASTAN 705 Leland St.	377-3710 (C)	09-28-10	01-10-12	01-01-14
HARMON, GARRETT 701 Lee Street	895-4510 (O) 285-2151 (C)	01-22-13		01-01-15

COUNCIL LIAISON:
Justin MacDonald
2951 Fall Creek Road

CITY STAFF:
Jason Lutz
Senior Planner
258-1184 (O)

Qualifications: At least four of the regular members shall be residents and eligible voters of the city; one regular member may reside in the city's extraterritorial jurisdiction (ETJ) and must be an eligible voter of Kerr County. At least one alternate member shall be a resident and eligible voter of the city; one alternate member may reside in the city's extraterritorial jurisdiction (ETJ) and must be an eligible voter of Kerr County.

Powers and Duties:

1. Shall formulate and recommend to the city council for adoption a Comprehensive Plan for the orderly growth and development of the city and its environs. On a yearly basis the commission shall review and if necessary recommend such changes in the plan as it finds will facilitate the movement of people and goods, and the health, recreation, safety and general welfare of the citizens of the city.
2. Shall formulate a zoning plan (ordinance) as may be deemed best to carry out the goals of the Comprehensive Plan; hold public hearings and make recommendations to the city council relating to the creation, amendment, and implementation of zoning regulations and districts as provided in state law.

3. Shall exercise all powers of a commission as to approval or disapproval of plans, plats, or replats as set out by state law and the city's subdivision regulations.
4. Shall initiate for consideration at public hearings, proposals for the original zoning of annexed areas or for the change of zoning district boundaries on an area wide basis.
5. Shall consider and take appropriate action, upon written request, variances as prescribed to the city's subdivision and sign regulations.
6. Shall from time to time recommend such changes to the subdivision regulations, sign regulations, and any other ordinance the city council assigns to their review that will facilitate the general health, safety and welfare of the citizens of the city.

Term of Office: Two years. No regular member shall serve more than three consecutive full terms on the Commission without having at least one full year off the Commission between terms.

Quorum: Three (may include an alternate member but only where substitution for and acting as a regular member)

Number of Members: Five regular members and two alternates.

Meeting Time & Place: First and third Thursdays, 4:30 p.m., City Hall

Absences: Any member who is absent from twenty-five percent (25%) of the board's regular meetings during any twelve (12) month period, or who is absent from any three (3) consecutive regular meetings, shall be considered for removal by the city council. The staff member has the responsibility of reporting a member's non-attendance to the city council in writing, and the city secretary shall notify the board member in writing that their non-attendance has been reported to the city council. However, a member whose absences are directly related to a medical or family emergency may seek consideration from the board upon which they serve to qualify such absences as excused.

Established by: Minutes of 12-18-44 Council meeting; amended by Ordinance Nos. 1979-37, 1987-24, and 2008-24 (which deleted from Code of Ordinances book Chapter 82 – Article II – Sections 82-31 through 82-36 and rolled into Zoning Code which is not codified)

Revised: February 26, 2013

Playhouse 2000
Board of Directors
As of February 11, 2013

Officers

Kit Werlein , President 110 Loma Vuelta Kerrville, TX 78028 (Spouse: Linda)	Attorney, JD, CTFA 700 Jefferson St Kerrville TX 78028	(830) 792-3048
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Tom Terrell , Vice-President (Nominating Committee Chair) 111 Loma Vuelta Kerrville, TX 78028 (Spouse: Linda)	Attorney at Law 413 Sidney Baker Kerrville TX 78028	(830) 896-5677
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Christopher Distel , Treasurer 632 Galbraith Kerrville, TX 78028 (Spouse: Sarah)	Assist. Professor of Biology Schreiner University	(830) 792-7470
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Stacie Keeble City of Kerrville Representative 3533 LaCumbra Kerrville, TX 78028 (Spouse: Rob)	Kerrville City Council Place 2	(830) 377-7103
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Directors

Susan Neely Balentine 330 Valley Drive Kerrville, TX 78028	Co-Founder, Playhouse 2000	(830) 285-5419
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Arthur Bell (Nominating Committee) P.O. Box 706 Ingram TX 78025		(281) 799-4517
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Gene Smith 1 Antelope Trail Kerrville, TX 78028		(830) 257-2428
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Paul Stafford 38 Antelope Trail Kerrville, TX 78029 (Spouse: Fay)		(830) 895-3079
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Nancy Watts
522 Fairway Dr
Kerrville, TX 78028
(Spouse: Robert)

Nancy Watts Interiors, Inc.

(830) 370-1699
(830) 257- 0100

James Wilson
(Nominating Committee)
410 Spring Mill Drive
Kerrville, TX 78028
(Spouse: Carrie)

James E. Wilson & Co., Inc.
P.O. Box 294749
Kerrville, TX 78029

(713) 249-2634

Staff:

Jeffrey Brown, Executive Director
285 Katie Court
Boerne, TX 78006
(Spouse: Jane)

Playhouse 2000, Inc.
305 Washington St
Kerrville, TX 78028

(830) 896-9393 x 303
(830) 708-9410 (c)

ZONING ORDINANCE INPUT COMMITTEE (ZOIC)

	<u>Telephone</u>	<u>Appt. Date</u>
MOSTY, JOHN Chair 2313 Trails End	257-2134 (H)	01-27-2009
BUFFINGTON, BEVERLY 608 Overhill Drive	257-7100 (O) 257-3440 (H)	01-27-2009
SPRADLING, RUTH 1725 Foothills Dr.	792-5082 (H)	06-14-2011
STARKEY, III, A.L. "CURG" 1006 A Junction Highway	895-4040 (O) 895-4686 (H)	01-27-2009
ZUBER, RUSTIN 616 Clay Street	895-2829 (H) 377-0329 (C)	01-25-2011
COUNCIL LIAISONS: Carson Conklin 720 Earl Garrett	895-5202 (O)	
Justin MacDonald 2951 Fall Creek Rd.	257-5323 (O) 896-4821 (H)	
STAFF MEMBER: Jason Lutz Senior Planner	258-1184 (O)	

Qualifications: Residents of the City of Kerrville

Powers and Duties: 1) Organize committee; 2) Arrange meeting schedule and location, with the fundamental goal that meeting times and locations be as accessible as possible to encourage public input; 3) Educate itself on the City's existing Zoning Ordinance (Ordinance No. 97-07); 4) Review the Zoning Ordinance and map for conformance with the City's land use plan and comprehensive plan updates; 5) Review the Zoning Ordinance for any deficiencies, voids, inconsistencies, inefficiencies, and technical errors; 6) Upon completion of the draft ordinance by staff and reviewed by the planning and zoning commission, ZOIC will be asked to review and comment on the document.

Term of Office: Completion of review of draft ordinance

Quorum: Three

Number of Members: Five

Meeting Time & Place: At the call of the committee

Established by: Resolution No. 008-2009

Revised: May 17, 2012