

AGENDA FOR REGULAR MEETING

KERRVILLE CITY COUNCIL

TUESDAY, OCTOBER 13, 2015, 6:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS

KERRVILLE CITY COUNCIL AGENDA
REGULAR MEETING, TUESDAY, OCTOBER 13, 2015, 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION: by John Wheat, Pastor of Trinity Baptist Church.

PLEDGE OF ALLEGIANCE TO THE FLAG

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. PRESENTATIONS:

2A. Resolution of Commendation presented to Greg Maxwell for serving on the Golf Course Advisory Board.

3. CONSENT AGENDA:

These items are considered routine and can be approved in one motion unless a 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:

3A. Minutes of the city council budget workshop held on August 4, 2015, and minutes of city council regular meetings held on August 11, August 25, and September 8, 2015.

3B. Purchase of self-contained breathing apparatuses for the Kerrville Fire Department in the amount of \$155,054.15. (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 830-257-8000 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: October 9, 2015 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

3C. Resolution No. 31-2015 cancelling the regular meeting of the City Council scheduled for November 24. (staff)

3D. Resolution No. 32-2015 cancelling the regular meeting of the City Council scheduled for December 22, 2015 regular city council meeting. (staff)

3E. Execute agreement for the donation of recycle center balers to Kerr County. (staff)

END OF CONSENT AGENDA

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Resolution No. 33-2015, providing for the city's approval or disapproval of an amendment to the Kerr Central Appraisal District's 2014 fiscal year budget. (staff)

4B. Temporary lease agreement – 529 Water Street. (staff)

5. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:

5A. Zoning Board of Adjustment. (staff)

6. ITEMS FOR FUTURE AGENDA

7. 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.

8. 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:

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Brenda Craig
City Secretary, City of Kerrville, Texas

8A. Sections 551.074:

- Appointments to the Zoning Board of Adjustment.

8B. 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:

- River trail.
- Temporary lease agreement 529 Water Street.

8C. Section 551.074:

- Annual review of city attorney.
- Annual review of city manager.

9. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION**

10. **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 830-257-8000 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: October 9, 2015 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

Agenda Item:

2A. Resolution of Commendation presented to Greg Maxwell for serving on the Golf Course Advisory Board.



City of Kerrville

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RESOLUTION OF COMMENDATION

WHEREAS, GREG MAXWELL has served as a member of the Golf Course Advisory Board with the date of service beginning July 9, 2013; and

WHEREAS, GREG MAXWELL has served faithfully and dutifully on said board;

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

That **GREG MAXWELL** be recognized for outstanding service as a member of the Golf Course Advisory Board, and that on behalf of the citizens of Kerrville, as well as for ourselves individually, we wish to express our sincere appreciation for contributions to the city and the community.

PASSED AND APPROVED, this the 13th day of October, 2015.

ATTEST:

Brenda G. Craig
Brenda G. Craig, City Secretary



Jack Pratt, Jr.
Jack Pratt, Jr., Mayor

Gary Stork
Gary Stork, Mayor Pro Tem

Stephen P. Fine
Stephen P. Fine, Councilmember

Bonnie White
Bonnie White, Councilmember

Gene Allen
Gene Allen, Councilmember

Agenda Item:

3A. Minutes of the city council budget workshop held on August 4, 2015, and minutes of city council regular meetings held on August 11, August 25, and September 8, 2015.

CITY COUNCIL MINUTES
BUDGET WORKSHOP

KERRVILLE, TEXAS
AUGUST 4, 2015

August 4, 2015, the meeting of the Kerrville City Council was called to order by Mayor Pratt at 1:03 p.m. in the city hall upstairs conference room, 701 Main Street.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Gary F. Stork	Mayor Pro Tem
Stephen P. Fine	Councilmember
Bonnie White	Councilmember

COUNCILMEMBERS ABSENT:

Gene Allen	Councilmember
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CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Day	Deputy City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Kim Meisner	Director of General Operations
Ashley Boyle	Special Projects Manager
David Knight	Police Chief
Dannie Smith	Fire Chief
Stuart Barron	Public Works Director

DISCUSSION AND DIRECTION TO STAFF REGARDING PROPOSED FISCAL YEAR 2016 BUDGET

Mayor Pratt noted the original draft budget was presented to council in June and amendments had been incorporated into the document as a result of previous council discussion. Council discussed the following points:

- Personnel cost in the general fund was 72.5% and in the water/sewer fund was 25.5%; how would the added employees affect those percentages? Mr. Parton noted the added employees were already included in the proposed budget and fiscal sustainability model as future recurring expenditures.
- Police body cameras in future budgets, including storage equipment and employees; purpose was to protect police officers. Mr. Parton noted the cost had been programed into the fiscal modeling with startup and equipment purchase in 2016 estimated at \$200,000 and \$175,000 recurring annual expense; budget included two employees in police department and one employee in information technology department.
- Salaries in municipal court increased due to judges taking on additional warrants as requested by the county.
- Proposed budget filled one patrol officer and one detective position that had been frozen since 2010 in the police department.

- The animal carcass disposal line item amount did not increase, amount was transferred from the recycling budget.
- Overall increase of over \$400,000 in the parks department from 2014 to 2016. Mr. Parton noted several items contributed to the increase: parks staff had been cut significantly in 2010 and the 2016 budget would fill those positions; an additional three man crew was added in the 2016 budget to assist the street department with right of way maintenance and maintain additional parks and trails; and increase in cost of power to run pumps.
- Suggested historical/heritage be moved from the library to the main street program.
- Noted \$47,733 in landfill post closure line item. Mr. Parton noted the city was on schedule with permitting process to reopen the landfill.
- General fund had an insurance reserve fund; also wanted an employee medical insurance reserve fund to offset future increases. Mr. Parton noted that such a reserve account was already set up.
- Although the economic improvement corporation sets its own budget, council may make recommendations for projects. Council discussed working with TxDOT to reconstruct the I-10/Harper Road interchange. Mr. Parton noted the project was in the city's 10 year capital plan and that TxDOT would be more likely to fund the project with local participation to pay for environmental studies and the schematic. Council proposed having a workshop with the county, schools, and utility providers to discuss local participation. Council noted that even after the studies were complete, there was no guarantee that TxDOT would do the project; however, without local participation there was no chance.
- Included \$100,000 for a study related to the relocation of a criminal justice facility.
- Discussed ASR (aquifer storage recovery) well #3 and #4. Mr. Parton noted the Methodist Encampment well was drilled for dual use and staff was looking at reworking it for ASR injection and storage and drilling and new well #4. The city also had a study underway to convert ASR #3 for storage of treated effluent.
- Reuse pond and line distribution line item included \$800,000, which was in addition to \$2 million for pond design, construction phase 1, and line distribution. Mr. Parton noted that design and phase I were funded through \$1.3 million cash on hand; an additional \$10 million was budgeted in 2016 from proposed water/sewer debt; the total project was estimated at \$15 million.
- \$18,000 budgeted for training in the water/sewer fund to be used for Ms. Day and a representative of Freese and Nichols to go around the state and talk about the building of the reuse pond; Ms. White stated the funds should be used for training employees in plant operations. Mr. Barron noted the city had a contract with the provider to conduct testing, at no cost to the city other than the cost of chemicals, and make recommendations.
- Water loop to alleviate circulation problems. Mr. Parton noted the water system was very complex with 13 pressure planes and elevated tanks. Ms. Day noted that the water study by Freese & Nichols looked at looping to correct TTHM (total trihalomethanes); several projects were budgeted in the capital improvement plan to address issues. Ms. White noted \$17 million in the EIC fund for quality of life projects; she proposed that EIC funds be used to address TTHM issues.

- City participation in affordable housing and workforce housing.
- Intensive work was needed on city streets; only \$1 million was budgeted. Mr. Parton noted the city's objective was to establish and maintain a 15 year street maintenance plan and the budget had steadily increased over the last several years. The staff and equipment was currently at maximum; if additional streets were added into the budget, the city would have to purchase more equipment and hire additional staff, or contract the work. He estimated it would cost roughly \$48 million to repair all the city streets.
- The city planned to issue \$10 million debt for the reuse ponds; discussed increasing that amount to fund additional street maintenance. It was noted if debt was used to fund street maintenance, the streets would need repair again before the debt was paid off. Mr. Parton noted the street study was nearing completion, and he would continue to monitor the budget during the year for additional funds for street maintenance.

ADJOURNMENT: The meeting adjourned at 2:19 p.m.

APPROVED: _____

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
August 11, 2015

On August 11, 2015, 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 Ann Buck, Director of Christian Women's Job Corp, followed by the Pledge of Allegiance led by Police Chief David Knight.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Gary F. Stork	Mayor Pro Tem
Stephen P. Fine	Councilmember
Bonnie White	Councilmember
Gene Allen	Councilmember

COUNCILMEMBER ABSENT: None

CITY CORE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Day	Deputy City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Ashlea Boyle	Special Projects Manager
Kim Meismer	Director of General Operations
David Knight	Police Chief
Dannie Smith	Fire Chief
Trent Robertson	City Planner

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

1. VISITORS/CITIZENS FORUM: No one spoke.

2. PRESENTATION:

2A. Upper Guadalupe River Authority's acknowledgement of the city's contribution to the 12th Annual River Clean Up.

Tara Bushnoe, UGRA Natural Resources Coordinator, reported the July 25 clean up was sponsored by 22 businesses and organizations and had 403 volunteers throughout Kerr County; 6,315 pounds of trash were collected of which 900 pounds were recyclable materials, and 16 tires. UGRA appreciated the city's participation and paying the tipping fee at the landfill.

3. CONSENT AGENDA:

Mr. Allen moved for approval of consent agenda Items 3A, 3B and 3C; motion was seconded by Mr. Fine and passed 5-0:

3A. Minutes of the city council regular meetings held June 9, June 23, July 7,

and July 21, 2015; city council special meeting held July 16, 2015; city council/economic improvement corporation meeting held June 22, 2015; and employee benefits trust meeting held July 21, 2015.

3B. Resolution No. 21-2015 authorizing the use of internal combustion engines on Nimitz Lake upstream of the city's impoundment dam for the Kerrville Triathlon and the safety of competitors.

3C. License agreement with Revolution Broadcasting, LLC for the Rev Fest music event in Louise Hays Park on October 17, 2015.

END OF CONSENT AGENDA

4. PUBLIC HEARINGS AND ORDINANCES, FIRST READING:

4A. Ordinance No. 2015-16, amending the city's "Zoning Code" by amending Article 11-I-10 "Residential Zoning Districts", Subsection (F) "RT" – residential transition district with respect to the uses of "Schools" and "Churches", as those terms are defined, within this 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); and ordering publication. (staff) Mayor Pratt read the ordinance by title only. Mayor Pratt read the ordinance by title only.

Mr. Robertson noted the ordinance would amend development and building regulations for churches and schools in the RT district as previously discussed by the planning and zoning commission (PZC) and city council. PZC and city staff recommended approval of the ordinance.

Mayor Pratt opened the public hearing at 6:08 p.m.; no one spoke; the public hearing was closed at 6:09 p.m.

Ms. White moved for approval of Ordinance No. 2015-16 on first reading; Mr. Fine seconded the motion and it passed 5-0.

4B. Ordinance No. 2015-17, amending the city's "Zoning Code" by amending Article 11-I-6 "Zoning Districts-Central City" to amend the land use table for the central business district (CBD) to change the uses of "Death Care Services" and "Printing" from requiring conditional use permits to uses permitted by right within this district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00) and ordering publication. Mayor Pratt read the ordinance by title only.

Mr. Robertson noted the CBD land use table adopted in May 2011 caused various properties to become non-conforming uses. The current property owners requested amending the CBD land use table to change death care services and printing from "C" conditional use permit to "P" permitted use by right. Council previously directed staff to take the request to PZC; PZC voted to leave death care services as conditional and printing be limited to a maximum 12,000 sq. ft. building. City staff recommended that death care services and printing both be allowed by right without a square footage requirement. Mr. Robertson noted no other uses in the CBD had square footage requirements.

Johnnie Grimes, representing Grimes Funeral Home, stated he had requested an extension of 30 foot on the existing building to allow for expansion of the crematory area for refrigeration purposes; this use would not require additional parking.

Mayor Pratt opened the public hearing at 6:14 p.m.; no one spoke; the public hearing was closed at 6:14 p.m.

It was noted that PZC was concerned that if these services were allowed by right, another death care business could open in the CBD without any requirement to provide off street parking.

Mr. Stork moved for approval of Ordinance No. 2015-17 on first reading as recommended by staff; Ms. White seconded the motion and it passed 5-0.

5. PUBLIC HEARING AND RESOLUTION:

5A. Resolution No. 22-2015, granting a conditional use permit for an approximate 0.495 acre tract of land consisting of Lots 598-599, Block 9 of the Schreiner's Second Addition, a subdivision of the City of Kerrville, Kerr County, Texas, otherwise known as 528 Main Street (State Highway 27) and located within the city's central business zoning district (CBD); by permitting said property to be used for a gasoline station (sales) with convenience store; and making said permit subject to certain conditions and restrictions. Mr. Robertson noted the owner requested a CUP in order to expand the car wash approximately three feet toward the store and to place a canopy outside the carwash. 13 notices were mailed to property owners, and no response had been received.

Mayor Pratt opened the public hearing at 6:20 p.m.; no one spoke; the public hearing was closed at 6:20 p.m.

Mr. Fine moved for approval of Resolution No. 22-2015; Mr. Allen seconded the motion and it passed 5-0.

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Request from the Kerrville Cancer Center to extend their lease at 218 Sidney Baker Street.

Ms. Day noted in 2011 the city signed an agreement with the Cailloux Foundation that included the city hall, parking garage, and other buildings. The agreement also stated that when the existing cancer center became available that building would also come to the city. The cancer center's lease was scheduled to terminate in February 2018, and the owners requested five, one year lease extensions in order to give them time to relocate in the future; however, the Cailloux Foundation would not extend any lease without the city's consent. Staff recommended amending the 2011 agreement to allow the Cailloux Foundation to extend the lease with the cancer center for five, one year lease extensions.

Mr. Stork moved to approve the request to extend the lease; Mr. Fine seconded the motion and it passed 5-0.

6B. Establish a policy to take audio recordings of all executive sessions.

Councilmember White noted the open meetings act allowed governing bodies to deliberate in closed session provided a certified agenda or recording was kept; however, such are confidential and may not be released without a court order. The city's unwritten policy was to keep a certified agenda; however, a recording would provide a complete record of discussion, protect city council, prove council acted in accordance to law, and provide transparency.

Council noted that executive sessions were to receive information related to legal issues, contracts, personnel matters, etc., and preserved attorney client privilege. Executive sessions were not available to attorneys, newspapers, or the public.

Ms. White moved to amend the city's current unwritten policy of using certified agendas to that of making recordings of executive sessions; no second was received and the motion died.

6C. Republic Services automated solid waste and recycling collection services.

Tom Armstrong, municipal sales manager for Republic Services (RS), noted RS began converting to auto service collection in June in Kerrville; however, the transition did not go well and he discussed problems encountered with their vendor. To date, all city residents had received carts and some were exchanging carts for another size. The transition could have been handled better, and he apologized and committed to provide better service. He addressed customers' concerns about having to cross the scales at the landfill and noted it was necessary so employees could inspect for hazardous material, radiation, etc. in order to remain compliant with state regulations. Mr. Armstrong noted he only visited Kerrville once since he began his position with RS about one month ago.

Council noted that the local RS staff had worked well with the city and tried to meet the city's needs; however, the local RS office had not received support from the corporate office to make a successful transition. For this reason, it was recommended that the rate increase not be put into effect until solutions had been implemented by RS to bring automated recycling and collection services up to satisfactory level, and until someone from the RS office was available to give a report to council on a plan for improved customer service.

6D. Resolution No. 19-2015, setting forth the ad valorem (property) tax rate to be considered for adoption for the 2015 tax year; calling two public hearings prior to the adoption of said rate; and calling a public hearing prior to the adoption of the fiscal year 2016 budget as required by both the city's charter and state law. Mr. Parton noted the resolution would establish the maximum tax rate at \$.5625, the same rate as the past six years. Council may adopt a tax rate below the set rate, but cannot go above that rate. The FY2016 budget was prepared based on \$.5625 tax rate. The current tax rate would increase revenue by \$317,917 in FY2016 due to properties added to the tax roll and increases in valuation.

Council noted the \$.5625 tax rate was consistent with the past, but as property values increased so did the revenue; therefore, keeping the same tax rate would result in a tax increase of 2.2%.

Mr. Fine moved for approval of Resolution No. 19-2015 setting the effective tax rate at \$.5625; Mr. Allen seconded the motion and it passed 5-0 upon roll call vote as follows:

Jack Pratt, Mayor	Yes
Gary Stork, Mayor Pro Tem	Yes
Stephen Fine, Councilmember Place One	Yes
Bonnie White, Councilmember Place Two	Yes
Gene Allen, Councilmember Place Four	Yes.

6E. Resolution No. 20-2015 providing for the city's approval or disapproval of the Kerr Central Appraisal District's (KCAD) fiscal year 2016 budget.

Mr. PH Coates, IV, KCAD Chief Appraiser, presented the FY2016 budget and noted a 5% overall increase. KCAD planned to establish a new taxpayer assistance and education program. He noted that KCAD would continue using outside consultants to appraise industrial and commercial properties due to the expertise necessary. He noted that despite the increase in industrial and commercial properties last year, all issues brought to KCAD were resolved and no lawsuits had been filed. KCAD held public hearings and workshops on the proposed budget. KCAD was in the process of establishing a plan for future building improvements; however, there was no funding for building improvements in the FY16 budget. He noted that 9 of 11 employees were registered by the State Property Tax Board of Licensing.

Mr. Allen moved for approval of Resolution No. 20-2015 approving KCAD's FY2016 budget; Mr. Fine seconded the motion and it passed 5-0.

6F. Request to terminate the Airport Commerce Park (ACP) development agreement and allow property owner to rezone the property.

Bruce John Stracke, broker with Brinkman Commercial Properties, noted the ACP was developed by Mr. Colvin in early 2000 and under that agreement when either of the remaining two lots was sold or under lease, the owner had to develop the additional 15 acres. This requirement impeded the owner's ability to market the remaining 63 acres in smaller increments, thus the property had been vacant for 14 years. He requested the city council remove this requirement from the development agreement and the requirement for repayment to the Economic Improvement Corporation (EIC). Further, he requested the City and Kerrville Public Utility Board (KPUB) work with Bandera Electric Coop (BEC) to allow KPUB to provide electric service to the property. Mr. Stracke noted he was making the same request to KPUB and EIC.

Tracy McCuan, general manager of KPUB, noted that only the southeastern corner, about one-half acre, of the 63 acre tract was in KPUB's service territory; therefore, KPUB could serve the entire 63 acre tract if the property is not

subdivided. If the property is subdivided, KPUB cannot serve the area that is outside of its service territory unless an arrangement could be made with BEC, for example, swap service territory. It was not likely that BEC would swap commercial property; however, commercial development may require dual feed for redundancy, which could be very expensive for a coop to provide. He noted that BEC was currently providing power to both sides of the river in this area.

Mr. Parton noted multiple issues would have to be considered: deed restrictions, zoning, multiple electric providers, and the development agreement with EIC.

The consensus of the council was that staff should work with Mr. Stracke to review the development agreement and bring back recommendations for amendments and continue to preserve the economic development purpose.

6G. Creation of a recognition program for outstanding citizens.

Mayor Pratt discussed establishing a recognition program to acknowledge citizens for their outstanding contributions. Persons would submit applications to nominate citizens based on their impact to the community. The committee would establish criteria and evaluate nominations; awards would be presented monthly, and perhaps a citizen of the year award would be presented. Council noted that several community organizations had similar programs.

Mayor Pratt moved to proceed and bring back criteria; Mr. Allen seconded the motion and it passed 5-0.

7. INFORMATION AND DISCUSSION:

7A. City of Kerrville fiscal year 2016 budget.

Mr. Parton noted the budget had been updated as a result of the August 4 workshop and comments made by city council. The first public hearing was scheduled for August 25.

8. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:

8A. Food service advisory board. Mr. Fine moved to appoint Garroll Leroy Aamodt, Jr. with term to expire December 1, 2017; Ms. White seconded the motion and it passed 5-0.

9. ITEMS FOR FUTURE AGENDAS:

- Clarify Rule 7.4, council liaisons, Kerrville City Council Procedural Rules for Meetings.
- Posting public notices in both newspapers and establishing a newspaper of record each year.
- Amendments to the solid waste ordinance to reflect recent changes.

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Several events were scheduled for Dr. Who Week at the library.
- August 14 movies in the park at Kerrville Schreiner Park amphitheater.
- August 15 Kids Triathlon at Singing Wind Park.

- August 15 wet and wag (dog swim) at Olympic Pool; last day the pool is open to the public.
- August 22 NFL punt pass and kick competition at Antler Stadium for ages 6-15.
- Back to school, caution when driving in school zones.
- December 6, Christmas with Mickey Gilley at the Cailloux Theater.

11. EXECUTIVE SESSION:

Mr. Stork moved for the city council to go into executive closed session under Sections 551.073 of the Texas Government Code; motion was seconded by Mr. Fine and passed 5-0 to discuss the following:

11A. Section 551.073 (deliberation regarding gifts):

Deliberation of a negotiated contract for a prospective gift or donation to the city as deliberation in an open meeting would have a detrimental effect on the City's position with a third person.

At 7:24 p.m. the regular meeting recessed and council went into executive closed session at 7:27 p.m. At 7:51 p.m. the executive closed session recessed and council returned to open session at 7:52 p.m. The mayor announced that no action had been taken in executive session.

12. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

Mr. Pratt moved to authorize the city manager to execute assignment of 1 to 4 family unit residential contract for property located at 529 Water Street. Mr. Stork seconded the motion and passed 5-0.

ADJOURNMENT. The meeting adjourned at 7:53 p.m.

APPROVED: _____

ATTEST:

Jack Pratt, Jr., Mayor

Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
August 25, 2015

On August 25, 2015, 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 Brett Coe, Pastor of First Christian Church, followed by the Pledge of Allegiance led by Fire Chief Dannie Smith.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Gary F. Stork	Mayor Pro Tem
Stephen P. Fine	Councilmember
Bonnie White	Councilmember
Gene Allen	Councilmember

COUNCILMEMBER ABSENT: None

CITY CORE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Day	Deputy City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Ashlea Boyle	Special Projects Manager
Kim Meismer	Director of General Operations
David Knight	Police Chief
Dannie Smith	Fire Chief
Trent Robertson	City Planner
Stuart Barron	Public Works Director

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

1. VISITORS/CITIZENS FORUM: No one spoke.

2. PRESENTATION:

2A. Resolution of Commendation to Dainelle Logan for serving on the Food Service Advisory Board.

2B. Update from the San Antonio Food Bank relative to the Kerrville area. Mario Oblado, SAFB Chief of Government and Public Affairs, noted the SAFB was part of a national organization "Feeding America"; the SAFB territory covered 16 counties in southwest Texas including Kerr; they partner with 535 agencies in 16 counties, 11 agencies in Kerrville, to serve 58,000 individuals with emergency food assistance. SAFB also assists with employment.

3. CONSENT AGENDA:

Items 3A and 3B were removed from the consent agenda.

Mr. Fine moved for approval of consent agenda item 3C; motion was seconded by Mr. Allen and passed 5-0:

3C. Council authorization for the City Manager to execute a construction contract with Intermountain Slurry Seal, Inc. for the 2015 Street Overlay Project in the amount of \$191,115.00, and authorize the City Manager to execute additional change orders which may exceed \$50,000.00, but will not exceed a total contract value of \$235,000.00.

END OF CONSENT AGENDA

3A. Economic Development Grant Agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Kerr Economic Development Corporation for up to three years and in an amount not to exceed \$514,403.84.
Ms. Boyle noted EIC held a public hearing and approved the agreement in an amount not to exceed \$520,000 for three years.

Council also discussed the following

- A multi-year agreement would provide security and enable better planning.
- Would show the city's commitment to economic development and confidence in KEDC staff.
- KEDC was not subject to public information requests or public participation; thus, KEDC should provide a thorough progress report to the council monthly. It was also noted that KEDC was a private corporation and its meetings were not open to the public, and in many cases the KEDC director signed confidentiality non-disclosure statements and could not discuss these issues.

Ms. White moved for approval of the agreement; the motion was seconded by Mr. Allen and passed 5-0.

3B. Authorization for the City Manager to execute a construction contract with Zimmerman Construction, Inc. for the Lowry Park Trail Improvement Project that is part of the River Trail project in the amount of \$536,268.00 and authorize the City Manager to execute additional change orders which may exceed \$50,000.00 but will not exceed a total contract value of \$590,000.00.

Mr. Parton noted the project would construct the portion of the river trail from Riverside Nature Center, across Town Creek to Lowry Park.

Mr. Hayes noted that three councilmembers had filed conflict of interest affidavits and under state law since a majority had filed, all councilmembers were eligible to participate in discussion and vote.

Mr. Fine moved to authorize the city manager to execute the contract; Mr. Allen seconded the motion and it passed 5-0.

4. PUBLIC HEARINGS:

4A. First public hearing for the annual budget for the City of Kerrville, Texas, Fiscal Year 2016; providing appropriations for each City Department and Fund.

Mr. Parton noted changes were made based on council direction at the budget workshop and council meetings; the budget was based on a tax rate of \$.5625, the same since 2010. The budget estimated \$24.6 million revenue in the general fund, the majority of which was ad valorem tax and sales tax. Ad valorem tax increased \$150,000 over 2015 based on KCAD tax appraisals and new residential and commercial development. The water and sewer fund anticipated no change in rates; revenue and expenditures were estimated at \$11.7 million. In addition to their proposed budget, the economic improvement corporation also approved: \$165,000 allocation for the parking garage, \$500,000 for the I-10 study, and \$100,000 for site evaluation for a criminal justice center. Mr. Parton noted that property tax collections were coming in slower than usual; council asked what percent of non-payments was absentee property owners.

Council and staff discussed the following:

- Street department budget had been increase an additional \$172,000
- Body cameras for the police department were included in the 5 year fiscal forecast; staff planned to study systems available and determine what would best suit KPD and purchase in 2017; three personnel would be hired: two police evidence technicians and one information technology analyst. Council suggested speeding up the process if possible.

Mayor Pratt opened the public hearing at 6:33 p.m.; no one spoke; the public hearing was closed at 6:33 p.m.

4B. First public hearing to set the 2014 ad valorem tax rate.

Council discussed the following:

- The proposed tax rate of \$.5625 was the same since 2010; city council was not raising the tax rate; keeping the current tax rate would result in a 2.2% increase in tax collections because of increased tax values.
- If KCAD appraisals increase significantly, as happened with commercial appraisals in 2014, the city could reduce the tax rate to equalize that increase.
- If sales tax continued to increase, the city could reduce the property tax rate.
- The city could also pave more streets if property tax and/or sales tax increased.

Mr. Parton noted that every year KCAD provided preliminary notice to taxing entities to use in calculating the effective tax rate, which is the tax rate that would be needed to generate the same tax levy as the prior year; for example, if KCAD provided a large increase in valuation, then the effective tax rate would drop. A roll back tax rate is a cap of 8% above the effective tax rate calculation.

Mayor Pratt opened the public hearing at 6:38 p.m.; no one spoke; the public hearing was closed at 6:38 p.m.

5. ORDINANCES, SECOND AND FINAL READINGS:

5A. Ordinance No. 2015-16, amending the city's "Zoning Code" by amending Article 11-I-10 "Residential Zoning Districts", Subsection (F) "RT" – residential transition district with respect to the uses of "Schools" and "Churches", as those terms are defined, within this 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); and ordering publication. Mayor Pratt read the ordinance by title only.

Mr. Robertson noted no changes since first reading.

Mr. Fine moved for approval of Ordinance No. 2015-16 on second and final reading; Ms. White seconded the motion and it passed 5-0.

5B. Ordinance No. 2015-17, amending the city's "Zoning Code" by amending Article 11-I-6 "Zoning Districts-Central City" to amend the land use table for the central business district (CBD) to change the uses of "Death Care Services and "Printing" from requiring conditional use permits to uses permitted by right within this district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00) and ordering publication. Mayor Pratt read the ordinance by title only.

Mr. Robertson noted no changes since first reading.

Ms. White moved for approval of Ordinance No. 2015-17 on second and final reading; Mr. Allen seconded the motion and it passed 5-0.

6. ORDINANCE, FIRST READING:

6A. Ordinance No. 2015-19, amending the budget for Fiscal Year 2015 to account for various changes to the City's operational budget, including revenue and expenditures related to the City's acquisition of an aerial fire truck and a vehicle replacement for the Police Department. Mayor Pratt read the ordinance by title only.

Mr. Parton noted the ordinance would amend the budget to account for increased revenue received and to allocate those funds toward capital equipment, i.e. aerial platform truck, a leaf vacuum truck, and several vehicles.

Mr. Parton noted with a leaf vacuum truck system, citizens who wanted to participate could rake their leaves to the curb on scheduled days and the truck would drive by and vacuum the leaves from the street. This would keep streets clean and drainage ways clear of debris. Councilmembers expressed concern of blowing leaves and costs associated with equipment purchase and staffing. Council would like to know the full cost of purchase and operation before equipment is purchased. Currently, residents bag their leaves and the bags are picked up at the curb.

Mr. Stork moved for approval of Ordinance No. 2015-19 on first reading; Mr. Allen seconded the motion and it passed 3 to 2 with Councilmembers Stork, Allen, and Pratt voting in favor of the motion and Councilmembers Fine and White voting against the motion.

7. DISCUSSION:

7A. Rule 7.4 Council Liaisons, Procedural Rules for Meetings-Kerrville City Council to clarify role of Councilmembers.

Mayor Pratt read Procedural Rule 7.4 and clarified two points: 1) Not all boards had liaison councilmembers, for example, the zoning board of adjustment did not have a liaison as it was an independent board that operated without influence of the city council because any appeal of ZBA's decision would be to the city council; councilmembers should not attend ZBA meetings. 2) If councilmembers attend any city board meetings, they are liaisons only and they should not attempt to influence any decisions of that board.

8. CONSIDERATION AND POSSIBLE ACTION:

8A. City of Kerrville's allocated portion of a Kerrville Public Utility Board extraordinary income.

It was noted that an agenda had been posted in order that a majority of the KPUB members (Jack Pratt, Stephen Fine, and John Sample) could attend this meeting and participate in discussion.

John Sample stated he was a member of KPUB, but he was speaking as an individual and not representing KPUB. He reviewed the history noting the city bought the system 25 years ago and KPUB had paid off the original bond indebtedness. In accordance with the founding documents, KPUB was to pay the city a 3% franchise fee on all revenue received.

Mr. Sample noted that three years ago KPUB entered into a lawsuit because KPUB felt that LCRA had breached the contract. KPUB terminated the contract; LCRA sued KPUB; KPUB countersued LCRA. When the city originally purchased the system and KPUB was created, KPUB entered into a power contract for 25 years; at the end of that term, LCRA wanted KPUB to enter into another 25 year contract; KPUB notified LCRA it would not extend another 25 year contract with LCRA. LCRA began practices that were unfavorable to KPUB, i.e. LCRA accelerated KPUB's debt; LCRA would not share revenues with KPUB as it did with other coops; and LCRA allowed other coops that did sign a 25 year contract to negotiate with other suppliers, but KPUB could not. KPUB then terminated the contract and negotiated a contract with CPS to provide the majority of KPUB's power; this allowed KPUB to maintain its current rate.

Mr. Sample reported that in the negotiated settlement one-third of the proceeds paid lawyers' fees, and the city would receive one-third of the total (EDITOR'S NOTE: Pursuant to city ordinance, the city received 3% of the total revenue, not one-third as was stated). He asked city council to consider using a portion of the proceeds to further the extension of the river trail; also, he opined that if the city

requested funding from KPUB for the river trail, the response would likely be favorable. He noted that KPUB voted 3 to 2 to recommend placing such a stipulation on the proceeds to the city. KPUB's core purpose was to provide the best service at the lowest rate possible.

Council noted the proceeds could also be used to reduce the city's property tax rate, street and drainage issues, general fund, or to pay KPUB for street lighting.

Mr. Stork moved to accept the funds and leave it to staff to determine the best use of the funds to save tax dollars for the citizens of Kerrville. Ms. White asked to amend the motion to specify that the funds be designated to the street budget. Mr. Stork did not allow the amendment to the motion. Ms. White seconded the original motion and the motion passed 4 to 1 with Councilmembers Stork, White, Allen, and Pratt voting in favor of the motion and Councilmember Fine voting against the motion.

8B. Republic Services discussion regarding transition issues and automated solid waste and recycling collection services.

Bill Rich, General Manager of Republic Services, Central Texas, noted that the transition to automated cart service that began in June had not gone well and many Kerrville residents experienced issues. He offered several reasons: cart manufacturing issues, poor cart execution, vendor did not provide adequate staff to handle delivery, address list from the city did not transfer correctly to Republic's system causing random deletion of some addresses, and lack of communication. Republic staff could not keep up with all the problems. He apologized to the city council, staff and the citizens; he posted a letter in the newspaper, and emailed and mailed letters to all citizens who expressed problems.

Mr. Rich said he appreciated the assistance and support of city staff in correcting the issues and his goal was to rebuild the city's trust in Republic by exceeding customer service expectations, i.e.: reassign more drivers to Kerrville while they were learning new routes, update customer addresses and contact information; maintain consistent information on websites, make drivers aware of Republic's expectation that drivers be aware of and retrieve items blown from trucks. At this time, all carts had been delivered, residents were adjusting to new service dates, and drivers were completing routes on time. Republic would continue to work with city staff to educate residents on cart placement and recycling contamination. He anticipated a 50% increase in the volume of recyclables next year; currently the city averaged 4.5 pounds per week per home, and that should increase to 8 pounds.

Council noted the main purpose for recycling was to keep the rates paid by citizens at a minimum. Recyclables could not be used or sold if contaminated. Mr. Rich noted that contamination continued to be a problem in that some people were putting trash in recycling carts, which resulted in the entire truck load being contaminated. Ms. Day noted Republic trucks had cameras and drivers could see what was going into the truck. Soon, Republic would begin to provide the city a list of offenders and city staff would begin code enforcement.

Mayor Pratt noted at the August 11 meeting he asked that the rate increase not be implemented until solutions had been implemented by Republic to bring automated recycling and collection services up to satisfactory level, and until someone from the Republic office was available to give a report to council. Mr. Rich had responded well and city council appreciated Republic working diligently through all of the challenges. Council suggested that future mail outs by Republic be in the form of colored postcards with pictures as that would get more attention than a written letter.

The following person spoke:

-Ruth Spradling asked who did yard waste pick up, noting it was not being done very well. Council noted Republic Services did yard waste pick up.

8C. Landowner petition for City to accept ownership of the drainage ditch in the Village Glen Subdivision

Mr. Parton noted a letter was received from Village Glen homeowners requesting the city repair and maintain the earthen drainage channel along their rear property lines. The drainage facility was built many years ago to accommodate a significant amount of regional drainage, not just the neighborhood, with the stipulation that landowners maintain the drainage channel. Over the years, a significant amount of silt, rock and debris built up and reduced drainage capacity. Mr. Parton noted the city did not have easements from the landowners to access the property for maintenance; he estimated after easements were secured, city staff could repair the drainage channel within two weeks at a cost of \$5,000-6,000.

Mr. Parton noted staff would also be surveying and evaluating other locations in the city that had similar problems and he would bring that information to council at a later date. He proposed the following criteria for distinguishing between landowners' responsibility and city's responsibility: 1.) Accepted infrastructure designed and approved by the city; 2.) Serving more than a single property or development; and 3.) Dedicated to the city in terms of maintenance responsibility.

Council noted that channel flow and maintenance was hampered by rocks and overgrown vegetation, and standing water created a health hazard and provided an environment for mosquitos and animals.

Mr. Allen moved to direct staff to evaluate the drainage conditions along this channel, define options for its repair, and work with landowners to determine if they would be willing to donate the necessary drainage easements to the city. Mr. Fine seconded the motion and it passed 5-0.

8D. Interlocal Agreement Pursuant to the Interlocal Cooperation Act Texas Government Code, Chapter 791 Texas Community Development Block Grant Contract 7214025.

Mr. Barron noted Phase VI of the Kerrville South sewer project would extend sewer service to an apartment complex on Ranchero Road, adding about 54 new

connections. This was the final phase of the Kerrville South sewer project and would require some lift station wet well improvements; but the force main, pumps, and electrical could handle additional flow.

Mr. Fine moved to authorize the mayor to execute the interlocal agreement with Kerr County concerning the Texas Community Development Block grant. Mr. Allen seconded the motion and it passed 5-0.

8E. Donation of city's recycling trailer to Kerr County.

Councilmember Fine noted since the city recycling center closed recycling was no longer being picked up in Hunt, Center Point, and Turtle Creek. The city no longer had a need for the recycling trailer that was purchased solely by an AACOG grant; therefore, he proposed giving the trailer to the county for recycling, with stipulation that if the county discontinued using it for recycling, as stated in original grant, it would be returned to the city.

Mr. Stork moved to direct staff to write an agreement to donate the recycling trailer to Kerr County and that the agreement include a provision for the return of the trailer to the city should it no longer be used for recycling services. Mr. Fine seconded the motion and it passed 5-0.

9. INFORMATION AND DISCUSSION:

9A. Budget update. Ms. Yarbrough

Ms. Yarbrough gave the financial report year to date for the period ending August 25, 2015: general fund revenues totaled \$21,011,079 and expenditures \$18,658,908; water and sewer fund revenues totaled \$7,398,170 and expenditures \$9,439,438; hotel/motel fund revenues totaled \$861,706 and expenditures \$913,974; 54 permits for new residential construction and 22 for new commercial construction.

10. ITEMS FOR FUTURE AGENDA: None

11. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- The Kerrville Fire Department would be holding a blood drive on August 29 at the Wal-Mart parking lot, 9:00-2:00.
- Vouchers were available in the city water office for free bulk waste drop off disposal at the landfill; vouchers expire September 30.
- The Kerrville Fire Department and Kerr County Volunteer Fire Departments did a great job controlling the large fire in west Kerr County.

12. EXECUTIVE SESSION:

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

12A. Section 551.071:

- Pursuant to Section 551.071, *Rachel Lynn Wood v. Roy Alonzo, Individually, and in his official capacity as a City of Kerrville Police Officer*, in the United

States District Court, Western District of Texas, San Antonio Division; Case No. 5-15-CV-228-OLG.

12B. 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:

- River trail

At 7:54 p.m. the regular meeting recessed and council went into executive closed session at 8:00 p.m. At 8:31 p.m. the executive closed session recessed and council returned to open session at 8:31p.m.

13. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

12B. Mr. Stork moved to authorize staff to seek easements and/or property interests for the westward segments of the river trail. Mr. Fine seconded the motion and it passed 4 to 1 with Councilmembers Stork, Fine, Allen, and Pratt voting in favor of the motion and Councilmember White voting against the motion.

ADJOURNMENT. The meeting adjourned at 8:33 p.m.

APPROVED: _____
ATTEST: _____

Jack Pratt, Jr., Mayor

Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
September 8, 2015

On September 8, 2015, 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 Reverend Tom Murray, Associate Pastor of St. Peter's Episcopal Church, followed by the Pledge of Allegiance led by Police Chief David Knight.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Gary F. Stork	Mayor Pro Tem
Stephen P. Fine	Councilmember
Bonnie White	Councilmember
Gene Allen	Councilmember

COUNCILMEMBER ABSENT: None

CITY CORE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Day	Deputy City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Ashlea Boyle	Special Projects Manager
Kim Meisner	Director of General Operations
David Knight	Police Chief
Dannie Smith	Fire Chief
Stuart Barron	Public Works Director

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

1. VISITORS/CITIZENS FORUM:

1A. Robert Naman asked what assurance there was that the cost of the sports complex would be capped at \$9 million, not including interest. He noted the Cailloux contract did not have a firm dollar amount. He opined the public should vote on the project and the cost should be in the contract.

2. PRESENTATIONS:

2A Proclamation proclaiming September as National Recovery Month. (Tony Farmer, Kerrville Chapter of Young People in Recovery)

3. CONSENT AGENDA:

Items 3A and 3B were removed from the consent agenda.

Mr. Allen moved for approval of consent agenda items 3C through 3E; motion was seconded by Mr. Fine and passed 5-0:

3C. Interlocal agreement between the County of Kerr and City of Kerrville, Texas providing for the housing of city prisoners.

3D. Resolution No. 25-2015, approving the budget for fiscal year 2016 for the Kerr Emergency 9-1-1 Network.

3E. Administrative services contract between City of Kerrville, Texas and City of Kerrville, Texas Economic Improvement Corporation.

END OF CONSENT AGENDA

3A. Resolution No. 23-2015 authorizing amendments to the Procedural Rules for Kerrville City Boards.

Mr. Parton noted the purpose of the rules was to have a policy that would bring consistency to all city boards; after adoption of the overall rules, staff will bring to council amendments to the various resolutions and ordinances that addressed the individual boards.

Council discussed the following:

- Rule 1.4 should state "written policies adopted by city council." The city had many policies that did not apply to boards.
- Rule 2.8, removal of member, should state specific reason why a member may be removed, e.g. ethics, illegal, moral, etc.
- Rule 3.5, conflict of interest, there was nothing in state law that governed a board member from having a conflict; suggested writing a city policy that addressed conflicts for board members.
- Rule 2.4, multiple memberships, should not allow same person to serve on multiple boards.
- Rule 4.6, email policy, city make email service available, but not mandatory, to board members, this would allow members to have the ability to email without having their personal accounts subject to the public information act and open meetings act.

Council consensus was to send the document back to staff to clarify the points discussed in sections 1.4, 2.4, 3.5 and 4.6, and to eliminate membership stacking.

3B. Resolution No. 24-2015 amending the City of Kerrville Fee Schedule by revising fees charged for various services and uses provided or offered by the city.

Council discussed the following:

- Low overpass on I-10: Could the city charge a fee for escorting oversized vehicles being diverted through town on permits issued by TxDOT? Chief Knight noted since January the police department, paying off duty personnel, escorted 291 oversized vehicles through town without reimbursement to the city. It was noted that occasionally KPUB also provided escort services. The purpose of a fee would be: 1) reimburse city for cost of providing escort services, and 2) fund the city's proposed \$1.5 million for the I-10 renovations. Chief Knight will discuss such fees with the state and report findings to council. The city was being asked to solve and fund the problem created by TxDOT. Mr. Parton noted that the I-10 project was a high priority with the state.
- Look at options for charging waste haulers to dispose of items at the landfill in order to recoup expenses and the cost of the landfill.

- Why did the cost of labor go down for traffic control from \$40 to \$27.50? Mr. Barron noted \$27.50 was the standard rate for other utility labor fees.
- Were builders aware of the increase in fees in the water and sewer fund? Mr. Barron noted fees had not increased since 2011; to his knowledge, builders were not aware of the proposed changes.

Mr. Fine moved to approve Resolution No. 24-2015; Ms. White seconded the motion and it passed 5-0.

4. PUBLIC HEARING:

4A. Second public hearing to set the 2015 ad valorem tax rate.

Mr. Parton noted no changes since first public hearing.

Mayor Pratt opened the public hearing at 6:41 p.m.; no one spoke; the public hearing was closed at 6:41 p.m.

5. ORDINANCES, FIRST READINGS:

5A. Ordinance No. 2015-20, adopting the annual budget for the City of Kerrville, Texas, fiscal year 2016; providing appropriations for each city department and fund; containing a cumulative clause; and containing a savings and severability clause. Mayor Pratt read the ordinance by title only.

Mr. Allen moved for approval of Ordinance No. 2015-20 on first reading; Mr. Fine seconded the motion and it passed 4-1 on record vote as follows:

Mayor Pratt	For
Councilmember Fine	For
Councilmember White	Against
Councilmember Stork	For
Councilmember Allen	For

Mr. Fine moved for a ratification vote to adopt the budget that will require raising more revenue from property taxes than the previous fiscal year. Mr. Allen seconded the motion and it passed 4-1 on record vote as follows:

Mayor Pratt	For
Councilmember Fine	For
Councilmember White	Against
Councilmember Stork	For
Councilmember Allen	For

5B. Ordinance No. 2015-21, levying an ad valorem tax for the use and the support of the municipal government for the City of Kerrville, Texas, for the fiscal year 2016; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. Mayor Pratt read the ordinance by title only.

Mayor Pratt noted the city proposed to adopt the same tax rate as in the past six years, \$.5625.

Mr. Fine moved for approval of Ordinance No. 2015-19 on second and final reading, and moved that the property tax rate be increased by the adoption of a tax rate of \$.5625, which was effectively a 2.2% increase in the tax rate. Ms. White seconded the motion and it passed 4-1 on record vote as follows:

Mayor Pratt	For
Councilmember Fine	For
Councilmember White	For
Councilmember Stork	Against
Councilmember Allen	For

6. ORDINANCE, SECOND AND FINAL READING:

6A. Ordinance No. 2015-19 amending the budget for fiscal year 2015 to account for various changes to the city's operational budget, including revenue and expenditures related to the city's acquisition of an aerial fire truck and a vehicle replacement for the police department. Mayor Pratt read the ordinance by title only.

Mr. Parton presented a revised draft budget based on council discussion at previous meetings, and noted recent changes:

- Leaf machine was removed; lack of support from council.
- Included additional funds received from KPUB, \$187,500; proposed body camera equipment and hardware for police department (\$113,700) and increase in street maintenance (\$73,800).

Council discussed whether items over \$50,000 should be done separately and as budget amendments. Mr. Parton noted the budget was only a plan to allocate resources and was not permission for staff to proceed or purchase, but only to begin the due diligence process. The established process was that any purchase over \$50,000 had to come before city council for final authorization. Staff would also investigate grants that may be available.

Mr. Fine moved for approval of Ordinance No. 2015-19 as presented; Mr. Stork seconded the motion and it passed 5-0.

7. CONSIDERATION AND POSSIBLE ACTION:

7A. City of Kerrville Municipal Surface Water Rights—Water Right Permits 3635 and 5208.

Mr. Barron discussed Permit 5208, Verde Creek; and Permit 3635 on Quinlan Creek for the golf course; he noted the diversion points were not located at the water treatment plant. He suggested two options:

1. Move both diversion points to the water treatment plant and reallocate the water for potable water use. To do so the city would have to do engineering studies and go to TCEQ to prove that that water could be relocated; however, the city would lose seniority to all senior water right holders down Verde Creek and Quinlan Creek, and down the Guadalupe River. He estimated the cost to the city at \$45,000 each to move the water rights, in addition to on-going maintenance contracts to Guadalupe Blanco River Authority, \$4,940 annual fee.

2. Abandon Permit 5208 on Verde Creek entirely and give it to the state; and split Permit 3635 on Quinlan Creek giving the diversion right to the state and keeping the impoundment right for the water feature at the golf course. This option would cost the city a one-time abandonment fee of \$200 to the state and \$160 to GBRA.

Both permits were very junior water rights not readily available during drought, and if the diversion points were moved the city would lose a significant amount of water. He opined that option 2 might allow the state to keep water in the streams, bays and estuaries; and the state might consider the city's goodwill when curtailing water from the river. He did not know the market value of the water rights; however, water in Canyon Lake was selling for \$130 per acre foot; Quinlan Creek had 80 AF, and Verde Creek had 40 AF. The annual expense of the golf course right (\$3,380) was paid to GBRA, not the state, under the upstream diversion/subordination agreement with GBRA. The 40 AF on Verde Creek was donated to the city, and the city asked the state to put that right in the city's name, but the state said the city would have to get GBRA to update the subordination agreement, which GBRA was unwilling to do without turning it into an upstream diversion contract, and that cost to the city would be \$130 AF annually.

Council also discussed the following:

- City has spent a lot of money protecting its water rights; however, the city cannot use the water because of state requirements and guidelines.
- Under junior rights status, when the city needed the water during drought, someone else had senior rights and would receive the water first. Mr. Barron agreed and these two permits were "very junior" and costly to keep.
- City should wait one year for completion of the Freese & Nichols study and testing that would determine what it would take to treat effluent to drinking standards before abandoning the water right on Quinlan Creek.

Mr. Hayes noted the Verde Creek permit was in the city's name, but TCEQ had not officially recorded it in city's name; therefore, the city would just abandon it.

Mr. Parton noted the Quinlan Creek permit for the golf course was for irrigation water, not drinking water, which was a different permitting issue. There was excess flow in the GBRA agreement that could be used to supplement drinking water. The city currently irrigated the golf course with effluent, and the proposed effluent project anticipated continuing to do so. The concern at the golf course was maintaining the water feature, that is, the right to impound and divert water for irrigation; however, staff has not evaluated the cost to do that.

Mr. Stork moved to keep the right of impoundment but not the diversion right for Permit 3635 at Quinlan Creek; and to abandon Permit 5208 on Verde Creek to the state; Mr. Allen seconded the motion. Ms. White amended the motion to retain the diversion point right at the golf course for one year until after the Freese and Nichols study had been completed. Mr. Stork and Mr. Allen agreed to the amendment and the amended motion passed 5-0.

8. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:

8A. Golf Course Advisory Board. Mr. Fine moved to appoint Helen Herd, Raymond Holloway, Eddie Pinson, and Michael Sigerman to the golf course advisory board; Ms. White seconded the motion.

Mayor Pratt requested members be voted on individually by separate motions.

Mr. Fine moved to appoint Helen Herd, with term to expire July 1, 2017; Ms. White seconded the motion and it passed 5-0.

Mr. Fine moved to appoint Raymond Holloway, with term to expire July 1, 2017; the motion died for lack of a second.

Mr. Fine moved to appoint Eddie Pinson, with term to expire July 1, 2017; Ms. White seconded the motion and it passed 5-0.

Mr. Fine moved to appoint Michael Sigerman, with term to expire July 1, 2017; Ms. White seconded the motion and it passed 5-0.

9. ITEMS FOR FUTURE AGENDA:

- Create a citizen's advisory council to study video gaming/gambling machines.

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- September 12, 1:00-2:30, library meeting room, The Friends of the Library would host four local writers who had self-published their work.
- September 12, 10:00-4:00, Friends of the Library bookstore would be open.
- Vouchers can be picked up at city hall for free bulk waste disposal at the landfill transfer station.
- Today is Gene Allen's birthday.
- September 13, 2:30 p.m. the dedication of the Coming King statue at the Coming King Foundation Sculpture and Prayer Garden; also, at 7:46 p.m. a Jewish Rabi would welcome in the New Jewish Year.
- Jack Pratt was elected Vice President of TML Region 7.

11. EXECUTIVE SESSION:

Ms. White requested separate motions be made for each executive session item:

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

11A. 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:

- River trail.

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

11A. 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:

- Acquisition of property at 529 Water Street.

At 7:18 p.m. the regular meeting recessed. Mr. Allen left the meeting at 7:18 p.m.

Council went into executive closed session at 7:28 p.m. At 7:36 p.m. the executive closed session recessed and council returned to open session at 7:37 p.m. Mayor Pratt announced no action was taken in executive session.

12. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

No action was taken in open session.

ADJOURNMENT. The meeting adjourned at 7:37 p.m.

APPROVED: _____

ATTEST:

Jack Pratt, Jr., Mayor

Brenda G. Craig, City Secretary

Agenda Item:

3B. Purchase of self-contained breathing apparatuses for the Kerrville Fire Department in the amount of \$155,054.15

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

SUBJECT: Self-Contained Breathing Apparatuses

FOR AGENDA OF: 10/13/2015

DATE SUBMITTED: 10/01/2015

SUBMITTED BY: Dannie Smith
Fire Chief

CLEARANCES: Todd Parton
City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:



Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$155,054.15	\$155,054.15	\$155,054.15	18-800-506: \$110,054.15
PAYMENT TO BE MADE TO:			01-21-506: \$45,000.00

REVIEWED BY THE DIRECTOR OR FINANCE:

SUMMARY STATEMENT

On August 26, 2015, the City requested Bids for Self-Contained Breathing Apparatuses (SCBAs) for the Kerrville Fire Department. Our goal is to replace the current SCBAs due to electrical issues the manufacturer is not able to resolve. In January of 2014 the Texas Commission on Fire Protection (TCFP) mandated that all Fire Departments must utilize National Fire Protection Association (NFPA) approved SCBAs. The problems with our current SCBAs have been ongoing since 2011, and the manufacturer is not able to successfully achieve the NFPA's compliance process. Safe and reliable SCBAs are extremely important for the safety of our personnel. The department needs to purchase SCBAs and has lost confidence in the manufacturer to provide new SCBAs, and adequately service our equipment. Heat Safety Equipment was the lowest bidder at \$155,054.15 for 25 Scott Self-Contained Breathing Apparatuses and miscellaneous equipment.

RECOMMENDED ACTION

The Fire Chief recommends that Council authorize the City Manager to accept the bid from HEAT Safety Equipment, submitted on September 10, 2015, to purchase 25 SCBAs and miscellaneous equipment for a total of \$155,054.15.

CITY OF KERRVILLE

701 MAIN STREET
KERRVILLE, TX 78028

BID ADVERTISEMENT

TITLE: Self Contained Breathing Apparatus Purchase

DEADLINE FOR BID SUBMITTAL: 3:00 PM, September 9, 2015

The City of Kerrville is taking Sealed Bids for the purchase of Self Contained Breathing Apparatus for use by the Kerrville Fire Department. Sealed bids will be received by the office of the City Secretary, City Hall, 701 Main Street, Kerrville, Texas -78028 until 3:00 P.M. on Thursday, September 10, 2015, and will be publicly opened and read aloud in City Hall's meeting room #1 immediately after. The package will be available for evaluation at the Purchasing Manager's office at 701 Main Street, Kerrville, Texas. The City of Kerrville reserves the right to refuse all proposals.

Advertising Dates: August 26, 2015 & September 2, 2015

QUESTIONS RELATED TO THIS BID SHOULD BE DIRECTED TO:

Dannie Smith, Fire Chief
(830) 257-8449
Dannie.smith@kerrvilletx.gov

BID TABULATION SHEET

SELF-CONTAINED BREATHING APPARATUS PURCHASE

September 10, 2015

1) Heat Safety Equipment	\$ 155,054.15
2) MES - Texas	\$ 191,334.17
3)	\$
4)	\$
5)	\$
6)	\$
7)	\$
8)	\$
9)	\$
10)	\$
11)	\$
12)	\$
13)	\$
14)	\$
15)	\$
16)	\$
17)	\$

5465 Curran Rd.
Von Ormy, Texas 78073
Ph. (210) 624-2320

DATE	Quotation No.
7/27/2015	Q15-10183

NAME / ADDRESS
Kerrville Fire Department 87 Coronado Kerrville, TX 78028

P.O. NO.

[illegible]

MES - Texas
16511 Hedgecroft, Suite 200
Houston, TX 77060

Telephone: 800-784-0404
Fax: 281-442-9199



Ship To:
KERRVILLE FIRE DEPT
1012 WATER STREET
KERRVILLE, TX 78028

Contact:
Phone:

Bill To:
KERRVILLE FIRE DEPT
1012 WATER STREET
KERRVILLE, TX 78028

Quotation

Number: QT_00361716-2
Date: 8/31/2015
Page: 1 of 1
Sales order:
Requisition: RFQ
Your ref.: SCBA
Our ref.: Istephens
Quotation deadline.....: 10/30/2015
Payment.....: Net 30
Sales Rep: JEvans
Terms of delivery: Customer Pays
Freight-NOT Taxable

Item number	Description	Size	Color	Quantity	Unit	Unit price	Amount
X3414022000402	4.5 Air-Pak X3 with Snap-Change with Standard Harness and Standard Belt with No Escape Rope, Regulator with Quick Connect Hose, No EBSS, No Airline Connection, SEMS II			25.00	EA	5,042.20	126,055.00
201215-05	AV3000 HT, KEVLAR HEADNET, SIZE MEDIUM, RIGHT SIDE COMM BRKT			25.00	EA	264.10	6,602.50
201275-01	EPIC 3 VOICE AMPLIFIER INDIVIDUAL			25.00	EA	376.20	9,405.00
804722-01	CYL&VLV ASSY,CARB,45MIN,4500			50.00	EA	938.40	46,920.00
200773-01	RFID WRITER KIT			1.00	EA	483.49	483.49
200774-01	RFID TAG KITS			5.00	EA	85.88	429.40
201088-02	SEMS II, USB GATEWAY			1.00	EA	1,437.26	1,437.26
31001579	SOFTWARE CD,SEMS II			1.00	EA	1.52	1.52

This Quotation is subject to any applicable sales tax and shipping & handling charges that may apply.
Tax and shipping charges are considered estimated and will be re-calculated at the time of shipment to ensure they take into account the most current local tax information.

*Pricing per
HGAC
CONTRACT*

Sales balance	Total discount	S&H	Sales tax	Total
191,334.17	0.00	0.00	0.00	191,334.17 USD

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.
Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.

SCOTT SELF CONTAINED BREATHING APPARATUS

ITEM	DESCRIPTION	QTY
ATO	X3414022000402	25
	X3 SNAP CHANGE, QD HOSE, 4500PSI, SEMSII	
201215-05	AV-3000 HT (M), KVL R W/R BRKT	20
201215-05	AV-3000 HT (M), KVL R W/R BRKT	5
201275-01	PACKAGING, EPIC 3 AMP, SINGLE	25
804722-01	CYLINDER & VALVE ASSY, CARBON, 4500 PSI, 45 MIN	30
804722-01	CYLINDER & VALVE ASSY, CARBON, 4500 PSI, 45 MIN	20
200773-01	SEMS II RFID PROGRAMMER KIT	1
200774-01	SEMS II RFID TAG KIT	5
201088-02	SEMS II, USB GATEWAY	1
31001579	SOFTWARE CD,SEMS II FOR 200732	1

Agenda Item:

3C. Resolution No. 31-2015 cancelling the regular meeting of the City Council scheduled for November 24. (staff)

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

SUBJECT: Resolution No. 31-2015 canceling the November 24, 2015 regular city council meeting

FOR AGENDA OF: October 13, 2015 **DATE SUBMITTED:** September 29, 2015

SUBMITTED BY: Brenda Craig
City Secretary

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Resolution No. 31-2015

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 FINANCE DIRECTOR:

SUMMARY STATEMENT

The proposed resolution cancels the November 24, 2015 regular city council meeting.

RECOMMENDED ACTION

The city secretary recommends approval of Resolution No. 31-2015 canceling the November 24 regular city council meeting.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 31-2015**

**A RESOLUTION CANCELING THE REGULAR MEETING OF
THE CITY COUNCIL SCHEDULED FOR NOVEMBER 24,
2015**

WHEREAS, Section 2-31 of the Code of Ordinances for the City of Kerrville provides that City Council meetings are to be held the second and fourth Tuesdays of each month; and

WHEREAS, Section 2-31 also provides the City Council may, by majority vote at a regular meeting, change the days or times of meetings as circumstances may necessitate;

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

The regular meeting of the City Council scheduled for November 24, 2015, is hereby canceled.

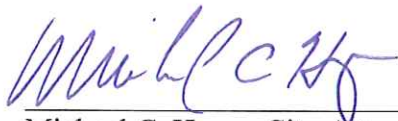
PASSED AND APPROVED ON this the _____ day of _____ A.D., 2015.

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Agenda Item:

3D. Resolution No. 32-2015 cancelling the regular meeting of the City Council scheduled for December 22, 2015 regular city council meeting. (staff)

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

SUBJECT: Resolution No. 32-2015 canceling the December 22, 2015 regular city council meeting

FOR AGENDA OF: October 13, 2015 **DATE SUBMITTED:** September 29, 2015

SUBMITTED BY: Brenda Craig
City Secretary

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Resolution No. 32-2015

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

The proposed resolution cancels the December 22, 2015 regular city council meeting.

RECOMMENDED ACTION

The city secretary recommends approval of Resolution No. 32-2015 canceling the December 22, 2015 regular city council meeting.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 32-2015**

**A RESOLUTION CANCELING THE REGULAR MEETING OF
THE CITY COUNCIL SCHEDULED FOR DECEMBER 22, 2015**

WHEREAS, Section 2-31 of the Code of Ordinances for the City of Kerrville provides that City Council meetings are to be held the second and fourth Tuesdays of each month; and

WHEREAS, Section 2-31 also provides the City Council may, by majority vote at a regular meeting, change the days or times of meetings as circumstances may necessitate;

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

The regular meeting of the City Council scheduled for December 22, 2015, is hereby canceled.

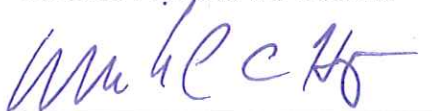
PASSED AND APPROVED ON this the _____ day of _____ A.D., 2015.

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Agenda Item:

3E. Execute agreement for the donation of recycle center balers to Kerr County.
(staff)

**BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Execute Agreement for the Donation of Recycle Center Balers to Kerr County

FOR AGENDA OF: October 13, 2015

DATE SUBMITTED: October 2, 2015

SUBMITTED BY: Stuart Barron
Director of Public Works

CLEARANCES: Kristine Day
Deputy City Manager

EXHIBITS: Donation of Baler, Disclaimer, and Release of Liability

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 FINANCE DIRECTOR:

SUMMARY STATEMENT

The City of Kerrville has previously obtained equipment through grant funding by the Alamo Area Council of Governments (AACOG). This equipment was used at the previous Community Recycling Center and is no longer needed. The new site located at the Transfer Station does not require balers and therefore, staff is requesting authorization to donate the equipment to Kerr County. Donating these balers allows the City to be in compliance with AACOG in a manner in which the equipment is being donated to another governmental entity. In addition, Kerr County will utilize the equipment for the original purpose intended, which is to help reduce waste and increase recycling.

RECOMMENDED ACTION

Authorize City Manager to execute Donation of Baler, Disclaimer, and Release of Liability agreement with Kerr County.

DONATION OF BALER, DISCLAIMER, AND RELEASE OF LIABILITY

The City of Kerrville, Texas ("City") hereby transfers to Kerr County, Texas ("County"), the following described balers:

1. Model: Cram-A-Lot Baler
Serial No.: 5452
Model No.: 60DHLU
Date of Mfg.: 3-7-95

2. Model: Cram-A-Lot Baler
Serial No.: 6200
Model No.: 60DHLU
Date of Mfg.: 1-22-96

3. Model: Cram-A-Lot Baler
Serial No.: BD11831-08
Model No.: DX-84
Date of Mfg.: 12-24-02

4. Model: Wastequip Baler
Serial No.: LB9615
Model No.: 6030HD
Date of Mfg.: 6-08

("the Balers"). The City makes the transfer of the Balers only where subject to the following conditions and pursuant to official action of the City Council, which occurred at its regular meeting on Tuesday, October 13, 2015:

1. City makes no representation regarding the condition of the Balers at the time of transfer and the City will deliver the Balers to the County **AS IS, WHERE IS, AND WITHOUT ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**
2. By acceptance of the Balers, the County, Texas, agrees, **TO THE EXTENT ALLOWABLE BY LAW, TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY AND ITS OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, LOSSES, PROPERTY DAMAGES, AND EXPENSES OF ANY CHARACTER WHATSOEVER, INCLUDING ATTORNEY'S FEES, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PROPERTY ON ACCOUNT OF ANY NEGLIGENT ACT OF THE COUNTY, OR ANY OF ITS RESPECTIVE OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, OR ASSIGNS IN THE USE OF THE BALERS.**
3. The County acknowledges and agrees that *a)* the City purchased the Balers in accordance with a grant from the Alamo Area Council of Governments ("AACOG"); and *b)* the County's possession, use, and disposal of the Balers must conform to the requirements of the AACOG grant. As such, prior to the City's transfer of the Balers, the County must provide written evidence to the City of AACOG's acceptance of the City's transfer of the Balers and the County's subsequent ownership and use thereof.
4. Where the County no longer desires to own the Balers, the County shall notify the City of such in writing, and the City has the option of repossessing the Balers without cost. The County may not dispose of the Balers without the written consent of the City, such consent not to be unreasonably withheld or delayed.

Signed this _____ day of October, 2015.

CITY OF KERRVILLE, TEXAS

Todd Parton, City Manager

ACCEPTED:

KERR COUNTY, TEXAS

BY: _____
TITLE: _____
DATE: _____

Agenda Item:

4A. Resolution No. 33-2015, providing for the city's approval or disapproval of an amendment to the Kerr Central Appraisal District's 2014 fiscal year budget.
(staff)

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

SUBJECT: Resolution No. 33-2015 approving/disapproving an amendment to the Kerr Central Appraisal District (KCAD) FY14 budget to retain budget surplus funds for KCAD's building reserve fund

FOR AGENDA OF: October 13, 2015 **DATE SUBMITTED:** October 1, 2015

SUBMITTED BY: Todd Parton, City Manager **CLEARANCES:**

EXHIBITS: Letter from KCAD, Resolution No. 33-2015

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

The FY14 KCAD budget audit report has determined a budget surplus of \$34,416.00; the City of Kerrville's portion of this surplus is \$4,777.98. KCAD is requesting an amendment to their FY14 budget to allow KCAD to retain FY14 budget surplus funds for KCAD's building reserve fund, as detailed in the attached letter.

The proposed budget amendment will take effect 30 days after the date of notification by KCAD, which was September 28, 2015, unless a majority of the governing bodies of the taxing entities served by the appraisal district pass resolutions disapproving the amendment.

Resolution No. 33-2015 will either approve or disapprove the budget amendment. No action on this item will in effect approve the proposed budget amendment.

RECOMMENDED ACTION

The city manager recommends approval of Resolution No. 33-2015 approving the budget amendment.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 33-2015**

**A RESOLUTION PROVIDING FOR THE CITY'S APPROVAL OR
DISAPPROVAL OF AN AMENDMENT TO THE KERR CENTRAL
APPRAISAL DISTRICT'S 2014 FISCAL YEAR BUDGET**

WHEREAS, the Kerr Central Appraisal District (KCAD) is requesting an amendment to their 2014 Fiscal Year Budget to allow for the transfer of surplus funds in the amount of \$34,4160.00 to the Building Reserve Fund to be used solely for repairs or additions to the KCAD building and property; and

WHEREAS, the amendment will require no additional funding; and

WHEREAS, pursuant to state law, the City Council must consider KCAD's budget amendment and in the event Council does not approve, it must indicate this action via a resolution; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to either approve or disapprove of said proposed amendment as is indicated below;

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

The Kerr Central Appraisal District's proposed 2014 fiscal budget amendment, the provisions being substantially as set forth in **Exhibit A**, attached hereto and incorporated herein by reference, is hereby _____ (*APPROVED OR DISAPPROVED*).

PASSED AND APPROVED ON this the _____ day of _____ A.D., 2015.

Jack Pratt, Jr., Mayor

APPROVED AS TO FORM:



Michael C. Hayes City Attorney

ATTEST:

Brenda G. Craig, City Secretary

KERR CENTRAL APPRAISAL DISTRICT
P.O. BOX 294387
1836 JUNCTION HIGHWAY
KERRVILLE, TEXAS 78029

Date: September 25, 2015

Re: Kerr CAD 2014 Budget Surplus Amendment & 2014 Audit

To: Taxing Entities Served by Kerr CAD

From: Kerr CAD Board of Directors

Message: The 2014 Budget Audit Report conducted by Pressler, Thompson and Company CPAs shows a budget surplus of \$34,416. A copy of the 2014 Audit has been emailed to you. I can provide you with a paper copy, please contact the Kerr CAD Office. The Kerr CAD Board of Directors is requesting this amount to be applied to the Building Reserve Fund via budget amendment. The addition of the surplus amount will give the fund a balance of \$265,676.

Voting taxing units may veto the amendment to the 2014 Budget to retain the surplus amount of \$34,416. The 2014 Budget allocation by taxing entity is attached so you may see your entity's allocated amount if this budget amendment is vetoed.

To veto, a majority of the voting taxing units must pass resolutions disapproving the amendment to the budget. These units must file resolutions with the appraisal district's board of director's secretary within 30 days after the date of notification. If a majority of the taxing entities veto, the amendment does not take effect. The board must then return the surplus amount to the taxing entities based on their prorated share as found in the attached allocation schedule.

In the past the Building Reserve Fund was used to put a new roof on the building as well as to repair and renovate the plumbing and connect to the City of Kerrville's sewage system after the septic system failed. It has also been used to repair the floor in the equipment room caused by termite damage. There is also other termite damage in the walls in several areas. The parking lot was also repaired using this fund. The building was built about 1975 as a radio station at a time when energy efficiency was not a high priority. Most of the exterior walls are floor to ceiling single pane glass making them very energy wasteful. Extensive future expenditures are anticipated including flooring replacement, air conditioners replacement, installation of handicapped entry access, renovation and repairs to the interior. Additional insulation and weather proofing is also needed as well as replacement or alteration to the windows. The parking

PHONE 830-895-5223
FAX 830-895-5227

PRESSLER, THOMPSON AND COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

ONE SCHREINER CENTER
819 WATER STREET, SUITE 320
KERRVILLE, TEXAS 78028

Jerry N. Oliver, C.P.A.
Timothy R. Porter, C.P.A.
Brenda G. Beaty, C.P.A.
Gary B. Selgrath, C.P.A.

Telephone (830) 257-7241
Fax (830) 896-4041
Website: www.ptccopa.com

September 8, 2015

To the Board of Directors
Kerr Central Appraisal District

We have audited the financial statements of the governmental activities and the general fund of the Kerr Central Appraisal District for the year ended December 31, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have discussed such information with the Deputy Chief Appraiser. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Kerr Central Appraisal District are described in Note A to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 8, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the Budgetary Comparison Schedule, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of Board of Directors and management of Kerr Central Appraisal District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Pressler, Thompson and Company

Kerr Central Appraisal District
Refund due Entities
12/31/2014

Total due entities if would be refunded \$ 34,416.53

City of Ingram	0.50562%	174.02
City of Kerrville	13.88280%	4,777.98
Kerr Fire District 1	0.16119%	55.47
Kerr Fire District 2	0.05170%	17.79
Kerr County	22.79291%	7,844.53
Ingram Hill Road District	0.00791%	2.72
Lateral Roads	1.80368%	620.76
Lake Ingram Estates Rd Dist	0.03287%	11.31
Center Point ISD	3.70845%	1,276.32
Comfort ISD	2.64505%	910.33
Divide ISD	0.66477%	228.79
Harper ISD	0.61299%	210.97
Hunt ISD	4.92554%	1,695.20
Ingram ISD	7.38246%	2,540.78
Kerrville ISD	38.75863%	13,339.38
Medina ISD	0.16025%	55.15
UGRA	1.46649%	504.72
Headwaters Underground	0.43670%	150.30
	<u>100.00000%</u>	<u>34,416.53</u>

Agenda Item:

4B. Temporary lease agreement – 529 Water Street. (staff)

**TO BE CONSIDERED BY THE
HEALTH FACILITIES DEVELOPMENT CORPORATION
CITY OF KERRVILLE, TEXAS**

SUBJECT: Temporary Lease Agreement between the City of Kerrville and WRS Enterprises, Inc., for the property located at 529 Water Street

FOR AGENDA OF: Oct. 13, 2015 **DATE SUBMITTED:** Oct. 8, 2015

SUBMITTED BY: Todd Parton **CLEARANCES:** Todd Parton
City Manager City Manager

EXHIBITS: None

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

City Council will consider approving a temporary lease agreement with the pending acquisition of the property located at 529 Water Street. The lease will provide for the current owners to transition to a new home.

RECOMMENDED ACTION

City staff recommends that the City Council approve a temporary lease agreement for the property located at 529 Water Street.

Agenda Item:

5A. Zoning Board of Adjustment. (staff)

**BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Appointments to the Zoning Board of Adjustment

FOR AGENDA OF: October 13, 2015 **DATE SUBMITTED:** October 6, 2015

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:

Zoning Board of Adjustment: Three regular member positions that expired on September 30, 2015.

RECOMMENDED ACTION

Consider appointments.

ZONING BOARD OF ADJUSTMENT

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
IRVIN, ROBERT Chair 2128 Bluff Ridge	896-0586 (H) 315-2000 (O)	10-10-10** 11-24-09*	01-08-13	09-30-15
STILWELL, LINDA Vice-Chair 415 Timber Ridge Dr.	329-6456 (C)	01-10-12** 10-11-11*	09-24-13	09-30-15
EYCHNER, JUDY 604 Cardinal	370-1587(C) 257-5010 (O)	10-22-13** 01-08-13*	12-09-14	09-30-16
LEWIS, PETER 334 West Water St.	896-1707 (H) 896-4220 (W)	12-09-14		09-16-16
LIGON, SAM 431 Valley Drive	895-4431 (H) 895-5111 (W)	10-22-13		09-30-15
<u>ALTERNATES:</u>				
MacDONALD, T. JUSTIN 2951 Fall Creek Road	896-4821 (H) 257-5323 (W)	12-09-14		09-30-16
PARKS, ROBERT 2515 Rogers Circle	896-5861 (H) 928-1616 (C)	12-09-14		09-30-16
CITY STAFF: Trent Robertson City Planner	258-1184 (O)			

Qualifications: The board shall be composed of five members all of whom shall be residents and qualified voters of the city of Kerrville.

Alternate Members: Two alternate members will be appointed who shall be qualified voters of the city to serve concurrent terms as the regular members. The alternate members will serve on the board in place of an absent member when requested to do so by the chairperson of the board so that all cases to be heard by the board shall always be heard by a minimum of four members.

Powers and Duties: 1. The board shall hear and decide an appeal that alleges an error in any order, decision, or determination made by an administrative official of the city in the interpretation or enforcement of Chapter 211 of the Texas Local Government Code, as amended, or the zoning code.

2. The board shall grant, upon written request, variances from the height, yard, area, coverage, floor-to-area, and buffering regulations and required number of parking and loading spaces prescribed by the zoning code, which variances are not contrary to the public interest, and which, because of special conditions, a literal enforcement of the ordinance would result in unnecessary hardship.

Term of Office: Two years. The members shall be appointed by a majority vote of the members of the city council. No member or alternate member shall serve more than three consecutive full terms on the board without having at least one full year off of the board between terms.

Quorum: Four members

Number of Members: Five with two alternates

Meeting Time & Place: At the call of the chairperson and at such other times as the members of the board shall determine.

Absences: Cause for removal of a member of the board by the city council shall be deemed to exist if during any period of twelve consecutive months for any reason other than a medical reason which prevents the member's attendance, the member is absent from the greater of three called meetings of the board or 25 percent of the called meetings of the board.

Established by: Ordinance No. 1997-07

Revised: May 28, 2015

* Appointed as alternate

** Appointed as full member