AGENDA FOR REGULAR MEETING

KERRVILLE CITY COUNCIL

TUESDAY, JANUARY 26, 2016, 6:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS

KERRVILLE CITY COUNCIL AGENDA
REGULAR MEETING, TUESDAY, JANUARY 26, 2016, 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION: Kristin Mudry, Notre Dame Welcome Lady.

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. Police Officer of the Year Award and Police Commendation Award to William Allen. (Mayor Pratt)

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 Health Facilities Development Corporation held on October 27, 2015, the regular City Council meetings held October 27 and November 10, 2015. (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: January 22, 2016 at 12:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown
Deputy City Secretary, City of Kerrville, Texas

3B. Resolution No. 02-2016 ordering that a general election be held on May 7, 2016, for the election of one mayor and two city councilmembers; adopting an electronic counting system; establishing a central counting station; and authorizing the early processing of ballots. (staff)
3B. RESOLUCIÓN 02-2016 QUE DECRETA QUE LAS ELECCIONES GENERALES SE LLEVEN A CABO EL 7 DE MAYO DEL 2016 PARA ELEGIR UN ALCALDE, Y DOS CONCEJALES MUNICIPALES; ADOPTAR UN SISTEMA ELECTRÓNICO DE CONTEO DE VOTOS; ESTABLECER UNA ESTACIÓN CENTRAL DE CONTEO; Y AUTORIZAR EL PROCESAMIENTO TEMPRANO DE LOS VOTOS ELECTORALES

END OF CONSENT AGENDA

4. ORDINANCE, SECOND AND FINAL READING:

4A. Ordinance No. 2016-02 amending the budget for Fiscal Year 2016 to account for various changes to the city's operational budget, including additional revenues and allocations for capital improvement projects. (staff)

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Installation Agreement Between the City of Kerrville and Premier Courts, LC for the repair of tennis courts at the HEB Tennis Center through Texas BuyBoard in the amount of $98,920.00, but not to exceed a total contract value of $108,920.00. (staff)

5B. Appointment of member to the Kerrville Citizen Police Academy Alumni Association Board of Directors. (staff)

5C. Gift of land and improvements associated with the Kerrville Cancer Center Building located at 218 Sidney Baker Street North and authorize the City Manager to execute a special warranty deed associated with the gift.

6. INFORMATION AND DISCUSSION:

6A. Budget and economic update. (staff)

7. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:

7A. Library Advisory Board. (staff)

8. ITEMS FOR FUTURE AGENDAS

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: January 22, 2016 at 12:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown
Deputy City Secretary, City of Kerrville, Texas

9. 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.

10. 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:

10A. 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.

10B. Section 551.071:

- Annexation of an approximate 194.79 acres of land out of the William Watt Survey No. 69, Abstract No. 367 and the W.T. Crook Survey No. 70, Abstract No. 113, Kerr County, Texas, and being generally located on the south side of SH-27 and located between Oak Way Street and Splitrock Road.

10C. Sections 551.071, 551.072, and 551.073:

- Gift of land and improvements associated with the Kerrville Cancer Center Building located at 218 Sidney Baker Street North and authorize the City Manager to execute a special warranty deed associated with the gift.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

12. 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: January 22, 2016 at 12:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown

Deputy City Secretary, City of Kerrville, Texas

Agenda Item:

2A. Police Officer of the Year Award and Police Commendation Award to William Allen. (Mayor Pratt)

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

SUBJECT: Presentation of Officer of the Year Award: Officer William Allen - Police Commendation Award

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED**: January 15, 2016

SUBMITTED BY: Chief David Knight **CLEARANCES:** Todd Parton, City Manager

EXHIBITS: Nomination Document

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

Although new to the Kerrville Police Department, Officer William Allen is an experienced patrol officer and a skilled investigator who has utilized his past training and experience to quickly become a standout officer in every way. In his first year he has quickly earned a reputation for going the "extra mile" in what could easily be seen as routine cases. He thoroughly investigates each offense in order to provide a solid case for prosecution. Officer Allen has superior inter-personal communication skills which he uses to good effect in developing leads and connecting with the public he serves. His work ethic, self-initiated activity and dedication to duty have earned him a well-deserved reputation among his peers as an officer to emulate.

William came to work at the Kerrville Police Department with prior experience in Law Enforcement and an impressive skillset. He is precisely the type of officer we strive to develop, readymade. Officer Allen was selected to become a Field Training Officer because of his knowledge and attention to detail. He has been selected as a department background investigator for prospective employees. This is notable given that he has been a member of this department for only one year.

There is no single event or incident that Officer Allen has been involved in that makes him deserving of being selected as Officer of the Year, but rather the outstanding work he performs every duty day.

Officer Allen observed a recently opened business which appeared to be operating as a location for gambling. He visited the business and observed that it appeared to be a gambling establishment operating under the guise of an internet café. He gathered information and passed his concerns up the chain of command which ultimately led to an investigation into illegal gambling. This type of proactive approach is a hallmark of Officer Allen's community service oriented philosophy.

During the course of a follow-up investigation to a theft offense that had occurred the previous day, Officer Allen uncovered a second theft from another victim. He was able to locate the stolen property, a valuable piece of construction equipment, and ensure that it was returned to the rightful owner. He gathered enough evidence to send the case to the County Attorney for prosecution. His perseverance was instrumental in the successful conclusion of this case.

Officer Allen was dispatched to a burglary of a motor vehicle that turned into a strong arm robbery. He interviewed the victims, gathered evidence at the scene, and was able to identify three possible suspects. Officer Allen located these three suspects later that same night, conducted interviews and photographed the suspects to prepare a solid case for CIU. His diligence and investigative skill turned what could have been a case with no suspects into a viable case for prosecution.

Officer Allen regularly goes above and beyond what is expected of a Patrol Officer in an effort to deliver the highest level of service he is capable of to the Kerrville community and consistently performs his duties with diligence, dedication and a high level of professionalism.

RECOMMENDED ACTION

Officer William Allen will be awarded the Kerrville Police Department Police Commendation Award for her selection as Police Officer of the Year.

City of Kerrville
Police Department
429 Sidney Baker
Kerrville, Texas
78028-5069

TO: Meritorious Conduct Board

FROM: Sergeant Jonathan Lamb

DATE: December 8, 2015

SUBJECT: Officer of the Year Nomination

I am proud to nominate Officer Will Allen for Officer of the Year based on the following criteria:

Performance

1. Overall performance for the year –

   Officer Allen is statistically rated with the fifth highest arrest record for the year. This number is remarkable given that Officer Allen is a new hire, yet he still managed to accumulate a significant amount of on-view arrests. Although new to the Kerrville Police Department, Officer Allen is an experienced patrol officer and a skilled investigator, and he has utilized his past training and experience to quickly become a standout officer in every way. In his first year, he has quickly earned a reputation for going the "extra mile" in what could easily be seen as routine cases. He thoroughly investigates each offense in order to provide a solid case for prosecution. Officer Allen has superior inter-personal communication skills which he uses to good effect in developing leads and connecting with the public he serves. His work ethic, self-initiated activity, and dedication to duty have earned him a well-deserved reputation among his peers as an officer to emulate.

2. Extra police duties –

   Field Training Officer, Background Investigator

Field Training Officer: Officer Allen has recently been appointed as a full time Field Training Office, due to his knowledge and attention to detail. Again, this is notable given that he has been a member of this department for only one year.

Background Investigator: Officer Allen has been selected to conduct background investigations on prospective employees. Officer Allen did a thorough job in a timely manner.

3. Attendance record –

Officer Allen lives in Kerrville, Texas. He has not used any sick time this year, is always early for work, arrived fully prepared for duty, and has had no unexcused tardiness.

There is no single event or incident that Officer Allen has been involved in that makes him deserving of being selected as Officer of the Year, but rather the outstanding work he performs every duty day. By way of a few recent examples:

1. In June, Officer Allen observed a recently opened business which appeared to be operating as a gambling place. Officer Allen visited the business and observed that it was, in fact a gambling establishment operating under the guise of an internet café. Officer Allen gathered information and passed his concerns up the chain of command. The business was recently raided and closed following an investigation into illegal gambling. This type of proactive approach is a hallmark of Officer Allen's community service oriented philosophy.

2. Also in June, Officer Allen was conducting follow-up to a theft offense that occurred the previous day. During the course of his follow-up investigation, Officer Allen uncovered a second theft from another victim. Officer Allen was able to locate the stolen property, a valuable piece of construction equipment, and ensure that it was returned to the rightful owner. Officer Allen gathered enough evidence to send the case to the County Attorney for prosecution. Officer Allen's perseverance was instrumental in the successful conclusion of this case.

3. In July, Officer Allen was dispatched to a burglary of a motor vehicle that turned into a strong arm robbery. Officer Allen interviewed the victims, gathered evidence at the scene, and was able to identify three possible suspects. Officer Allen located these three suspects later that same night. Officer Allen interviewed and photographed the suspects and prepared a solid case for CIU. Officer Allen's diligence and investigative skill turned what could have been a case with no suspects into a viable case for prosecution.

Officer Allen regularly goes above and beyond what is expected of a Patrol Officer in an effort to deliver the highest level of service he is capable of to the Kerrville community. Officer Allen consistently performs his duties with diligence, dedication, and a high level of professionalism that bring great credit to him and the Kerrville Police Department.

Respectfully submitted,

Jonathan Lamb

Agenda Item:

3A. Minutes of the Health Facilities Development Corporation held on October 27, 2015, the regular City Council meetings held October 27 and November 10, 2015. (staff)

CITY OF KERRVILLE, TEXAS HEALTH FACILITIES DEVELOPMENT CORPORATION
October 27, 2015

On October 27, 2015, the City of Kerrville Health Facilities Development Corporation met at 6:17 p.m. in the city hall council chambers, 701 Main Street, Kerrville, Texas.

MEMBERS PRESENT:

Jack Pratt	President
Gene Allen	Vice-President
Stephen Fine	
Bonnie White	
Gary Stork	

MEMBER ABSENT: None

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Kristine Day	Deputy City Manager
Mike Hayes	City Attorney
Brenda Craig	City Secretary
Sandra Yarbrough	Finance Director
David Knight	Police Chief
Dannie Smith	Fire Chief
Ashlea Boyle	Special Project Manager

APPROVAL OF MINUTES

Meeting of the City of Kerrville, Texas, Health Facilities Development Corporation, held October 8, 2015.

Mr. Stork moved to approve the minutes; Mr. Allen seconded the motion and it passed 5-0.

3. CONSIDERATION AND POSSIBLE ACTION:

A resolution of City of Kerrville, Texas Health Facilities Development Corporation concerning issuance of revenue bonds with respect to certain health facilities of Sid Peterson Memorial Hospital and authorizing the execution and delivery of all financing documents relating to the issuance, sale, and delivery of such bonds, including an indenture of trust, a loan agreement, a contract of purchase, and other documents in connection therewith.

Mr. Fine moved to approve the resolution; Mr. Allen seconded the motion and it passed 5-0.

Adjournment.

The City of Kerrville Health Facilities Development Corporation meeting adjourned at 6:19 p.m.

APPROVED: ____________________

ATTEST:

____
Jack Pratt, Jr., President

____
Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
October 27, 2015

On October 27, 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 Gavin Rogers, Executive Director of St. Peter's Episcopal 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 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
Stuart Barron	Public Works Director
Trent Robertson	City Planner

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

1. VISITORS/CITIZENS FORUM:

1A. George Baroody opined the city was "playing loose" with accounting principles, noting at the end of 2015 council approved a budget amendment that booked revenue from KPUB against expenses for police body cameras in 2017. One councilmember voted for the 2016 budget and against funding for the budget; this was inconsistent, and spending was out of control. Council approved an amendment for a mistake by KCAD that took money from other entities, and he questioned how those entities voted? The organizational chart had citizens at the top; this was not real as the council continued to hold executive sessions excluding citizens. There was contention among city council against one councilmember when asking questions; citizens do not know the business of the city unless someone asks questions. He questioned if the city was paying for the construction work currently in progress on Holdsworth Drive for the athletics project; noting the work in progress had not gone through a public bid process and the land had not been transferred from the Cailloux Foundation to the city; or had the Cailloux Foundation donated more money to the project.

2. CONSENT AGENDA:

Mr. Stork moved to approve consent agenda item 2A as presented; Mr. Fine seconded, and the motion passed 5-0:

2A. Minutes of the city council regular meeting held September 22, 2015, and city council special meeting held October 8, 2015.

END OF CONSENT AGENDA

3. PUBLIC HEARINGS AND ORDINANCE FIRST READINGS:

3A. Ordinance No. 2015-22 amending the comprehensive plan for the City of Kerrville, Texas, pursuant to Chapter 213 of the Texas Local Government Code; by revising the future land use plan for an approximate 1.94 acres and 1.39 acres tracts of land located adjacent to and south of Bandera Highway (SH 173) and between the highway's intersections with Riverhill Boulevard East to the west and Oak Hollow Drive East to the east; and changing the future land use of this area from low-density residential to general commercial. Mayor Pratt read the ordinance by title only.

Mr. Robertson stated that 19 notices had been mailed to property owners within 200 feet; no one responded in favor or in opposition. He reviewed surrounding properties and noted the proposed use was consistent with other properties fronting Hwy. 173, and the proposed zoning (Item 3B) would be a buffer between residential and commercial properties. Approval of this comprehensive plan amendment would allow the applicant to request a zone change. PZC voted to approve the request 5-0, and staff recommended approval.

Mayor Pratt declared the public hearing open at 6:12 p.m.; no one spoke, and Mayor Pratt closed the public hearing at 6:12 p.m.

Ms. White moved for approval of Ordinance No. 2015-22 on first reading; Mr. Stork seconded the motion and it passed 5-0.

3B. Ordinance No. 2015-23 amending the City's "Zoning Code" by changing the zoning district for an approximate 1.94 acres and 1.39 acres tracts of land located adjacent to and south of Bandera Highway (SH173) and between the highway's intersections with Riverhill Boulevard East to the west and Oak Hollow Drive East to the east, otherwise known as 2180 Bandera Highway; by removing the combined 3.33 acre property, more or less, from the residential cluster (RC) zoning district and placing it within the 36-S zoning district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars ($2000.00); ordering publication; and providing other matters relating to the subject. Mayor Pratt read the ordinance by title only.

Mr. Robertson noted this was the same property discussed in Item 3A. The subject property was suitable for 36-S zoning and could allow more intense uses than was permitted in the R-C zone and could result in increased traffic in the area.

Mayor Pratt declared the public hearing open at 6:16 p.m.; no one spoke, and Mayor Pratt closed the public hearing at 6:16 p.m.

Mr. Allen moved for approval of Ordinance No. 2015-23 on first reading; Mr. Fine seconded the motion and it passed 5-0.

4. ORDINANCE FIRST READING:

4A. Ordinance No. 2015-24 granting to Atmos Energy Corporation, a Texas and Virginia corporation, its successors and assigns, a franchise to furnish, transport and supply gas to the general public in the City of Kerrville, Kerr County, Texas, for the transporting, delivery, sale, and distribution of gas in, out of, and through said municipality for all purposes; providing for the payment of a fee or charge for the use of the streets, alleys, and public ways; repealing all predecessor ordinances; providing that it shall be in lieu of other fees and charges, excepting ad valorem taxes; prescribing the terms, conditions, obligations and limitations under which such franchise shall be exercised; providing a savings clause; a most favored nations clause, and a severability clause; and providing an effective date.
Mayor Pratt read the ordinance by title only.
This matter was pulled from the agenda.

5. CITY COUNCIL RECESS

The Kerrville City Council recessed the regular city council meeting to convene a meeting of the City of Kerrville Health Facilities Development Corporation at 6:17 p.m. Following the City of Kerrville Health Facilities Development Corporation meeting, the Kerrville City Council reconvened into regular session at 6:20 p.m.

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Resolution No. 34-2015 approving a bond resolution by City of Kerrville, Texas Health Facilities Development Corporation providing for the issuance of bonds for Sid Peterson Memorial Hospital.
Mayor Pratt noted that approval of the resolution would not incur any debt for the City of Kerrville; Sid Peterson Memorial Hospital would pay the debt. The Kerrville City Council served as the Board of Directors for the Health Facilities Development Corporation.

Mr. Stork moved for approval of Resolution No. 34-2015; Mr. Fine seconded the motion and it passed 5-0.

7. INFORMATION AND DISCUSSION:

7A. Quarterly Report from Kerr Economic Development Corporation.
Jonas Titas, Executive Director of KEDC, reported on the following projects:

- James Avery Craftsman, assist in recouping state sales tax.
- Mooney International, working on new production line.
- Vention, assist with energy audit that might provide a cost savings.

- New oil and gas prospect wanted to establish a regional office in this area to consolidate operations in south and west Texas.
- Avionics firm desired to relocate to the Kerrville Airport from Hondo, Texas.
- Hotel prospect doing due diligence on models and financing.
- New manufacturing prospect from California potentially establishing operations in this area; would create up to 40 new primary jobs.
- Working on several local expansion projects.
- Update KEDC strategic plan in January.

Mr. Parton noted that KEDC received an award from the Texas Economic Development Council in October.

7B. Update on the effluent reuse project and provide direction to city staff to initiate the bond issuance process to fund its construction.
Mr. Parton noted the city's plant currently produced 2.1 million gallons a day (mgd) of effluent, resulting in a conservative figure of 360 MG of treated effluent that was unused and returned to the river each year; once the effluent is placed in the river, it belongs to the state. GBRA was currently active in Austin seeking legislation that would require the city to continue to put effluent into the river.

Mr. Parton described the effluent reuse project that would capture, retain, and use treated effluent to serve future housing growth and industrial and commercial customers. The effluent reuse project was a multi-phased project. The initial phase would construct a pond and distribution system for non-potable/irrigation uses. The water reuse feasibility report completed by Freese and Nichols, Inc. (FNI) in June 2014 verified the feasibility of the effluent reuse water reclamation project. The study evaluated: the environmental site investigation, geotechnical and landfill investigation, floodplain analysis, water reuse regulatory requirements, water reuse infrastructure requirements, and provided an opinion and estimate of construction cost. On Nov. 13, 2014, the city entered into a contract with FNI to: design a project to capture treated effluent, provide a connection to the treatment plant, and a connection to the distribution system; the cost of the project was estimated at $2 million from the utility fund. The design and bid documents should be completed by the end of 2015.

The Phase I south pond was proposed to be a 105 MG pond; 30 surface acres or 322 acre feet of water. In comparison, Nimitz Lake was 804 AF and 90 surface acres. The berm for the pond would be 25-26 ft. high on the inside and 15-18 ft. outside and would capture 1/3 – 1/5 of the effluent produced at the plant; this phase did not include the distribution system. The next phase would be to design the pipeline and distribution system from the existing facility to the customers. Potential new customers included: Riverhill Golf Course, Schreiner University, HEB Tennis Center, and Peterson Middle School athletics facilities. Riverhill Golf Course currently used river water; these other entities were currently on potable water, and during droughts water had to be trucked in for irrigation. Schreiner University hired an engineer to study what would be necessary for them to connect, what would be their capacity, and how would it connect to their irrigation system. In addition the city's proposed athletic complex on Holdsworth Drive would also need water for irrigation.

Mr. Parton noted the city had very limited water resources: river, groundwater wells, and aquifer storage recovery wells. The state permits would only allow the city to take water from the river when it was available; therefore, the city can only inject into ASR about 100-110 days annually. The state water master can curtail water from Kerrville's permits to make water available for downstream users. The city currently had stored enough volume in the ASR system to pump continuously from the ASR wells for 18 months based on the existing pumping capacity of about 2 million gallons daily. During stage 2 and 3 drought conditions, the city was pumping about 3 mgd. The city could purchase additional rights, if someone was willing to sell; however, transfer of ownership was problematic. The city recently accepted the gift of a permit but gave it back to the state because TCEQ would not transfer the right of ownership without agreement from GBRA; the city was paying an annual fee to keep the permit, but could not get ownership of the right or transfer of ownership.

Future phases could establish direct potable reuse (DPR) by treating effluent to drinking water standards and storing it in an aquifer storage recovery (ASR) well. Indications were that TCEQ will allow the city to inject directly into ASR without blending, based on current water sampling; however, water would have to be retreated when it is taken out of ASR. Headwaters Groundwater District has agreed that the city can take out every gallon put into ASR without counting that amount against the city's groundwater permit.

Council also discussed the following:

- The city can only put water in ASR from the river when it is available, about 110 days a year.
- Does the city receive credit from the state for water returned to the river? Mr. Barron noted the city did not receive credit from the state; however, the city had a subordination agreement with Guadalupe Blanco River Authority (GBRA) that required the city to pay if a certain allowance was not returned to the river, and the city has not had to exercise that agreement in the past.
- Would the bond issuance and debt service schedule proposed, put the city's bond rating at risk? Mr. Parton noted that according to the city's financial advisor, First Southwest, the city was solidly solvent and in a strong financial position. According to the city's bond counsel the city could support bond issuances of $10 million in 2016 and $8.5 million in 2017 under the current utility rate structure. He noted the city's financial policies were more stringent than the amount the financial advisor recommended be set aside for annual debt service payments. The debt service model indicated peak annual debt service at $715,000 a year; staff proposed that the debt be "laddered" to allow some of the debt to fall off before reaching capacity; the city's financial policies established the debt service ratio at 35% of revenue. The city had about $2.9 million annualized in the budget for capital projects and $2 million was still available annually. He anticipated a

rate adjustment would be necessary in 3-6 years. No ad valorem tax would be used to fund utility fund debt.

- The sale of effluent would not cover the cost of providing effluent to irrigation customers.
- City should construct only Pond 1 and not construct Pond 2. Mr. Parton noted with consistent flow, the dam would overflow and effluent would be returned to the river, losing a valuable resource; a second pond was necessary.
- City should require effluent irrigation customers to provide their own holding ponds.
- 15 years ago the city identified the same problems--storage and distribution; the city continues to treat the water and return it to the river.
- The initial use of the treated effluent would be for irrigation; currently those customers relied on potable water.
- In the future the city may have to treat effluent to drinking standards as a potable water source.
- The city will require additional water supply for future growth and economic development.
- The language of the certificates of obligation should be broad to allow more flexibility and not be so specific it would restrict the project, for example, to later expand to direct potable reuse.

Mayor Pratt stated the consensus of council was for staff to initiate the funding process for the effluent reuse facility to include the issuance of $10 million in 2016 and $8.5 million in 2017. Further, that the bond sale process for the first $10 million issuance to be initiated in November 2015. The notice of intent would come back to city council for approval.

7C. Budget and economic update.
Ms. Yarborough gave the financial report year to date for the period ending September 30, 2015: general fund revenues totaled $24,599,185 and expenditures $23,535,468; water and sewer fund revenues totaled $9,281,693 and expenditures $11,351,871; hotel/motel fund revenues totaled $1,081,305 and expenditures $937,537; 63 permits for new residential construction and 26 for new commercial construction year-to-date.

8. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:

8A. Golf Course Advisory Board. Mr. Fine moved to appoint Mickey Ray Bailey, with term to expire July 1, 2017; Ms. White seconded the motion and it passed 5-0.

9. ITEMS FOR FUTURE AGENDAS:

- Discuss regulation of drones.

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Police department was testing various types of body cameras on a trial basis; a recommendation would be made to the city council soon.
- Staff was nearing completion of the crime mapping information that will be posted on the city's website.

- Red ribbon week, respect ourselves and others and be drug free.
- Halloween, parks and recreation department holding family fright night at Kerrville Schreiner Park, event is free to the public and a Halloween movie appropriate for all ages will be shown.
- A workshop sponsored by the City, Texas Parks and Wildlife, and Upper Guadalupe River Authority detailing public interaction with wildlife and best wildlife management practices would be held Tuesday, November 10 at 5:30 p.m., at the UGRA office, 125 Lehmann, Ste. 100; event was free to the public.

11. EXECUTIVE SESSION: None.

ADJOURNMENT. The meeting adjourned at 7:24 p.m.

APPROVED: ________________ ________________________

ATTEST: Jack Pratt, Jr., Mayor

____

Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
November 10, 2015

On November 10, 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 Greg Cummings, Kerrville Church of Christ, 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 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	Director of Public Works

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

1. VISITORS/CITIZENS FORUM:

1A. Gary Thomas stated his concern that the tennis facility had steadily eroded over the past ten years and needed new lighting, screen replacement, and resurfacing of courts.

It was noted that tennis center renovations were in the 2017 capital plan.

2. CERTIFICATE OF RECOGNITION:

2A. Certificate of Recognition presented to Tracy L. McCuan, General Manager and CEO to the Kerrville Public Utility Board. (Mayor Pratt)

2B. Mayor Pratt read a proclamation proclaiming November 25 as Orange Day to raise awareness and take action to prevent violence against women and girls.

3. <u>CONSENT AGENDA</u>:

Items 3C and 3D were removed from the consent agenda.

Ms. White moved to approve consent agenda items 3A and 3B; Mr. Fine seconded, and the motion passed 5-0:

3A. Minutes of the City Council regular meeting held October 13, 2015.

3B. Construction contract with J&K Utility Services, LLC for the water treatment plant high service pump addition project in an amount not to exceed $149,739.00 and additional change orders which may exceed $50,000.00 but will not exceed a total contract amount of $187,100.00.

<u>END OF CONSENT AGENDA</u>

3C. <u>Purchase and remount of a Type 1 ambulance from Mac Haik Dodge via BuyBoard Purchasing Cooperative in an amount not to exceed $118,175</u>.
Chief Smith noted the purchase was in the 2016 budget.

Ms. White moved for approval of the purchase as stated; Mr. Stork seconded the motion and it passed 5-0.

3D. <u>Purchase of Caterpillar CW14 pneumatic roller from Holt CAT, in an amount not to exceed $84,741.00</u>.
Mr. Barron noted the purchase was bid through Buyboard, the equipment would replace a 12 year old roller for which parts were no longer available, a 12 month warranty was standard for this type of equipment, the equipment would be used for compacting and stabilizing drainage channels as well as street construction, and the purchase was in the 2016 budget under vehicle replacement.

Mr. Fine moved for approval of the purchase as stated; Mr. Allen seconded the motion and it passed 5-0.

6. <u>CONSIDERATION AND POSSIBLE ACTION</u>:

6E. <u>Mayor's Youth Advisory Council (MYAC)</u>.
Mayor Pratt proposed creating a MYAC for youth in grades 9-11, including home school students, who were interested in learning about local government; participating in city-sponsored activities, events and issues; and gaining leadership experience. If approved, Mayor Pratt would prepare the application and parent consent form. The program would be modeled after TML's program.

Council discussed the following points:

- Suggested the name Kerrville Youth Advisory Council.
- Careful not to "step on the toes" of the student council, which was elected by high school students.
- Should involve high school counselling department.
- High school seniors should be included.
- Membership should not exclude students who live outside city limits.

Mr. Stork moved to proceed to establish the MYAC that reflects the intent of the guidelines contained in the report and that Councilmember Fine be involved in policies and adjustments as discussed; however, such adjustments did not need to come back to city council. Mr. Allen seconded the motion and it passed 5-0.

4. ORDINANCES, SECOND AND FINAL READINGS:

4A. Ordinance No. 2015-22 amending the comprehensive plan for the City of Kerrville, Texas, pursuant to Chapter 213 of the Texas Local Government Code; by revising the future land use plan for an approximate 1.94 acres and 1.39 acres tracts of land located adjacent to and south of Bandera Highway (SH 173) and between the highway's intersections with Riverhill Boulevard East to the west and Oak Hollow Drive East to the east; and changing the future land use of this area from low-density residential to general commercial. Mayor Pratt read the ordinance by title only.
Mr. Robertson noted no changes since first reading.

Ms. White moved for approval of Ordinance No. 2015-22 on second and final reading; Mr. Fine seconded the motion and it passed 5-0.

4B. Ordinance No. 2015-23 amending the City's "Zoning Code" by changing the zoning district for an approximate 1.94 acres and 1.39 acres tracts of land located adjacent to and south of Bandera Highway (SH173) and between the highway's intersections with Riverhill Boulevard East to the west and Oak Hollow Drive East to the east, otherwise known as 2180 Bandera Highway; by removing the combined 3.33 acre property, more or less, from the residential cluster (RC) zoning district and placing it within the 36-S zoning district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars ($2000.00); ordering publication; and providing other matters relating to the subject. Mayor Pratt read the ordinance by title only.
Mr. Robertson noted no changes since first reading.

Mr. Allen moved for approval of Ordinance No. 2015-23 on second and final reading; Mr. Fine seconded the motion and it passed 5-0.

5. ORDINANCE, FIRST READING:

5A. Ordinance No. 2015-24 amending Ordinance No. 2006-01, which granted Atmos Energy Corporation a franchise to furnish, transport, and supply gas to the general public within the City of Kerrville, Kerr County, Texas, by extending the term of the franchise ordinance for an additional ninety (90) days through the end of March 29, 2016. Mayor Pratt read the ordinance by title only.
Mr. Hayes noted the current franchise ordinance would expire December 31, 2015; the proposed ordinance had been agreed to by both parties and would extend the existing franchise for 90 days through the negotiating period. After negotiations, a new franchise ordinance would be presented to council in early 2016. This was the first of three readings of Ordinance No. 2015-24.

Council also discussed the following:

- Disappointment in Atmos' expansion program; less than half of the city's population was served with gas.
- No development agreement was in place to require developers to put in gas; Atmos and developers had not been aggressive.
- Lack of gas service in the area puts a burden on the electric system during winter peaks.

Mr. Hayes noted that state law outlined parameters as to what cities can and cannot do, but he would mention service expansion to Atmos.

Mr. Fine moved for approval of Ordinance No. 2015-24 on first reading; Ms. White seconded the motion and it passed 5-0.

6. <u>CONSIDERATION AND POSSIBLE ACTION</u>:

6A. <u>Resolution No. 35-2015 authorizing publication of notice of intention to issue certificates of obligation for the purpose of financing waterworks and sewer system improvements to include design and construction of effluent ponds</u>.

Mr. Stork moved to approve Resolution No. 35-2015 as presented and to authorize the creation of an ad hoc citizen's advisory committee to review the effluent project for a period not to exceed 90 days, said committee to include no more than 11 members and two liaisons from City Council to work with the committee: Mr. Pratt and Mr. Allen. Mr. Allen seconded the motion.

Council discussed whether the agenda item had been properly posted to create an ad hoc committee since the agenda item posted was to authorize publication of the certificates of obligation. A suggestion was made to have two separate resolutions, one to authorize the notice of intent to issue certificates of obligation, and one to set up a citizens' ad hoc committee. Mr. Hayes noted that council was not delegating any authority to the committee, only appointing a citizens committee to give input; therefore, it could be part of this agenda item. Ms. White stated she had lots of questions and input on the subject and would like to be part of the committee.

The motion passed 4 to 1 with Councilmembers Stork, Allen, Fine, and Pratt voting in favor of the motion and Councilmember White voting against the motion.

The consensus was to accept applications, liaison members would interview applicants, and council would vote on membership at the December meeting.

6B. <u>Resolution No. 36-2015 casting votes of the City of Kerrville, Texas, for Kerr Central Appraisal District Board of Directors</u>.
Mr. Parton noted that in order to recall any member, the city must have voted for that member; therefore, he recommended 712 votes be cast for Justin MacDonald and one vote for each of the other members.

Mr. Pratt moved for approval of Resolution No. 36-2015, casting votes as follows:

Mark Bigott	1
Jack Parks	1
Charles Lewis	1
Justin MacDonald	712
Ray Orr	1

Mr. Fine seconded the motion and it passed 5-0.

6C. Joint Resolution of the City of Kerrville, Texas; Kerr County, Texas; Kerrville Independent School District; and Kerrville Public Utility Board supporting the adoption of the rural project plan under consideration by the Texas Department of Transportation.
Mayor Pratt presented the joint resolution and list of projects to be included in the transportation plan as had been agreed to by representatives of all of the entities. Upon adoption of the joint resolution by all parties, the unified plan would be submitted to TxDOT to be considered and evaluated along with other county-wide projects for inclusion in TxDOT's 10 year plan for the rural area outside of the San Antonio District.

Council discussed two amendments to the plan:
1) The I-10 and Harper Road interchange, i.e. raising the overpass or lowering the pavement, timeline be "immediate" instead of 2 years. The city previously committed $100,000 to fund whichever was the least expensive and most expedient option. TxDOT had indicated priority would be placed on the I-10/Harper Road project with financial commitment from the city.
2) Construct an access road along I-10 from Harper Road to Sidney Baker via Loop 534 extension, 2 year timeline.

Regarding the I-10 project, council discussed which option would be the least expensive.

Mr. Fine moved for approval of the joint resolution with amendment to the exhibit as stated; Mr. Allen seconded the motion and it passed 5-0.

Staff will place the plan list on the city's website after it has final approval by all entities. Council requested staff find out how long I-10 would be closed for the project as all traffic would be diverted through Kerrville.

6D. Commercial Lease between City and BTP Baseball Ventures LLC for the management of baseball and softball fields at the Holdsworth Athletic Facility.
The following changes were recommended to the lease:
1. Add definition of tournament as defined in letter of intent and approved by city council April 28, 2015: "The term tournament used in this document refers to any baseball or softball event of any age group consisting of a minimum of 20 teams playing in the event with a minimum of 10 players per team or totaling at least 200 players per tournament.

2. Preference to the Kerrville Youth Baseball and Softball Association (KYBSA) for scheduling of practices and games for their regular season March through June. The sports complex was for local youth, thus the city establishes a priority on scheduling.
3. Add termination clause to be implemented in the event tenant fails to perform.
4. Provide that KYBSA has the right to sell or contract to sell concessions during regular season games and practices.
5. Provide that KYBSA has the right to display its sponsorship banners outside the facility during its games or events; when KYBSA was not playing, other sponsors' banners could be displayed. A storage facility was available to KYBSA for banners.
6. City approve fee structure for outside facility.
7. Alcohol sales will be prohibited during local youth events; alcohol would be available during other times.

Council also discussed the following:

- Project will add sales tax revenue and hotel/motel tax to the city; however, no tax dollars would go into the general fund to cover expenses, estimated at about $300,000 per year.
- Could someone sue the city over the negligence of employees? The facility was insured by the city to cover any exposure or liability. Mr. Hayes noted the city had built in immunities and BTP will have insurance to indemnify the city in the event the city is sued for something caused by BTP. Items 22 and 23, the liability language should be as strong as possible and state who was liable for what.
- Some facilities have profit sharing on merchandise sold; the city did not have such in the proposed contract.
- No performa was required from BTP. If BTP had the maximum number of tournaments, they would pay $0 rent. Council discussed whether the city could legally offer $0 lease for two years; however, it was noted that it was not rent free, BTP would fund all marketing for tournaments. The terms of the lease incentivized BTP to create revenue, which generated retail sales tax and hotel tax for the city. Mr. Parton noted their initial capital investment was $168,000. Councilmember White noted that was BTP's cost of doing business and not revenue to the city.
- No performance guarantee in the contract; if it does not work financially for BTP, then the city does not make it and the property goes back to the Cailloux Foundation along with the city's assets. If the city stopped using the property for a sports complex, the property would revert back to the Cailloux Foundation; this clause was the standard statement found in most agreements.
- If the maximum number of tournaments was scheduled, would it leave time for local youth activities to be scheduled?
- Should separate into two leases, one for indoor and one for outdoor facility.
- Letter of intent contemplated a 12,000-14,000 sq. ft. facility; the contract called for the city to build a 30,000 sq. ft. building.
- No other bids or proposals were solicited from any other management company.
- The private, select baseball teams were popular and brought in revenue, but they take up a lot of play time.
- Item 8 states operating hours as typical of the industry, which could be late into the evening, even midnight or later; this might result in nuisances and light pollution.

- Item 5 referred to ad valorem taxes; it is a city-owned building so there would not be ad valorem taxes; however, there could be ad valorem taxes on personal property. Mr. Hayes noted the building, because it was being operated by a for-profit organization, might be subject to ad valorem taxation.
- Rezoning was required but had not been brought before planning and zoning or city council. Neighbors should be allowed to ask questions.
- Contract made the tenant liable for city's actions, such as run off from parking lots, fertilizers and pesticides.
- Who pays for lights and umpires? Page 9 stated the city paid for lights.
- Should address the cost of city employee overtime and the city's cost to supply maintenance during and after tournaments; tenant should pay for overtime.
- Entry fee was not mentioned.
- Would it be necessary for the city to purchase any new equipment to maintain the fields? Nothing was in the city's five year budget plan.
- What was BTP's limit of liability since there was no personal guarantee, just a signature of three principals of a limited partnership?
- Any specifics or loss of revenue for non-performance? Mr. Hayes noted default provisions and remedies were available through court of law; also, default could result in termination of the contract. For example, if BTP did not do tournaments, that would not be a provision for which the city could terminate. If BTP did something for which they could be found in default, then the city could find them in default and terminate the contract. The contract did not address financial performance.
- How would the building be paid for since the effluent project had not been approved by council and there was $2.2 million in that project for this facility. Regarding the effluent project, Mr. Parton noted the utility fund would purchase material (dirt) needed for the dam for the effluent pond from the general fund, and those funds would then be applied toward construction of this facility.
- The Freese and Nichols, Inc. (FNI) study stated the dirt was needed for the effluent project. The cost of the dirt was built into the cost that water and sewer customers paid and the city planned to move those funds from the utility fund to construct a facility for D-Bat. Ms. White stated this was a kiting operation whereby water and sewer customers were to put up $2.249 million to construct a 30,000 sq. ft. building. If moving funds was not illegal, it was unethical to have water/sewer customers pay for a building for city use for a private customer. Mr. Hayes stated that the budgeting process was not illegal.

Mr. Parton noted the landfill and the athletic facility property were owned by the general fund; the utility fund ran utility operations and owned the property and improvements of utility operations. The general fund provided support to the utility fund operations; a line item transfer was made from the utility fund to the general fund to cover operational expenses for departments that provided services to the utility fund. In this project, a general fund asset was being used for a utility project.

Mr. Parton noted the FNI study referred to looking into boring and soil samples pertaining to the landfill location. The study showed there was adequate core materiel to provide for the interior portion of the dam to be constructed for the pond. Also, there was additional soil that could be applied toward the top three foot layer already there, and to provide material necessary to close the landfill in the future.

- Page 61 of the study stated that the volume of soil needed to construct the embankment for the retention pond exceeded the amount of soil recoverable during excavation, and 149,920 cubic yards of off-site fill material would be needed during construction; the study estimated that cost at $2.249 million.

Mr. Parton noted that section of the report referred to the amount of material being excavated in the pond area, and there was not enough dirt in the immediate pond area itself to construct the berm; therefore, an additional 150,000 cubic yards was needed for construction; however, material was available on site and that was why the utility fund purchased the soil from the general fund for construction of that project. The funds would pay for the pond, not for a building.

- Add statement to better define preference be given to KYBSA for scheduling.
- To be financially successful, Select Baseball was the trend; Select Baseball could gradually phase out Little League as it was not profitable. The purpose of the facility was for youth events, not Select Baseball.
- Will lease require replacement of equipment for maintenance in future?
- No definition of "substantial completion".
- Item 12 C states the landlord agrees to provide the use of other landlord owned and operated properties to the tenant as needed during tournaments; there should be a fee established.
- Item 8F regarding reporting repairs, should state that reports should be made in a timely manner.
- Items 19 D & E, maintenance and repair of outdoor facility during tournaments, one states landlord, one states tenant will maintain premises; confusing, should clarify. Also, maintenance to be scheduled around tournaments, therefore tenant will have to provide schedule in advance. Mr. Parton noted the city would do maintenance of the facility, but tenant will assist in maintenance for tournaments.
- Half of the athletic complex was soccer; the city will hire an athletic director to manage soccer.

The following persons spoke:
1. Ed Livermore opined that the sale of alcohol at any event, not just youth tournaments and events, would be a mistake; he suggested no sale of alcohol. He questioned the incentive rental arrangement whereby the landlord paid $0 rent. The city had a 30 year obligation of equipment, personnel, etc. and the tenant was only required to provide maintenance. Mayor Pratt noted the contract incentivized the tenant; the more money BTP made, the more money the city received.

2. Fred Speck asked if the city could save $2.5 million by using the city's own dirt, the city should reduce the cost of the project by $2.5 million. He stated that people can go to prison for kiting checks. If the city can use its own dirt by tearing

up the soccer association's soccer fields, then save the citizens $2.5 million; do not use it somewhere that was not even connected to the effluent pond.

3. George Baroody, regarding KYBSA's portion of the lease, requested the city set the rate for KYSBA on January 1 of every year. KYBSA's season was March through June, Monday through Sunday, the same months that the tenants want to use the fields. KYBSA, as an organization, had not been part of negotiations; an officer of KYBSA had been involved in the design of the project, but no officer can represent the board; the board approves matters as a whole. He requested council table the lease and bring KYBSA into the discussions, define the playing times and rates for the term of the lease, and remove the sliding scale rate. KYBSA, since they were part of the lease, should be part of the approval process before the city accepts the lease; or, negotiate a lease with KYBSA first before the lease with BTP is signed; as it is, KYBSA has no leverage. The lease was too vague as far as KYBSA's scheduling and was difficult to plan a season around. Also, KYBSA sells advertising for one year; if advertising had to be removed before the season was over, then they needed to address that revenue issue.

4. Mike Sigerman stated the city should not allow alcohol to be carried into the facility. Ultimately it was the city's responsibility if alcohol was served and something happened.

Mayor Pratt moved to authorize city staff to execute the commercial lease agreement as presented, with BTP Baseball Ventures, also known as D-Bat, to include the first six changes stated at the start of the subject, and excluding alcohol sales. The motion died for lack of a second.

Mr. Fine moved that staff incorporate the six items and additional comments and clarifications brought forth by city council and citizens in writing and vote on the revised agreement at the December meeting. A representative of KYBSA should provide their schedule and information so preferential treatment can better be defined. Mr. Stork seconded the motion and it passed 5-0.

6E. Mayor's Youth Advisory Council (MYAC). Item was discussed earlier in the meeting after Item 3D.

6F. Establish a policy for determining the official newspaper/newspapers for publication of public notices and ordinances.
Councilmember White noted the city had not discussed, nor did it have a written policy naming the official city newspaper for publication of required notices. Texas Local Government Code (TLGC) mandated that a local government body of a general law municipality determine by ordinance or resolution an official newspaper, and city charters addressed official newspapers for home rule municipalities. Both types of cities contemplated an official newspaper. The Kerrville City Charter required publication of ordinances in "newspaper of general circulation that is published in the city". State law outlined requirements pertaining to public notices, ordinances, etc. for both general law and home rule

municipalities; the city has 2 newspapers that could be considered within the definition of "newspaper of general circulation published in the city." For many years notices were published in the Kerrville Daily Times (KDT); about a year ago notices began to be published in the Community Journal (CJ). Ms. White recommended staff prepare a resolution stating the city council's policy either annually or as amended by a future city council in order to clarify city policy in reference to naming the official newspaper(s) and provide clear understanding and policy of where official notices would appear. Ms. White provided circulation numbers for both newspapers and noted KDT had 2-3 times the number of subscribers as the CJ depending on the date of publication.

Ms. White moved to direct staff to prepare a resolution to name both newspapers annually as official newspapers of the City of Kerrville. The motion died for lack of a second.

The following persons spoke:
1. Max Graxiola, Publisher of the Kerrville Daily Times (KDT), noted the last legal notice the city published in the KDT was September 26, 2014; he questioned if the change was due to expense or if something else happened that caused the city to stop running legal notices in the KDT? Mr. Graxiola opined that the change from KDT to CJ had to do with articles and editorials that appeared in the KDT. He referred to a conversation in January 2014 when he was told that the KDT would not get the city's business anymore, and the way KDT could get future business would be determined by how they handled future articles.

Mr. Parton noted that was incorrect and the conversation in January had to do with the issue of accurate reporting and coverage. Mr. Parton noted that during that conversation, Mr. Graxiola had asked if KDT's editorials were the issue, and he stated specifically that the editorials were Mr. Graxiola's editorials and did not have a bearing on the city's publication of legal notices; it was an issue of accurate reporting and coverage.

Mr. Graxiola referred to a KDT survey in which 55.5% of respondents said their most used media was the KDT; 25.2% were cable; and 23.9% were the San Antonio newspaper and other media. If the city was trying to reach the most citizens in Kerrville, the city should publish notices in the KDT. A bid could be made based on the cost per inch and cost of readers, and go from there.

2. Mark Bosma stated the city could go out for bids, but the point was that the city had two newspapers and had sufficient budget to handle both. The idea was to give vendors and citizens the opportunity to bid; and the city would make up the amount spent on advertising through the savings on competition.

Council also discussed the following:
- The Charter addressed the issue of official city newspaper, and a complete review of the Charter was held by a committee appointed by city council about 18 months ago.

- The city has complied with the intent of TLGC for home rule cities.
- If the city used both newspapers, it would double the city's cost of advertising. Ms. White noted that the cost of advertising was not as expensive as the D-Bat building.
- The amount that KDT had been paid for notices was more than double the amount paid to CJ in the past. During the five-year period October 2010 to September 2015, KDT received $28,403, and CJ received $9,450.
- The state legislature was moving more toward allowing cities to use websites solely for all legal notices; the city was already using its website for all legal notices.
- The issue had become personal and that was not productive.
- If council selected one paper over the other, whichever one was not selected would lose business and be upset. The city should solicit bids.
- More people were using internet and websites for information, job searches, projects out for bid, etc. Persons directly affected by zoning issues received a personal letter from the city.

Mr. Fine moved to instruct staff to put together a bid packet for advertising needs for next year and let both papers bid based on the cost per column inch; the motion died for lack of a second.

7. <u>INFORMATION AND DISCUSSION</u>:

7A. <u>Budget and economic update</u>.

Ms. Yarbrough gave the financial report year to date for the period ending October 31, 2015: general fund revenues totaled $1,421,716 and expenditures $1,698,297; water and sewer fund revenues totaled $1,101,123 and expenditures $604,538; hotel/motel fund revenues totaled $87,396 and expenditures $0; 11 permits for new residential construction and 0 for new commercial construction.

Mr. Parton noted the city was in the process of doing the final audit, but he provided a tentative departmental report and estimated $950,000 revenue over expenditures for the end of FY2015. He noted the following: property tax came in $184,000 below budget; sales tax increased $197,000; permits and fees were $131,000 above forecast; total $604,000 interest and miscellaneous; and the city received a $287,000 allocation from KPUB in a settlement agreement. He suggested that property tax collections be monitored as staff had noticed a decline in collections. Mr. Parton noted that following the audit, the council typically reviews projects and instructs staff on the allocation of surplus funds, if available. A budget workshop was planned for late January, early February.

Council discussed not finding ways to spend the surplus as in the past, rather, creating a plan to return surplus funds to the citizens.

8. <u>ITEMS FOR FUTURE AGENDA</u>

- Establish policy setting a clear deadline for accepting board applications as 5:00 Thursday prior to packet being prepared on Friday; applications that come in late do not give council sufficient time to conduct interviews.

- Organizers of the Veterans Day Parade requested a refund of the parade fee.

9. **ANNOUNCEMENTS OF COMMUNITY INTEREST**:

- Kerr Regional History Center exhibit honoring men and women who have served Our Nation opened today and runs through November 28.
- Veterans Day Parade, November 11 on Jefferson Street starting at 5 p.m. at Tivy and ending at the courthouse.
- Recognized the 240th birthday of the Marine Corps.
- November 21 holiday lighted parade, 6 p.m. on Water Street through downtown, followed by lighting ceremony at the courthouse.
- Police Department Blue Santa program, organized by the Kerrville Citizen Police Academy Alumni Association, accepting applications for families in need; applications due November 20.
- Only one regular meeting scheduled for December 8 due to holiday.

10. **EXECUTIVE SESSION**: None

12. **ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION**: None.

ADJOURNMENT. The meeting adjourned at 8:28 p.m.

APPROVED: ______________

ATTEST:

____
Jack Pratt, Jr., Mayor

____
Brenda G. Craig, City Secretary

Agenda Item:

3B. Resolution No. 02-2016 ordering that a general election be held on May 7, 2016, for the election of one mayor and two city councilmembers; adopting an electronic counting system; establishing a central counting station; and authorizing the early processing of ballots. (staff)
3B. RESOLUCIÓN 02-2016 QUE DECRETA QUE LAS ELECCIONES GENERALES SE LLEVEN A CABO EL 7 DE MAYO DEL 2016 PARA ELEGIR UN ALCALDE, Y DOS CONCEJALES MUNICIPALES; ADOPTAR UN SISTEMA ELECTRÓNICO DE CONTEO DE VOTOS; ESTABLECER UNA ESTACIÓN CENTRAL DE CONTEO; Y AUTORIZAR EL PROCESAMIENTO TEMPRANO DE LOS VOTOS ELECTORALES

BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS

SUBJECT: Resolution No. 02-2016 ordering City Council General Election on May 7, 2016; and establishing a central counting station

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED:** January 14, 2016

SUBMITTED BY: Brenda Craig, City Secretary BC **CLEARANCES:** Todd Parton, City Manager; Mike Hayes, City Attorney

EXHIBITS: Resolution No. 02-2016 and Election Calendar

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: TP

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

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

SUMMARY STATEMENT

The attached resolution orders a General Election to be held on Saturday May 7, 2016, to elect one mayor and two councilmembers whose terms will expire as follows:

Mayor – Jack Pratt, Jr.
Councilmember Place Three – Gary Stork
Councilmember Place Four – Gene Allen

The period for filing an application for a place on the ballot is January 20 through February 19, 2016; write-in candidates may file through February 23, 2016.

Approval of the resolution will establish the period of early voting by personal appearance, establish the central counting station, and establish the date and time for canvassing the election. The city secretary recommends the following:

1. Early voting by personal appearance be held April 25 through May 3 at the Cailloux City Center at 910 Main Street as follows:
   - Monday and Tuesday, April 25 and 26: 7 a.m. to 7 p.m.
   - Starting Wednesday, April 27, April 28, April 29, May 2 and 3: 8 a.m. to 5 p.m.
2. Applications for ballot by mail be addressed to Michele Schneider, Kerr County Courthouse, 700 Main Street, Kerrville, Texas 78028, and be received no later than 5:00 p.m., April 26, 2016.

3. Election Day is Saturday, May 7, 2016, from 7:00 a.m. to 7:00 p.m. at the Cailloux

City Center at 910 Main Street.

4. Establish the location of the central counting station as the Kerr County Juvenile Facility, 3501 Legion Drive, Kerrville, Texas.

5. Official canvass of the election be held on May 17, 2016, at 10:00 a.m.

RECOMMENDED ACTION

The city secretary recommends approval of Resolution No. 02-2016 calling the General Election on May 7, 2016, adoption of the calendar, and related matters as presented.

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 02-2016

A RESOLUTION ORDERING THAT A GENERAL ELECTION BE HELD ON MAY 7, 2016, FOR THE ELECTION OF ONE MAYOR AND TWO CITY COUNCILMEMBERS; ADOPTING AN ELECTRONIC COUNTING SYSTEM; ESTABLISHING A CENTRAL COUNTING STATION; AND AUTHORIZING THE EARLY PROCESSING OF BALLOTS

WHEREAS, Section 2.03 of the City Charter establishes a two-year term of office for each Councilmember and until a successor is elected; and

WHEREAS, the term of office for Mayor, Councilmember Place Three, and Councilmember Place Four will expire in May 2016; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to call a general election to be held on May 7, 2016, for the election of persons to the offices of Mayor, Councilmember Place Three, and Councilmember Place Four; and

WHEREAS, in order to more efficiently conduct the counting of ballots for the May 7, 2016, general election for the City of Kerrville, the City Council finds it to be in the public interest to appoint various officials and to adopt certain procedures for conducting said election;

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

SECTION ONE. City Council orders that a general election be held in the City of Kerrville, Texas, on Saturday, the 7th day of May 2016, for the purpose of electing persons to the offices of Mayor, Councilmember Place Three, and Councilmember Place Four for the City of Kerrville, Texas.

SECTION TWO. City Council orders that the Hart Voting System, which is an electronic touch screen voting system, be the method of voting.

SECTION THREE. City Council orders that the municipal polling place for such election will be the Kathleen C. Cailloux City Center of the Performing Arts, 910 Main Street, Kerrville, Texas, 78028.

SECTION FOUR. On Election Day, May 7, 2016, the polls shall be open from 7:00 AM to 7:00 PM. Early voting shall be conducted at the Kathleen C. Cailloux City Center of the Performing Arts, 910 Main Street, Kerrville, Texas, 78028, April 25 through May 3 as follows:

Monday, April 25, 2016: 7:00 AM to 7:00 PM
Tuesday, April 26, 2016: 7:00 AM to 7:00 PM
Wednesday through Friday, April 27, April 28, April 29, and May 2, and 3, 2016: 8:00 AM to 5:00 PM

SECTION FIVE. Applications for ballot by mail should be addressed to: Michelle Schneider, Kerr County Courthouse, 700 Main Street, Kerrville, Texas, 78028, and must be received no later than 5:00 PM on April 26, 2016.

SECTION SIX. In accordance with Texas Election Code §127.001, City Council declares that ballots for the May 7, 2016, City election shall be electronically counted by using the Hart E Scan System owned by Kerr County.

SECTION SEVEN. In accordance with Texas Election Code §127.001, City Council establishes that the central counting station for the counting of ballots in the May 7, 2016, election will be located in the Kerr County Juvenile Facility, 3501 Legion Drive, Kerrville, Texas.

SECTION EIGHT. In accordance with Texas Election Code §127.124, City Council authorizes that the ballots cast during the early voting period for the May 7, 2016, City election may be processed on or after 9:00 AM on May 7, 2016.

SECTION NINE. City Council will conduct the official canvass of the election at a special meeting on Tuesday, May 17, 2016, beginning at 10:00 AM in the Council Chambers, City Hall, 701 Main Street, Kerrville, Texas.

PASSED AND APPROVED ON this the _____ day of ____________ A.D., 2016.

Jack Pratt, Jr., Mayor

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

ATTEST:

Brenda G. Craig, City Secretary

CITY COUNCIL ELECTION CALENDAR

This memo gives the dates for the various actions connected with the regular city election to be held on May 7, 2016, and lists the councilmembers whose terms are expiring. Please mark these dates on your calendar:

Jan. 20 – Feb. 19	Candidate may file application for place on ballot from 8:00 a.m. to 5:00 p.m. Monday-Friday. The name of the candidate and the place for which they are filing will be affixed by the city secretary at the time of issuance of a petition form.
Jan. 20– Feb. 23	Write-In candidate may file to declare candidacy at city secretary's office 8:00 a.m.-5:00 p.m. Monday-Friday.
Feb. 25	City secretary conducts drawing for order of names on ballot at 10:00 a.m.
Apr. 7	Last day for submitting voter registration application or for requesting transfer of registration in time to vote in the election.
Apr. 25– May 3	Early voting by personal appearance at Cailloux City Center at 910 Main Street on April 25 through May 3: - Monday and Tuesday, April 25 & 26: 7 a.m. - 7 p.m. - Wednesday, April 27, 28, and 29, and May 2 and 3: 8 a.m. - 5 p.m.
May 7	ELECTION DAY, voting from 7:00 a.m. to 7:00 p.m. at Cailloux City Center, at 910 Main Street. Early voting results will be available at the Kerr County Juvenile Facility, 3501 Legion Drive after 7:00 p.m., and the unofficial tabulation results of election day will be available after 7:30 p.m. at the Kerr County Juvenile Facility, 3501 Legion Drive, and on the city's website at www.kerrvilletx.gov.
May 17	City council meeting at 10:00 a.m. at city hall, 701 Main Street, to officially canvass election returns by city council, certificates of election issued, oaths of office given, newly elected officers assume duties, and mayor pro tem may be elected by city council.
May 24	Regular city council meeting at 6:00 p.m. at city hall, 701 Main Street.

Councilmembers whose terms are expiring are:

Mayor – Jack Pratt
Place Three – Gary Stork
Place Four – Gene Allen

ASUNTO DEL CONCEJO MUNICIPAL
CIUDAD DE KERRVILLE, TEXAS

ASUNTO: Resolución N° 02-2016 que ordena las Elecciones Generales del Concejo Municipal del 7 de mayo del 2016; una estación central de conteo.

PARA LA AGENDA DEL: 26 de enero, 2016
FECHA DE PRESENTACIÓN: 14 de enero 2016

PRESENTADO POR: Brenda Craig BC
Secretaria de la ciudad

AUTORIZACIONES: Todd Parton
Administrador de la Ciudad
Mike Hayes
Procurador de la Ciudad

DOCUMENTOS: Resolución N° 02-2016 y el Calendario de las Elecciones

AGENDA ENVIADA POR CORREO A:

APROBADA PARA SER PRESENTADA POR EL ADMINISTRADOR DE LA CIUDAD:

Gastos Requeridos:	Balance de Cuenta Corriente:	Monto Presupuestado:	Número de la Cuenta:
$	$	$	

EL PAGO DEBE HACERSE A:
REVISADO POR EL DIRECTOR DE FINANZAS:

DECLARACIÓN RESUMEN

La resolución adjunta ordena unas Elecciones Generales a celebrarse el sábado 7 de mayo del 2016 para elegir un alcalde y dos concejales, cuyos mandatos vencen como sigue:

Alcalde – Jack Pratt, Jr.
Concejal Puesto Tres – Gary Stork
Concejal Puesto Cuatro – Gene Allen.

El período para presentar una solicitud pidiendo ser colocado en la boleta de votación es del 20 de enero al 19 de febrero del 2016; los candidatos agregados (write-in) pueden presentar su solicitud hasta el 23 de febrero del 2016.

La aprobación de la Resolución N° 02-2016 establecerá el período de la votación temprana en persona, establecerá la estación central de conteo y establecerá la fecha y la hora para hacer el escrutinio de los votos. La Secretaria de la Ciudad recomienda lo siguiente:

1. La votación temprana en persona ha de llevarse a cabo del 25 de abril al 3 de mayo en el Cailloux City Center, ubicado en la calle Main Street #910 con el siguiente horario:
   - lunes 25 de abril y martes 26 de abril: 7 a.m. - 7 p.m.
   - A partir del miércoles 27 de abril, 28 de abril 29 de abril, 2 de mayo, y 3 de mayo: 8 a.m. - 5 p.m.

2. Las solicitudes de las boletas de votación por correo se deben enviar a Michelle Schneider, Kerr County Courthouse, 700 Main Street, Kerrville, Texas 78028, y se deben recibir no más tardar de las 5:00 p.m. del 26 de abril del 2016.

3. El Día de las Elecciones es el sábado 7 de mayo del 2016 de 7:00 a.m. - 7:00 p.m. en el Cailloux City Center, ubicado en la calle Main Street #910.

4. Establecer la ubicación de la estación central de conteo en Kerr County Juvenile Facility, Legion Drive #3501, Kerrville, Texas.

5. El escrutinio oficial de los votos se llevará a cabo el 17 de mayo del 2016 a las 10:00 a.m.

ACCIÓN RECOMENDADA

La secretaria de la ciudad recomienda la aprobación de la resolución N° que ordena las Elecciones Generales del 7 de mayo del 2016, la adopción del calendario y los asuntos relacionados, tal como han sido presentados.

CIUDAD DE KERRVILLE, TEXAS
RESOLUCIÓN NO. 02-2016

RESOLUCIÓN QUE DECRETA QUE LAS ELECCIONES GENERALES SE LLEVEN A CABO EL 7 DE MAYO DEL 2016 PARA ELEGIR UNO ALCALDE Y DOS CONCEJALES MUNICIPALES; ADOPTAR UN SISTEMA ELECTRÓNICO DE CONTEO DE VOTOS; ESTABLECER UNA ESTACIÓN CENTRAL DE CONTEO; Y AUTORIZAR EL PROCESAMIENTO TEMPRANO DE LOS VOTOS ELECTORALES

POR CUANTO, la Sección 2.03 de la Carta Constitucional de la Ciudad establece un término de dos años para cada Concejal y hasta que su sucesor haya sido elegido; y

POR CUANTO, el término de Alcalde, el Concejal Puesto Tres y el Concejal Puesto Cuatro se vence en mayo del 2016; y

POR CUANTO, el Concejo Municipal de la Ciudad de Kerrville, Texas, considera que es en el interés público convocar unas elecciones generales, a ser celebradas el 7 de mayo del 20156 para la elección de las personas que ocuparán los cargos de Alcalde, de Concejal Puesto Tres y Concejal Puesto Cuatro; y

POR CUANTO, con el fin de llevar a cabo de manera más eficiente el conteo de las boletas de votación de las elecciones generales de la Ciudad de Kerrville del 7 de mayo del 2016, el Concejo Municipal considera que es en el interés público designar a varios funcionarios y adoptar ciertos procedimientos para la realización de dichas elecciones;

POR LO TANTO, RESUÉLVASE POR EL CONCEJO MUNICIPAL DE LA CIUDAD DE KERRVILLE, CONDADO DE KERR, TEXAS:

SECCIÓN PRIMERA. El Concejo Municipal ordena que unas elecciones generales se celebren en la Ciudad de Kerrville, Texas, el sábado, el día 7 de mayo del 2016, con el fin de elegir a las personas que ocuparán los cargos de Alcalde, de Concejal Puesto Tres y Concejal Puesto Cuatro de la Ciudad de Kerrville, Texas.

SECCIÓN SEGUNDA. El Concejo Municipal ordena que el Sistema de Votación Hart, que es un sistema de votación electrónico con patalla táctil, sea el método utilizado en la votación.

SECCIÓN TERCERA. El Concejo Municipal ordena que el centro electoral municipal de dichas elecciones sea el Centro de Bellas Artes de la ciudad Kathleen C. Cailloux, ubicado en Main Street #910, Kerrville, Texas, 78028.

SECCIÓN CUARTA. El día de las elecciones, el 7 de mayo del 2016, las urnas electorales estarán abiertas de 7:00 AM hasta las 7:00 PM. La votación temprana se deberá llevar a cabo en el Centro de Bellas Artes de la ciudad Kathleen C. Cailloux, ubicado en Main Street #910, Kerrville, Texas, 78028, desde el 25 de abril hasta el 3 de mayo de la siguiente manera:

Lunes 25 de abril del 2016: 7:00 AM a 7:00 PM
Martes 26 de abril del 2016: 7:00 AM a 7:00 PM
A partir del miércoles 27 de abril, 28 de abril, 29 de abril y 2, y 3, de mayo del 2016:
8:00 AM a 5:00 PM

SECCIÓN QUINTA. Las solicitudes de las boletas de votación por correo deben ser dirigidas a: Michelle Schneider, Kerr County Courthouse, 700 Main Street, Kerrville, Texas, 78028 y deberán ser recibidas no más tardar del 26 de abril del 2016 antes de las 5:00 p.m.

SECCIÓN SÉXTA. De conformidad con el Código Electoral de Texas §127.001, el Concejo Municipal declara que las boletas de las elecciones de la ciudad del 7 de mayo del 2016 serán contadas electrónicamente utilizando el Sistema de Escaneado Electrónico Hart, propiedad del Condado de Kerr.

SECCIÓN SEPTIMA. De conformidad con el Código Electoral de Texas §127.001, el Concejo Municipal establece que la estación central de conteo de las boletas de votación de estas elecciones del 7 de mayo del 2016 estará ubicado en Kerr County Juvenile Facility, Legion Drive #3501, Kerrville, Texas.

SECCIÓN OCTAVA. De conformidad con el Código Electoral de Texas §127.124, el Concejo Municipal autoriza a que los votos emitidos durante el período de votación temprana de las elecciones de la ciudad del 7 de mayo del 2016 sean procesados el día 7 de mayo del 2016 a partir de las 9:00 a.m.

SECCIÓN NOVENA. El Concejo Municipal realizará el escrutinio oficial de las elecciones en una reunión especial el martes 17 de mayo del 2016 a las 10:00 a.m. en la Cámara del Concejo en el Ayuntamiento, ubicado en la calle Main Street #701, Kerrville, Texas.

PASADA Y APROBADA en éste el ________ día de _____________, 2016 D.C.

____
Jack Pratt, Jr., Alcalde

DOY FE:

____
Brenda G. Craig, Secretaria de la Ciudad

APROBADO EN FORMA:

____
Michael C. Hayes, Procurador de la Ciudad

CALENDARIO DE LA ELECCIÓN DEL AYUNTAMIENTO DE LA CIUDAD

Este memorándum da las fechas para las varias acciones conectadas con la elección municipal que se tiene lugar el 7 de mayo, 2016 y lista los concejales cuyos períodos se acabarán.

20 Enero – 19 Feb.	El candidato puede registrar su aplicación para una posición en la balota desde las 8 a.m. hasta las 5 p.m. Lunes-Viernes. El nombre del candidato y la posición para que registre será añadido por el Oficinista de la Ciudad a la emisión de una forma de petición.
20 Enero – 23 Feb.	Un candidato no oficial (añadido por escrito) puede registrar para declarar su candidatura en la oficina del Oficinista de la Ciudad para a las 8 a.m.- 5 p.m. Lunes – Viernes.
25 Feb.	El Oficinista de la Ciudad hace un sorteo para la órden de los nombres en la balota a las 10 a.m.
7 Abr.	El último día para entregar la aplicación para la inscripción de votante o para pedir cambio de inscripción con tiempo para votar en la elección.
25 Abr.– 3 Mayo	Votar temprano por aparecer personalmente al Calilloux City Center en 910 Main Street de la noche y el 25 y de abril – 3 Mayo: - Lunes, 25 y 26 Abril: 7 a.m. - 7 p.m. - Miercoles, 27, 28 y 29 Abril, y 2 y 3 Mayo, 8 a.m. - 5 p.m.
7 Mayo	DÍA DE ELECCIÓN, se puede votar desde las 7 a.m. hasta las 7 p.m. en Cailloux City Center, en 910 Main Street. Los resultados del voto temprano serán disponibles en la corte del condado de Kerr a las 7 p.m., y los resultados del día de la elección serán disponibles a eso de las 7:30 p.m. poco más tarde en la corte, 3501 Legion Drive, www//kerrvilletx.gov.
17 Mayo	La reunión del Ayuntamiento de la Ciudad a las 10 a.m., 701 Main Street para examinar oficialmente los resultados de la elección por el Ayuntamiento de la Ciudad, entregar certificados de la elección, dar juramentos de oficio, los delegados recientemente eligidos asumen el cargo, y escoger el alcalde *pro tem* elegido por el Ayuntamiento.
24 Mayo	La reunion regular del Ayuntamiento de la Cuidad a las 6:00 p.m. a la oficina del ayuntamiento, 701 Main Street.

Los concejales cuyos períodos se acabarán son:

Alcalde – Jack Pratt
Lugar Tres – Gary Stork
Lugar Quatro – Gene Allen

Agenda Item:

4A. Ordinance No. 2016-02 amending the budget for Fiscal Year 2016 to account for various changes to the city's operational budget, including additional revenues and allocations for capital improvement projects. (staff)

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

SUBJECT: Second reading of an ordinance amending the FY2016 Budget

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED**: January 14, 2015

SUBMITTED BY: Sandra Yarbrough
Director of Finance

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Ordinance Amending FY2016 Budget
Attachment A – detailing changes

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 DEPARTMENT:

SUMMARY STATEMENT

The attached ordinance provides for the first amendment to the FY2016 budget, and includes budget amendments as per Attachment A. There have been no changes since the first reading of ordinance on January 12, 2016.

RECOMMENDED ACTION

It is recommended that the City Council approve the second reading of an ordinance amending the FY2016 budget and authorize city staff to make all necessary entries and adjustments to reflect the attached changes.

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2016-02

AN ORDINANCE AMENDING THE BUDGET FOR FISCAL YEAR 2016 TO ACCOUNT FOR VARIOUS CHANGES TO THE CITY'S OPERATIONAL BUDGET, INCLUDING ADDITIONAL REVENUES AND ALLOCATIONS FOR CAPITAL IMPROVEMENT PROJECTS

WHEREAS, Ordinance No. 2015-20, dated September 22, 2015, adopted the Fiscal Year 2016 Budget; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds that amending the City's Fiscal Year 2016 Budget is in the best interest of the citizens of the City of Kerrville;

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

In accordance with Section 8.07 of the City Charter, the Official Budget for Fiscal Year 2016 is amended as set forth in **Attachment A.**

PASSED AND APPROVED ON FIRST READING, this the 12th **day of** Jan. **, A.D., 2016.**

PASSED AND APPROVED ON SECOND AND FINAL READING, this the _____ day of __________, A.D., 2016.

____
Jack Pratt, Jr., Mayor

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

ATTEST:

____
Brenda G. Craig, City Secretary

Attachment A - Budget Amendment - January 2016

Fund	Account Number	Description	Amount
General Fund	01-6923	Donations	1,000.00
General Fund	01-854-202	Maintenance and Repairs	1,000.00
		Record donation received for park bench and expense for purchase of bench.	
General Fund	01-6521	Fire - Grants/Donations	1,000.00
General Fund	01-821-010	Travel and Training	1,000.00
		Record grant received for training from Texas A&M Forest Service	
General Fund	01-800-970	Transfer Out	161,000.00
General CIP Fund	70-7001	Transfer In	161,000.00
		Architect and design services for indoor athletic facility	
Garage Fund	03-895-206	Instruments/Appartus Maintenance and Repairs	7,450.44
		Diagnostic software to be used to determine maintenance issues large trucks and equipment.	
EIC Fund	40-800-975-02	Transfer out	108,500.00
EIC Projects Fund	75-7040	Transfer In	108,500.00
		Funding for theater curtains, chairs, and upgrade piano, approved December 8, 2015 City Council meeting	
Main Street Fund	94-800-502	Buildings and Structures	10,000.00
		Expenditure approved September 22, 2015 at City Council meeting (public art)	

Agenda Item:

5A. Installation Agreement between the City of Kerrville and Premier Courts, LC for the repair of tennis courts at the HEB Tennis Center through Texas BuyBoard in the amount of $98,920.00, but not to exceed a total contract value of $108,920.00. (staff)

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

SUBJECT: Authorize the City Manager to execute a contract with Premier Courts, LC, for the repair of tennis courts at the H-E-B Tennis Center through the Texas BuyBoard in the amount of $98,920 but will not exceed a total contract value of $108,920.

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED:** January 15, 2016

SUBMITTED BY: Malcolm Matthews
Director, Parks and Recreation

CLEARANCES: Kristine Day
Deputy City Manager KD

EXHIBITS: Construction Agreement, Concept Plans, Summary of Work Options

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: KD for TP

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
$108,920.00	**$166,000.00**	**$170,000.00**	**01-870-410**

PAYMENT TO BE MADE TO:
REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

The original battery of tennis courts at the H-E-B Tennis Center require reconstruction and resurfacing of two courts and resurfacing of four courts. Activities this summer, including tournaments, warrant moving forward with this work at this time. These original six courts (of the 14 total courts) are the only courts made of asphalt. The remaining eight concrete courts do not need court reconstruction, but will need resurfacing at some point over the next year or two.

City staff met on site with *Premier Courts, LC* a San Antonio contractor who specializes in the construction and rehabilitation of tennis courts. Three options were provided for repairs to the six central courts in addition to a quote to resurface the remaining eight (attached). The quote for the permanent repair of the courts is $330,000. This would be the construction of a concrete post tension pad over the existing courts, including resurfacing and restriping.

Two temporary solutions were provided, one costing $47,800 and the other $98,920. The cheapest option is to level up the existing courts, seal the cracks, resurface the playing surface, and restripe the courts. The other option would do all of the first option's improvements in addition to installing a structural mat and new asphalt on the two worst courts. The first option is estimated to have a life of 12 to 18 months and does not come with a warranty. The contractor stated that the second option would have a life expectancy of several years and could still be overlaid with the concrete cap when the city is ready to make final upgrades to the center. The second option comes with a two year warranty. Both of these options, if started in February, can be completed in May and in advance of the June USTA sanctioned event.

After evaluation of the needs and timing, the most efficient procurement method is for the City to contract directly with *Premier Courts, LC,* through the Texas BuyBoard for the $98,920 option with general fund dollars. This project was bid in accordance with state law and city policy via BuyBoard. A construction contingency is included in this authorization. Construction is scheduled to begin in February with completion estimated in late April 2016, in advance of the first large tournaments. During construction, tennis play will be routed to the eight courts not being affected by this work.

When appropriate, staff will request authorization from the City Council to make application to the EIC for the final upgrades.

RECOMMENDED ACTION

Authorize the City Manager to execute a contract with *Premier Courts, LC*, for the repair of tennis courts at the H-E-B Tennis Center through the Texas BuyBoard in the amount of $98,920 but will not exceed a total contract value of $108,920.

Installation Agreement Between the City of Kerrville and Premier Courts, LC HEB Tennis Center Court Repair Project

This Agreement, entered into this ___ day of January, 2016, between the City of Kerrville, Texas ("City,") and Premier Courts, LC ("Contractor") provides as follows:

I. PARTY ADDRESSES

City:
City of Kerrville Attn: City Manager or designee
701 Main Street
Kerrville, Texas 78028

Contractor:
Premier Courts, LC Attn: ________________
PO Box 6229
San Antonio, Texas 78209-0229

II. CONTRACT DOCUMENTS

The Agreement between the parties consists of this Agreement and Contractor's scope of services and contract amount, which is attached as **Exhibit A** and addresses repairs and improvements to the City's HEB Tennis Courts (the "Project") and is made fully a part of this Agreement. The Agreement represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral.

III. WORK TO BE PERFORMED

Contractor shall provide all materials, labor, and incidentals necessary to complete the Project. Contractor shall fully execute, or have executed, the work described in this Agreement.

IV. DATE OF COMMENCEMENT, SUBSTANTIAL COMPLETION, AND OPERATIONAL DATE

a. The effective date of this Agreement is the date that the City Council authorizes this Agreement.

b. Contractor shall provide all payment and performance bonds and certificates of insurance at the preconstruction meeting with the City.

c. Contractor shall achieve substantial completion of the Project within 80 calendar days from the effective date. "Substantial completion" is defined as the condition of work performed by Contractor to allow for normal use of the tennis courts.

d. Contractor shall commence construction no later than 20 calendar days after the effective date.

e. Construction delays alleged to have been caused by inclement weather or other delays will be subject to review and approval by the City.

V. CONTRACT SUM

City shall pay the Contractor ninety-eight thousand nine hundred twenty dollars ($98,920.00), pursuant to the payment schedule specified below, for the Project.

VI. PAYMENTS

a. Progress Payments

i. Following the submission of applications for payment from Contractor, City shall make progress payments to the Contractor as provided herein.

ii. The period covered by each application for payment will be one calendar month ending on the last day of the month. Contractor's application for payment may be submitted on the 25th day of the month, estimating work through the last day of the calendar month.

iii. Following its review and approval, City shall submit payment to Contractor within fifteen (15) calendar days after the City receives the application for payment.

iv. Each application for payment from Contractor must be based on the most recent schedule of values submitted by Contractor in accordance with the Agreement. The schedule of values shall allocate the entire contract sum among the various portions of the work. City shall use this schedule as a basis for reviewing Contractor's applications for payment.

v. Contractor's applications for payment shall indicate the percentage of completion of each portion of work as of the end of the period covered by the application for payment.

vi. Subject to other provisions of the Agreement, the amount of each progress payment will be computed as follows:

(a) Take that portion of the contract sum properly allocable to completed work as determined by multiplying the percentage completion of each portion of the work by the share of the contract sum allocated to that portion of the work in the schedule of values, less retainage of five percent (5%), to be withheld by City;

(b) Subtract the aggregate of previous payments made by City; and

(c) Subtract amounts, if any, for which the City has withheld or nullified from previous applications for payment.

vii. The progress payment amount determined in accordance with (vi) will be further modified by adding, upon substantial completion, a sum sufficient to increase the total payments to the full contract amount as specified within **Exhibit A**, less such amounts as City shall determine for incomplete work, retainage applicable to such work, and unsettled claims.

b. Final Payment

i. Final payment, constituting the entire unpaid balance of the contract amount, shall be made by City to Contractor when City has provided Contractor written notification of final acceptance of the project.

ii. City's final payment to Contractor shall be made no later than fifteen (15) calendar days after the issuance of City's notification of project acceptance.

VII. LIQUIDATED DAMAGES

The parties agree that liquidated damages are established in the amount of Three Hundred Dollars ($300.00) and will be automatically and immediately imposed for work which is not substantially complete per each working day (Monday-Friday, with the exception of City-recognized holidays) after the substantial completion date identified in Section IV. City may offset any such liquidated damages against any sums from time to time due by City to Contractor, by written notice. The time for completion shall not be extended except in writing between Contractor and City. Contractor shall make written application to City not later than seven (7) calendar days after the day, event, or cause claimed by Contractor to be the reason for delay. Failure to make such written claim within such time will result in a waiver by Contractor of an extension based on those particular days, events, or causes. The said amount per day is not a penalty but an agreed amount of actual damages that City has reasonably estimated it will experience. Such damages include loss of staff time, answering complaints by citizens who have been inconvenienced by the project, City Council time, loss of use, and other damages difficult to reasonably anticipate or calculate.

VIII. INDEMNITY

CONTRACTOR AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF KERRVILLE, TEXAS, AND ALL OF ITS RESPECTIVE 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 OF DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PROPERTY ON ACCOUNT OF ANY ACT OR OMISSION OF CONTRACTOR, OR ITS RESPECTIVE OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, OR SUBCONTRACTORS IN THE EXECUTION, SUPERVISION, AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH THE PERFORMANCE OF THIS AGREEMENT.

IX. LIABILITY INSURANCE

Prior to the commencement of any work and not later than ten (10) calendar days following the execution of this Agreement, Contractor shall furnish City with copies of paid-up policies to the City providing Liability and Workers' Compensation Coverage as follows with the minimum limits:

	TYPE OF INSURANCE	LIMITS
a.	Workers' Compensation covering all employees	Statutory
b.	Employer's Liability	$100,000.00
c.	Comprehensive General Liability	
	Bodily Injury & Property Damage (per occurrence)	$1,000,000.00
	Aggregate	$1,000,000.00

(Premises/Operations Products/Completed Operations/Independent Contractors/Contractual Liability/Coverages may not be excluded).

d. Business Automobile Liability covering owned vehicles, rented, and non-owned vehicles and employee non-ownership

Bodily Injury Property Damage (per occurrence)	$1,000,000.00
Aggregate	$1,000,000.00

The Commercial General Liability and the Automobile Liability policies shall name the City of Kerrville, Texas, as additional insured and all policies must provide for a waiver of subrogation in favor of the City of Kerrville. The policy and any renewal certificate shall provide that City be notified thirty (30) days prior to cancellation or modification of any coverage. Language to the effect that the company will "Endeavor" or "Attempt" to so notify City is not sufficient. Renewal certificates must be received by City at least ten (10) days prior to any cancellation date. Policies will be in effect until final acceptance or cancellation of this contract, unless otherwise specified. It shall be the responsibility of Contractor to insure that all Subcontractors comply with the same insurance requirements as the said Contractor.

X. CASUALTY INSURANCE

In the event the work includes structures or buildings susceptible to damage by fire, windstorm, or other casualty, then Contractor before being authorized to begin work shall furnish City a duplicate original of an insurance policy naming the City of Kerrville as an additionally insured. Such insurance shall insure both City and Contractor, during the term of the work, against loss by fire, windstorm, vandalism, theft, or other casualty. Such policy shall be in the total amount of this contract. Commencement, substantial completion, and operational dates, as specified in Section IV of the Agreement begin on the effective date of the Agreement.

XI. QUALITY OF WORK

All work performed by Contractor shall be of good workmanship. Contractor shall comply with all applicable City Codes and standards as well as all applicable professional and technical standards. Materials shall be of first quality.

XI. MISCELLANEOUS PROVISIONS

a. City's representative is:
Malcolm Matthews: 830-258-1150

b. Contractor's representative is:
Carl Schenken, Jr.: 210-822-1627

c. Neither City's nor Contractor's representative may be changed without ten (10) days written notice to the other party.

d. Contractor shall ensure the project conforms to federal, state, and local codes.

e. Contractor shall be responsible for all means, methods, techniques, sequences, and procedures, and for coordinating all portions of the work.

f. Contractor shall warrant to City that workmanship, materials, and equipment furnished under this Agreement will be of good quality and new, unless otherwise permitted by City in writing.

g. Contractor shall guarantee workmanship and materials for a period of one (1) year from the date of completion, unless included in manufacturer's warranty, at the preconstruction meeting.

h. Contractor shall pay all sales, consumer, use and similar taxes required by federal, state, and local law. City is a tax-exempt organization and will provide a tax-exempt certificate if requested by Contractor.

i. Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under this Agreement.

This Agreement is entered into as of the day and year first written above and is executed in at least three original copies, of which one is to be delivered to Contractor and two to City.

SIGNED AND AGREED THIS ____DAY OF January, 2016

OWNER, City of Kerrville, Texas

By:____________________________

Todd Parton, City Manager

CONTRACTOR,
Premier Courts, LC

By: ____________________________

Pres.

ATTEST:

____

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

____

Michael C Hayes, City Attorney

PREMIER COURTS LIMITED COMPANY

January 18, 2016

Mr. Malcolm Matthews
CITY OF KERRVILLE
2385 Bandera Hwy
Kerrville, Texas 78028

Dear Mr. Matthews:

Pursuant to your request here is our proposal for the work on the HEB TENNIS CENTER in Kerrville:

Six Asphalt Courts (#5-#10)

1. Pressure wash courts using 4000 PSI pressure washer
2. Grind cracks on courts 7 and 8 smooth with power grinder mounted on Bobcat
3. On courts 7 and 8 apply tack oil, and install Petromat and 2" Type D Modified Asphalt on these courts (approx. 110' by 120')
4. Reinstall net posts to correct height and install center strap anchor
5. On court 9 and 10 grind surface, patch cracks, and apply two coats of Court Patch Slurry Binder
6. Apply one coat of level-up to all birdbaths great than 1/16" after allowing for normal drainage
7. Apply California Products Acrylic Color Coat System in two colors (blue and green) using two coats Acrylic Resurfacer and two coats of Plexipave)
8. Stripe courts using acrylic white line paint in accordance with USTA specs
9. Clean up as needed

TOTAL COST: $98,920.00

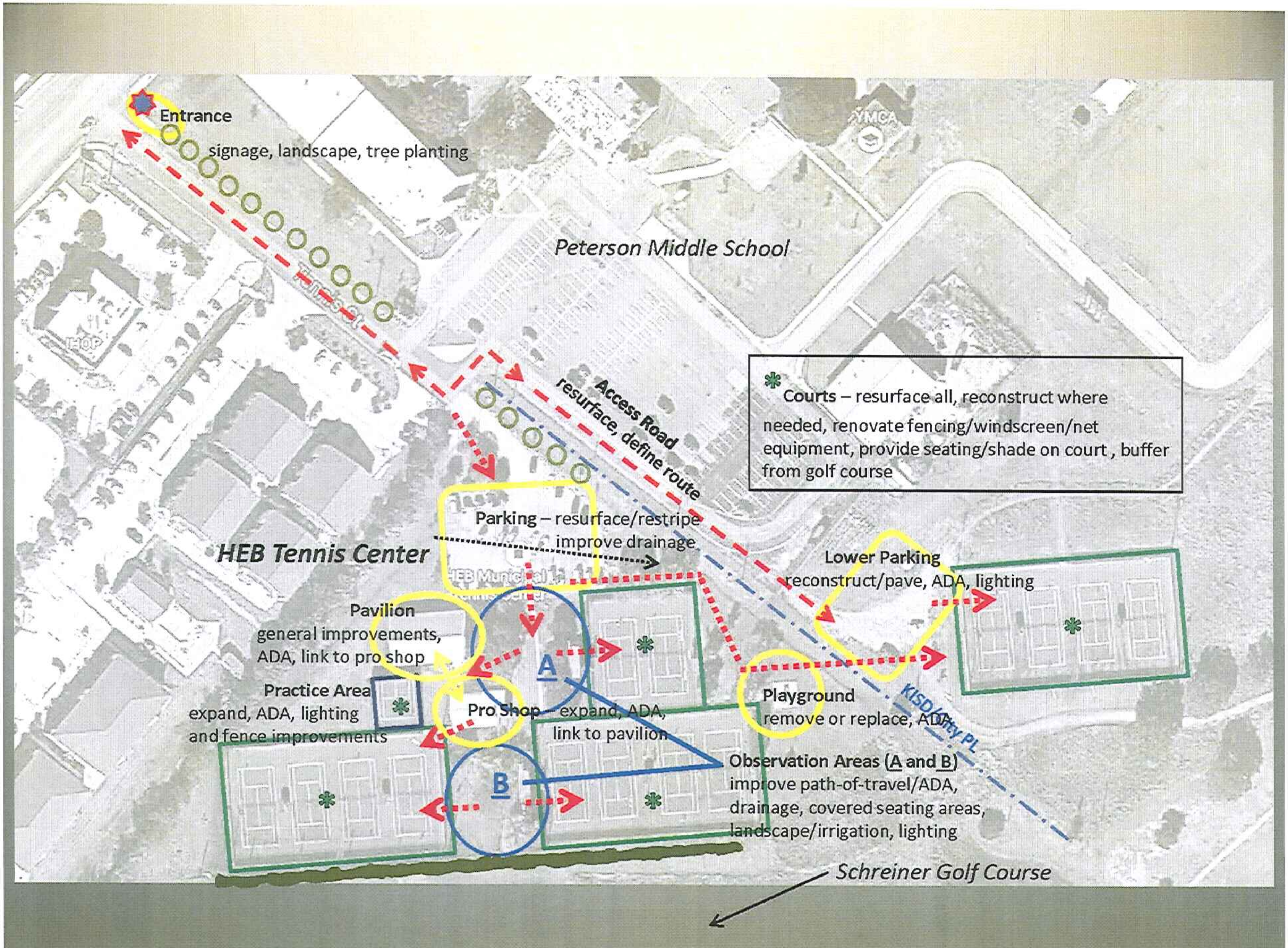
Premier Courts warrants all workmanship and material for a period of two years. There is no warranty against the reoccurrence of cracks. Payment for the above work would be due as follows: $50,000 upon completion of asphalt and delivery of surfacing material and the balance upon completion. We estimate the above work will take 6-8 weeks, subject to weather. We are a BuyBoard company and our number 476-15.

If you have any questions please give me a call and thank you for the opportunity to quote you on this work.

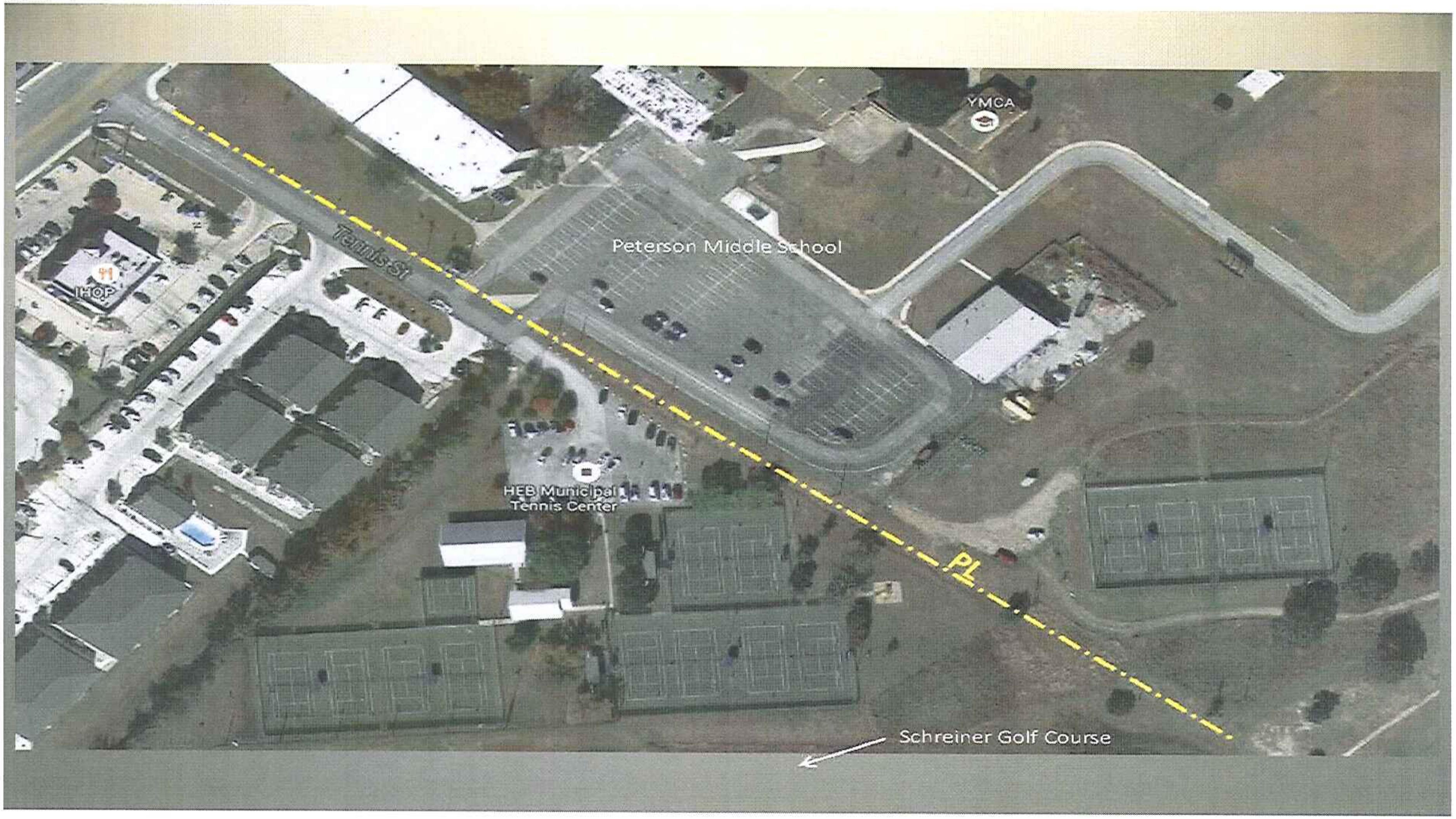
Best Regards,

Carl Schenken Jr.
President

P. O. Box 6229 • San Antonio, TX 78209-0229 • (210) 822-1627 • Fax (210) 495-5800



Entrance
signage, landscape, tree planting
Peterson Middle School
Access Road
resurface, define route
Courts – resurface all, reconstruct where needed, renovate fencing/windscreen/net equipment, provide seating/shade on court , buffer from golf course
Parking – resurface/restripe
improve drainage
HEB Tennis Center
Lower Parking
reconstruct/pave, ADA, lighting
Pavilion
general improvements, ADA, link to pro shop
Practice Area
expand, ADA, lighting and fence improvements
Pro Shop – expand, ADA, link to pavilion
A
B
Playground
remove or replace, ADA
KISD/City PL
Observation Areas (A and B)
improve path-of-travel/ADA, drainage, covered seating areas, landscape/irrigation, lighting
Schreiner Golf Course


YMCA
Peterson Middle School
Tennis St
IHOP
HEB Municipal
Tennis Center
PL
Schreiner Golf Course

PREMIER COURTS LIMITED COMPANY

January 13, 2016

Mr. Malcolm Matthews
CITY OF KERRVILLE
2385 Bandera Hwy
Kerrville, Texas 78028

Dear Mr. Matthews:

Pursuant to your request here is our proposal for the work on the HEB TENNIS CENTER in Kerrville:

Option 1-Six Asphalt Courts

1. Pressure wash courts using 400 PSI pressure washer
2. Grind cracks on two courts smooth with power grinder mounted on Bobcat
3. Grind all surface areas that have been patched with asphalt patching material
4. Apply two coats of Court Patch Slurry Binder to areas that have been power ground
5. Patch all major cracks using California Products Court Patch Slurry Binder
6. Apply one coat of level-up to all birdbaths great than 1/16" after allowing for normal drainage
7. Apply California Products Acrylic Color Coat System in two colors (blue and green) using two coats Acrylic Resurfacer and two coats of Plexipave)
8. Stripe courts using acrylic white line paint in accordance with USTA specs
9. Clean up as needed

TOTAL COST: $47,800.00

Premier Courts warrants all workmanship and material for a period of two years. There is no warranty against the reoccurrence of cracks. Payment for the above work would be due in full upon completion of the work. We estimate the above work will take 3-4 weeks to complete, subject to weather.

Option 2-Six Asphalt Courts

1. Same as above
2. Install Petromat and 2" Type D Modified Asphalt on two courts (approx. 120' by 120')
3. Reinstall net posts to correct height and install center strap anchor

TOTAL COST: $98,920.00

P. O. Box 6229 • San Antonio, TX 78209-0229 • (210) 822-1627 • Fax (210) 495-5800

Option 3-Six Asphalt Courts

1. Remove fence fabric
2. Install sand bed approx. 1-2' over existing courts
3. Install 5" concrete post tension pad on six courts using 3000 psi concrete, cables 30"oc, moisture barrier
4. Reinstall fence fabric on existing fence
5. Apply California Products Acrylic Color Coat System in two colors (blue and green)
6. Stripe courts using acrylic white line paint in accordance with USTA specs
7. Clean up as needed

TOTAL COST: $330,000.00

Resurface 8 Concrete Courts

1. Pressure wash courts using 400 PSI pressure washer
2. Patch all major cracks using California Products Court Patch Slurry Binder
3. Apply one coat of level-up to all birdbaths great than 1/16" after allowing for normal drainage
4. Apply California Products Acrylic Color Coat System in two colors (blue and green) using two coats of Acrylic Resurfacer and two coats of Plexipave.
5. Stripe courts using acrylic white line paint in accordance with USTA specs
6. Clean up as needed

TOTAL COST: $49,500.00

Premier Courts will warranty all workmanship and materials for a period of two years on the resurfacing of the courts but there is no warranty against the reoccurrence of cracks. Option 2 on the asphalt courts for the Petromat/Asphalt overlay has worked very well as we have been doing this for about ten years. As I explained yesterday, it is designed to bridge over cracks and allow movement that does not reflect or just hairline cracks in the surface. The more permanent solution is to do the post tension pads for these six courts. The most economical was is the use the existing courts and install the post tension pads over them with a sand and moisture barrier in between for leveling and moisture migration. You may want to have a soil engineer do a soil sample and then we could have our engineer design the concrete pad from that soil analysis. The only issue you have is the fence being only 9'6" as opposed to the existing 10'. If you decided to replace the fence you would being adding approximately $50,000.

I would additionally recommend that you remove the bushes/trees around the courts as they cause issues with subsurface movement. Also, the ground next to courts need to be lower than the court surface to allow for positive drainage away from the courts. If you could establish and area around the courts where you could apply herbicide to keep grass from growing into the courts that would be helpful.

On the timing of the project, if you can let us know by the end of January we should be able to complete the repair and resurfacing of the six asphalt courts before the end of April, subject to weather. If you decided to go with the Petromat/Asphalt we should also be able to meet that timeline. Concrete post tension would probably put us into the summer.

We are a BuyBoard company and our number 391-12.

I hope that I have addressed all the issues we discussed but if not please give me a call and I am happy to provide additional information.

Thank you for the opportunity to quote you on this work.

Best Regards,

Carl Schenken Jr.
President

Agenda Item:

5B. Appointment of member to the Kerrville Citizen Police Academy Alumni Association Board of Directors. (staff)

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

SUBJECT: Appointment of member by City Council to the Kerrville Citizen Police Academy Alumni Association Board of Directors

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED:** January 15, 2016

SUBMITTED BY: Chief David Knight **CLEARANCES:** Todd Parton, City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: KD for TP

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

The Kerrville Citizen Police Academy Alumni Association (KCPAAA) is a non-profit organization comprised of Kerrville Citizen Police Academy (KCPA) graduates. As citizen ambassadors to the Kerrville Police Department they are committed to assisting the department with volunteer activities and special needs. The KCPAAA functions as a support group to the department and is a liaison to the community for the department.

On December 13, 2011 the City Council approved a resolution to add the KCPAAA to the City's Liability insurance coverage and the Board of Directors to the City's Errors & Omissions coverage provided by the Texas Municipal League (TML). Once covered, the KCPAAA will reimburse the cost associated with providing the coverage to the City.

One of the requirements by TML to add a non-profit corporation to a municipality's coverage is to appoint an individual to the corporation's board of directors or have a member of the governing board serving on the corporation board with voting rights.

Justin MacDonald who was appointed to the board as the city appointee has requested to be relieved and a new city appointee is being sought as a replacement. Mr. Bill Cafferty, Board President, has recommended that Rosa Marie Bradshaw who has graduated from the KCPA and who is willing to serve on the Board be designated as the city appointee.

RECOMMENDED ACTION

Staff recommends the City Council appoint Rose Bradshaw to the KCPAAA Board of Directors.

Agenda Item:

5C. Gift of land and improvements associated with the Kerrville Cancer Center Building located at 218 Sidney Baker Street North and authorize the City Manager to execute a special warranty deed associated with the gift.

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

SUBJECT: Consider gift of the land and improvements associated with the Kerrville Cancer Center Building located at 218 Sidney Baker Street North and authorize the City Manager to execute a special warranty deed associated with the gift.

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED**: January 22, 2016

SUBMITTED BY: Kristine Day KD
Deputy City Manager

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Special Warranty Deed with exhibits
Agreement with Cailloux Foundation dated March 10, 2011

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: KD for TP

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

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

SUMMARY STATEMENT

The Cailloux Foundation would like to gift the City of Kerrville the land and improvements associated with the Kerrville Cancer Center located at 218 Sidney Baker Street North to be used and maintained by the City for City offices. This item is also listed for Executive Session under Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property) and 551.073 (deliberation regarding gifts) should the City Council wish to discuss.

RECOMMENDED ACTION

Discuss and consider gift of the land and improvements associated with the Kerrville Cancer Center Building located at 218 Sidney Baker Street North and authorize the City Manager to execute a special warranty deed associated with the gift.

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS	§	
		KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF KERR	§	

THAT CAILLOUX FOUNDATION PROPERTIES, LLC, a Texas limited liability company, herein called "GRANTOR", for a sufficient consideration received, has GRANTED, BARGAINED and CONVEYED, and by these presents does GRANT, BARGAIN and CONVEY unto the City of Kerrville (herein called "GRANTEE"), the property, lying and being situated in Kerr County, Texas, and all improvements thereon, described as follows:

All that certain tract or parcel of land lying and being situated in the County of Kerr, State of Texas, being 0.259 acre of land out of Block 1 of J. D. Brown's Addition to the City of Kerrville, and more particularly described in Exhibit "A" and subject to the exceptions stated in Exhibit "B", both Exhibits attached hereto and made a part hereof for all purposes (collectively, the "Property");

together with any right, title and interest of GRANTOR in and to party wall rights, any other real estate, land and property adjacent or contiguous to any of the Tracts described in Exhibit "A" attached hereto, adjacent roads, easements, alleys and rights-of-way, and easements, roads and rights-of-way of ingress, egress, and regress thereto, and together with all fixtures thereon and all rights, benefits, privileges, licenses, permits, and certificates related to said land, all rights, privileges and appurtenances pertaining to said land, including any right, title and interest in any minerals, utilities, adjacent streets, alleys, strips and gores, and all third party warranties or guaranties, if transferable, relating to said land or any fixture thereon, and all other properties and rights located on, related to or used in connection with said land.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, subject as aforesaid, unto GRANTEE, and GRANTEE's successors and assigns forever, and GRANTOR does hereby bind GRANTOR, and GRANTOR's successors and assigns, to WARRANT AND FOREVER DEFEND, all and singular the Property, subject as aforesaid, unto GRANTEE, and GRANTEE's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise.

EXCEPT FOR THE SPECIAL WARRANTY OF TITLE HEREIN, GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS,

WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY AND GRANTOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN RESPECT OF THE LAND, AND SPECIFICALLY, THAT GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY LAWS, RULES, REGULATIONS, AND ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS OR ORDERS. GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT GRANTEE IS NOT RELYING ON ANY INFORMATION PROVIDED BY GRANTOR, EXCEPT AS PROVIDED IN THE AGREEMENT. GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE TRANSFER OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS-IS" CONDITION AND BASIS WITH ALL FAULTS.

Ad valorem taxes for the portion of the Property previously not exempted from taxation have been paid by GRANTOR for 2015, and GRANTEE is responsible for all such taxes for 2016 and subsequent years.

As to the portion of the Property previously exempted from taxation, any ad valorem taxes imposed on such portion of the Property after the date hereof are assumed by GRANTEE.

EXECUTED this the ____ day of January, 2016.

CAILLOUX FOUNDATION PROPERTIES, LLC
a Texas limited liability company

By:________________________________
Kenneth F. Cailloux, President

Grantee's name and address:

City of Kerrville
701 Main Street
Kerrville, Texas 78028

THE STATE OF TEXAS §

COUNTY OF KERR §

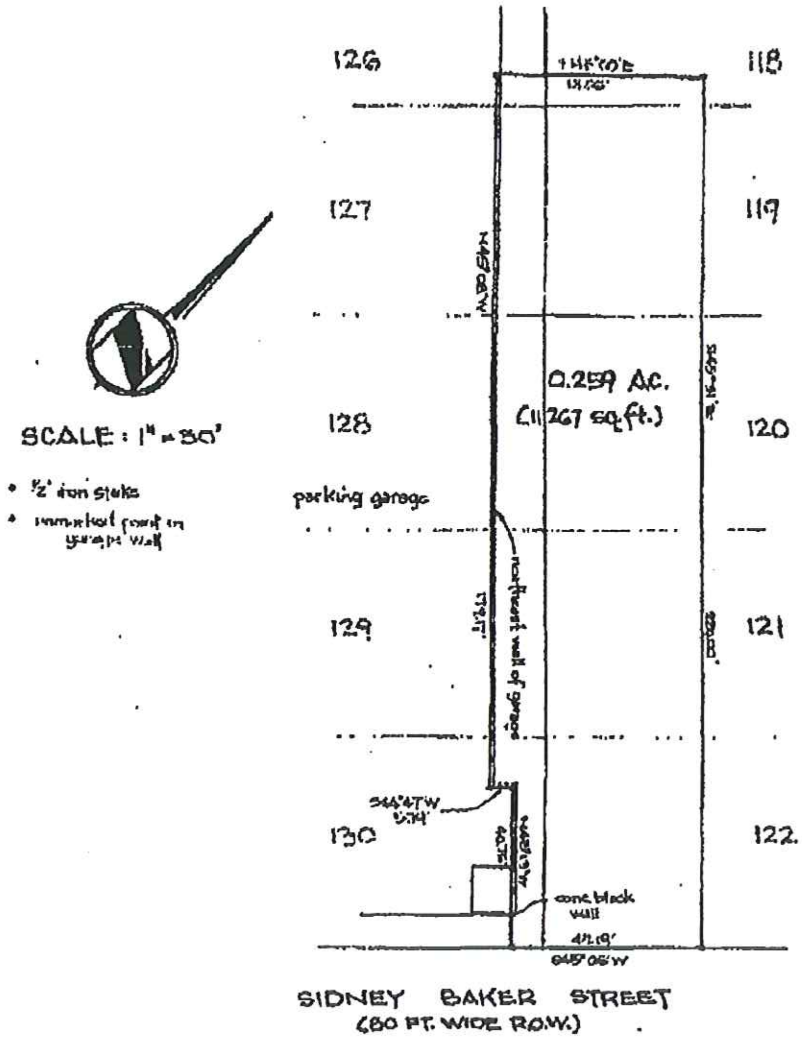
This instrument was acknowledged before me on this ____ day of January, 2016, by Kenneth F. Cailloux, President of Cailloux Foundation Properties, LLC, a Texas limited liability company.

____
Notary Public, State of Texas

After recording return to:

Carlson Law Firm
717 Sidney Baker Street
Kerrville, Texas 78028

SURVEY PLAT FOR 0.259 ACRE (11,267 SQ. FT.) OF LAND, MORE OR LESS, OUT OF B.F. CAGE SURVEY NO. 116, ABSTRACT NO. 105 IN KERR COUNTY, TEXAS; COMPRISING PARTS OF LOTS NOS. 118, 119, 120, 121, 122, 126, 127, 128, 129 AND 130 IN BLOCK 1 OF J.D. BROWN'S ADDITION TO THE CITY OF KERRVILLE, KERR COUNTY, TEXAS



I hereby certify that this plat is an accurate representation of the property shown and described hereon as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or corners; and that all property corners are as shown.

Dated this 10th day of February, 1988

Lee C. Voelkel
Registered Public Surveyor No. 3909
County Surveyor for Kerr County

FIELD NOTES DESCRIPTION FOR 0.259 ACRE OF LAND OUT OF BLOCK 1 OF J.D. BROWN'S ADDITION TO THE CITY OF KERRVILLE, KERR COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 0.259 acre (11,267 sq. ft.), more or less, out of B.F. Cage Survey No. 116, Abstract No. 106 in Kerr County, Texas; comprising parts of Lots Nos. 118, 119, 120, 121, 122, 126, 127, 128, 129 and 130 in Block 1 of J.D. Brown's Addition to the City of Kerrville, Kerr County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at an existing ½" iron stake in the northwest right-of-way line of Sidney Baker Street, an eighty (80) ft. wide public street and the southeast line of said Lot No. 122 for the east corner of the herein described tract; which point bears, 247.67 ft. N.45°06'E. from the south corner of said Block 1;

THENCE, with the said northwest right-of-way line of Sidney Baker Street and southeast lines of said Lots Nos. 122 and 130, S.45°06'W., 47.19 ft. to a ½" iron stake set for the south corner of the herein described tract;

THENCE, upon, over and across said Lots Nos. 130, 129, 128, 127 and 126: N.45°13'W., at approximately 8.4 ft. passing a concrete block wall, at approximately 21.3 ft. passing the outside face of a concrete wall, the northeast wall of a parking garage, then continuing inside said wall for a total distance of 40.76 ft. to an unmarked point for a reentrant corner of the herein described tract; S.44°47'W., continuing inside said wall, 5.79 ft. to an unmarked point; and N.45°08'W., continuing inside said wall, 179.17 ft. to an unmarked point for the west corner of the herein described tract;

THENCE, upon, over and across said Lots Nos. 126 and 118, N.45°00'E., at approximately 1.0 ft. passing the said outside face of parking garage wall, then continuing for a total distance of 51.56 ft. to an existing ½" iron stake for the north corner of the herein described tract;

THENCE, upon, over and across said Lots Nos. 118, 119, 120, 121 and 122, S.45°31'E., 220.00 ft. to the PLACE OF BEGINNING.

I hereby certify that these field notes are an accurate description of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or corners; and that all property corners are as stated.

Dated this 10th day of February, 1988

STATE OF TEXAS
LEE C. VOELKEL
3909
REGISTERED
PUBLIC SURVEYOR

Lee C. Voelkel
Registered Public Surveyor No. 3909
County Surveyor for Kerr County

EXHIBIT "B"

1. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

2. Standby fees, taxes and assessments by taxing authority for the year 2011 and subsequent years.

3. Easement dated January 29, 1949, to L.C.R.A., recorded in Volume 1, Page 156, Easement Records of Kerr County, Texas.

4. Easement dated September 30, 1949, to L.C.R.A., of record in Volume 1, Page 193, Easement Records, Kerr County, Texas.

5. Easement dated October 9, 1948, to the City of Kerrville, recorded in Volume 1, Page 556, Easement Records, Kerr County, Texas.

6. Party Wall Agreement and Easement dated June 30, 1952, recorded in Volume 97, Page 153, Deed Records of Kerr County, Texas, having extended a previous agreement reserved in deed dated August 25, 1937, of record in Volume 62, Page 396, Deed Records, Kerr County, Texas.

7. Easement dated November 10, 1977, to L.C.R.A., of record in Volume 9, Page 632, Easement Records, Kerr County, Texas.

8. Thirty (30) ft. wide access easement and 10 ft. x 20 ft. sign easement reserved in deed dated September 18, 2000 of record in Volume 1085, Page 71, Real Property Records, Kerr County, Texas.

9. Sign Easement Agreement to the City of Kerrville, Texas, dated October 2, 2000 of record in Volume 1090, Page 170, Real Property Records, Kerr County, Texas.

10. Easement and right-of-way dated April 27, 2004, to Kerrville Public Utility Board and Time Warner Cable, recorded in Volume 1356,, Page 61, Real Property Records, Kerr County, Texas.

11. Unrecorded Multiple Use Agreement Between The State of Texas and The City of Kerrville, Texas For The Construction of a Pedestrian Overpass Across S.H. 16 (Sidney Baker Street) Between Water Street and Main Street (S.H. 27) of Kerrville, Texas dated May 8, 1987.

12. Easement dated February 10, 1930, to Texas Power & Light Company recorded in Volume 51, Page 494, Deed Records, Kerr County, Texas.

13. Easement dated January 23, 1950, to Lone Star Gas Company recorded in Volume 1, Page 373, Easement Records, Kerr County, Texas.

14. Any visible and/or apparent roadways or easements over or across the subject property.

15. Leases with Kerrville Cancer Center, Ltd. and with Heart of the Hills Cardiac Rehabilitation Center, Inc.

AGREEMENT

THIS AGREEMENT is made and entered into this 10th day of MARCH, 2011, by and between CITY OF KERRVILLE ("City"), and FLOYD A. AND KATHLEEN C. CAILLOUX FOUNDATION DBA THE CAILLOUX FOUNDATION, a Texas non-profit corporation ("Foundation");

WITNESSETH:

A. Foundation owns approximately 2.31 acres in downtown Kerrville which land includes the site located at the corner of Sidney Baker and Main Streets which site is the subject of this Agreement and which site is shown on **Exhibit "A"**, attached hereto, and which site is herein referred to as the "Land", and including a future gift of additional adjoining land for expansion which will be set forth in the Deed to be delivered by Foundation to City at the Closing.

B. Foundation desires to transfer the Land and to enter into the Leases (herein defined and herein so called) to and with City and City desires to acquire the Land and enter into Leases, upon and subject to the terms, conditions and provisions hereinafter set forth subject to the Reversion and Restriction, herein defined and specified.

C. Foundation and City have agreed that this transaction, and City's subsequent use of the Land, will further the development of downtown Kerrville, and be consistent with the Foundation's charitable purposes. Foundation and City agree that such development would not be possible but for this transaction.

D. The Leases ("Leases") will be as follows and will be set forth in Lease Agreements (herein so called) on terms mutually approved by the parties and entered into at Closing:

(i) Parking Garage Lease which will provide that the Parking Garage will be maintained by the City as a Public Downtown Parking Garage (no fees or charges for use) subject to existing leases and use agreements and that certain spaces mutually approved will be designated for use by the City employees and staff and by the Foundation as to retail and commercial users in Downtown.

(ii) Cardiac Rehab Premises Lease which will provide that the Cardiac Rehab Site will be used and maintained by the City for City offices.

(iii) Clay Street Premises Lease which will provide that premises at 219 Clay Street will be used and maintained by the City for City offices.

(iv) Cancer Center Premises Option to Lease which will provide that if and when the current lease for this premises terminates Foundation will lease such premises to City and that it will be used and maintained by the City for City offices. The Foundation agrees that in no event shall this lease term be extended beyond the current term and option thereto.

(v) All of the Leases will be for nominal rent of $100.00 each per year and will be for a term of 99 years , or such earlier date on which the Land ceases to be used as a City Hall. The Leases for premises without current tenants may be used by City prior to construction or move-in of the City Hall.

E. The Reversion and Restriction ("Reversion and Restriction") will be set forth in the Deed and conveyance of the Land and will provide that the Land shall be for the construction of and use for the City Hall of the City with (a)reversion provisions (fee simple determinable)(i) if such use ceases at any time (with perpetual provisions mutually approved by the parties prior to Closing) and/or (ii) such construction is not completed within three (3) years after the Closing and with a perpetual restriction (with perpetual provisions mutually approved by the parties prior to Closing) that the Land shall be subject to and the Foundation shall have architectural review and approval (with mutually approved provisions as to standard, time and process) of all improvements on the Land (based on a standard of compatibility with the other buildings and architectural style of other buildings in the Kerrville Downtown area and with a restriction that the City Hall shall not be more than two stories), including City Hall. The Reversion and Restriction shall be upon terms, conditions and provisions mutually approved by the City and Foundation and will be set forth in the Deed and recorded and which will provide for rights and remedies for reversion of title and enforcement of restriction.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained the receipt and sufficiency of which are hereby acknowledged and confessed, the parties hereto have agreed as follows subject to the terms, conditions and provisions hereinafter set forth:

1. <u>Transaction/Conditions</u>.

A. This transaction is conditioned upon (i) the determination by the City of the architectural design of the proposed improvements on the Property (and approval by Foundation under its architectural review and approval restriction and covenant), (ii) the determination and completion of a subdivision plat of the downtown property of Foundation and the parties shall have reviewed and determined water, sewer and utility services for, and platting, zoning, and regulatory issues for, the Land and adjoining land owned by Foundation (not conveyed to the City); it being understood that such adjoining land may be used/developed into open space/commercial development and mixed uses by Foundation, subject to compliance with the City's development regulations, and (iii) the determination and approval by the City of the projected cost of the proposed improvements on the Property. If any such condition is not satisfied the City may terminate this Agreement by written notice to Foundation prior to the Closing Date.

B. On the Closing Date (as herein defined) Foundation will convey the Land and City and Foundation will enter into the Leases subject to the terms, provisions and conditions of this Agreement, the Lease Agreements and the Reversion and Restriction.

C. Foundation agrees that it will construct the Clock Tower on the tract contiguous to the Land which shall have a plaque recognizing the Peterson family which Clock Tower will connect with the City Hall.

D. The walkway across Sidney Baker Street is subject to an agreement with State Department of Highways and Public Transportation and Foundation and City agree that such walkway shall be jointly used and will be improved by Foundation.

2. The Closing Date. The date of closing of the transaction contemplated by this Agreement (the "Closing Date") shall be within one (1) year after the date hereof subject to the conditions set forth in 1A above, or such earlier date on which such conditions are satisfied.

3. The Closing. On the Closing Date Foundation agrees to deliver to City (a) Special Warranty Deed ("Deed"), conveying unto City title to the Land subject to the exceptions set forth in **Exhibit "B"**, attached hereto and made a part hereof for all purposes and the Reversion and Restriction (collectively called the "Permitted Exceptions") and City and Foundation agree to enter into the Leases and Lease Agreements.

4. Disclaimer. SUBJECT TO THE CONDITIONS OF THIS AGREEMENT CITY ACKNOWLEDGES AND AGREES THAT FOUNDATION HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE LAND AND FOUNDATION MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN RESPECT OF THE LAND, AND SPECIFICALLY, THAT FOUNDATION HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY LAWS, RULES, REGULATIONS, AND ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS OR ORDERS. CITY FURTHER ACKNOWLEDGES AND AGREES THAT CITY IS NOT RELYING ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY FOUNDATION. CITY FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE TRANSFER OF THE LAND AS PROVIDED FOR HEREIN IS MADE ON AN "AS-IS" CONDITION AND BASIS WITH ALL FAULTS. The provisions of this paragraph will survive Closing and will be set forth in the Deed.

5. Default/Dispute Resolution. In the event either party shall fail to comply with this Agreement and/or shall fail to perform its obligations hereunder (subject to the terms, provisions and conditions of this Agreement) then the non-defaulting party may terminate this Agreement; provided, that in no event shall either party be liable for any punitive, speculative or consequential damages nor be able to seek any equitable relief (no specific performance). The parties agree to negotiate in good faith in an effort to resolve any dispute related to this Agreement that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation

before resorting to litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this Agreement.

6. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

7. Entire Agreement; Modification. This Agreement embodies and constitutes the entire understanding among the parties with respect to the transactions contemplated herein, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument, except as otherwise expressly provided herein.

8. Notices. Any notice to be given or to be served upon any party hereto, in connection with this Agreement, must be in writing, and may be given by Certified or Registered Mail and shall be deemed to have been given and received when a Certified or Registered Letter containing such notice, properly addressed, with postage prepaid is deposited in the United States Mail, or if delivered by any other method, including without limitation by FAX or by expediting service, it shall be deemed to have been given when delivered or transmitted to the address specified and when receipt is verified by such method at such address. Such notices shall be given to the parties hereto at the addresses set forth below opposite the signatures of the parties. Any party hereto may, at any time by giving of five (5) days written notice to the other parties hereto, designate any other address in substitution of the foregoing address to which such notice shall be given.

9. Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

10. Time of Essence. Time shall be of the essence in the performance of this Agreement. However, if the final date of any period which is not set out in any provision of this Agreement falls on a Saturday, Sunday or legal holiday under the laws of the United States or the State of Texas, then in such event, the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

11. Invalidity. The invalidity or unenforceability in particular circumstances of any portion of this Agreement shall not extend beyond such provision or such circumstances, and no other provision hereof shall be affected thereby. If, from any circumstances whatever, fulfillment of any provision of this Agreement, or the exercise of any right or option whatsoever contained in this Agreement shall involve transcending the limit of validity prescribed by law, then, the provision, right or obligation to be fulfilled shall be reduced or reformed to the limit of such validity.

12. Interpretation. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa.

13. Attorneys' Fees. Should either party employ an attorney or attorneys to enforce any

of the provisions hereof or to protect its or their interest in any matter arising under this Agreement, or to recover damages for the breach of this Agreement, the non-prevailing party in any action (the finality of which is not legally contested) agrees to pay to the prevailing party all reasonable costs, damages and expenses, including attorneys' fees, expended or incurred in connection therewith.

14. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas and shall be performable in Kerr County, Texas.

15. Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one Agreement.

16. Authority. Each party represents to the other that all authorizations and approvals for this Agreement and transaction have been obtained. At Closing each party will provide evidence of such authority and approval.

17. LLC. The Foundation may decide that the Land will be owned by a Limited Liability Company ("LLC") to be formed by the Foundation prior to Closing. The LLC will be an entity wholly owned and controlled by the Foundation. Prior to Closing, Foundation will provide City with written evidence that the Land is owned by the LLC, together with copies of the Certificate of Formation, Company Agreement, Consent of Sole Member, and such other related documents as may reasonably confirm that the LLC is wholly owned by the Foundation and is controlled by the Foundation.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CITY:

CITY OF KERRVILLE

BY: ______________________

Name: David Wampler

Title: Mayor

Address:
800 Junction Hwy.
Kerrville, Texas 78028

FOUNDATION:

FLOYD A. AND KATHLEEN C. CAILLOUX FOUNDATION DBA THE CAILLOUX FOUNDATION, a Texas non-profit corporation

BY: ______________________

Name: KENNETH CAILLOUX

Title: PRESIDENT

Address:
P. O. Box 2911276
Kerrville, Texas 78029-1276

Agenda Item:

6A. Budget and economic update. (staff)

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

SUBJECT: Budget/Economic Update

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED**: January 14, 2015

SUBMITTED BY: Sandra Yarbrough Director of Finance **CLEARANCES:** Todd Parton City Manager

EXHIBITS: Economic Update

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

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

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

SUMMARY STATEMENT

The City of Kerrville staff will present and update Council on a monthly basis as to the status of the City's budget and current economic trends affecting the City.

RECOMMENDED ACTION

No action required information purposes only.

City of Kerrville
Month ending December 31, 2015

		Current Month	Year To-Date	Budget @ 25.0%	Prior Year To-Date
General Fund					
Total Revenues		**$ 2,259,391**	**$ 5,363,643**	**21.81%**	**$ 6,573,799**
	Property tax	$ 1,038,040	$ 1,790,681	20.16%	$ 3,102,924
	Sales tax	$ 509,723	$ 1,520,561	24.31%	$ 1,497,035
Total Expenditures		**$ 1,847,629**	**$ 5,476,047**	**22.27%**	**$ 5,360,926**

		Current Month	Year To-Date	Budget @ 25.0%	Prior Year To-Date
Water and Sewer Fund					
Total Revenues		**$ 858,548**	**$ 2,968,853**	**25.28%**	**$ 2,307,238**
	Water Sales	$ 377,634	$ 1,453,457	26.01%	$ 1,280,548
	Sewer Service	$ 423,234	$ 1,316,484	24.32%	$ 1,303,933
Expenditures		**$ 653,563**	**$ 2,021,057**	**17.21%**	**$ 3,020,655**

	Current Month	Year To-Date	Budget @ 25.0%	Prior Year To-Date
Hotel/Motel:				
Revenues	**$ 79,499**	**$ 269,195**	**26.42%**	**$ 246,802**
Expenditures	**$ -**	**$ 227,850**	**22.54%**	**$ 229,224**

Community Investment Plan	**Budget**	**Month**	**YTD Expense**	**Balance**
Jefferson Lift Station	$ 6,389,793	$ 500,718	$ 5,959,365	$ 430,428
Ridgewood Transmission Line	$ 3,625,000	$ -	$ 3,227,047	$ 397,953
River Trail	$ 6,000,000	$ 9,884	$ 4,413,569	$ 1,582,366
Louise Hays & Lehman/Monroe Park	$ 2,683,915	$ 6,342	$ 2,624,116	$ 59,799
Athletic Complex	$ 10,500,000	$ -	$ -	$ 10,500,000

New Permits Issued:

	Res	Com
Oct	11	0
Nov	5	0
Dec	6	0
Jan		
Feb		
Mar		
Apr		
May		
June		
July		
Aug		
Sept		
YTD	22	0

Housing (December)

Local:

561 active residential listings; 61 residential sales December 2015

$13,237,176 total residential sales dollars for December 2015

$173,921,650 total residential sales dollars Y-T-D for 2015

(Source: Kerrville Board of Realtors)

Unemployment: (November)

National	5.0%
Texas	4.6%
Local	3.7%

Consumer confidence: (November)

National	90.4	down .7% from 2014
Texas	101.2	down 15.5% from 2014

(Sources: State Comptroller/Workforce Alamo)

Agenda Item:

7A. Library Advisory Board. (staff)

BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS

SUBJECT: Appointments to the Library Advisory Board

FOR AGENDA OF: January 26, 2016 **DATE SUBMITTED**: January 20, 2016

SUBMITTED BY: Brenda Craig
City Secretary

CLEARANCES:

EXHIBITS: Board List

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

SUMMARY STATEMENT

Consider appointments to the following board:

Library Advisory Board: Three terms that expired November 22, 2015: T. David Jones, Jeanine Kenworthy, and a vacant position.

RECOMMENDED ACTION

Consider appointments.

LIBRARY ADVISORY BOARD

	Telephone	Orig. Appt.	Re-Appt. Date	Exp. Date
JONES, T. David Vice-Chair 207 Lakewood Dr.	210-289-5483 (O) 257-5635 (H)	07-05-12	12-10-13	11-22-15
VACANT				11-22-15
KENWORTHY, JEANINE 115 Erin Drive	370-3613 (H)	06-11-13	12-10-13	11-22-15
LENARD, MARTY 605 Overhill Dr.	370-1757 (C)	12-09-14		11-22-16
* SMITH, JANE 2009 Crown View Dr.	792-9144 (H)	04-22-13		11-22-16

EX OFFICIO MEMBER:

Gary Stork — 257-0365 (O)
804 Tanglewood Ln. — 200-1483 (H)

CITY STAFF:

Laura Bechtel — 258-1260 (O)
Library Director
505 Water Street

Kim Meismer — 258-1140 (O)
Director of Gen.Operations — 370-0748 (C)
701 Main Street

Qualifications: Members must maintain a library card in good standing.

Powers and Duties: The Board is an advisory board to the city council; shall have the authority to hold meetings within the city and to consider and make recommendations to the Council from time to time on any and all matters pertaining to the Library. Upon a majority vote of the total membership.

Term of Office: All Board appointments shall serve two (2) year terms. No Board member shall serve more than two (2) consecutive two (2) year term on the Board without having at least one (1) full year off of the Board between terms. A majority of the members' terms shall expire in even-number years with the remaining members' terms expiring in odd-numbered years.

Quorum: Three members

Number of Members:	Five members
Meeting Time & Place:	Third Tuesday of Every Month; 3:00 pm; Butt-Holdsworth Memorial Library
Absences:	Any member who is absent from twenty-five percent (25%) of the board's regular meetings during any twelve (12) month period, or who is absent from any three (3) consecutive regular meetings, shall be considered for removal by the City Council. The staff member has the responsibility of reporting a member's non-attendance to the City Council in writing, and the City Secretary shall notify the board member in writing that their non-attendance has been reported to the City Council. However, a member whose absences are directly related to a medical or family emergency may seek consideration from the board upon which they serve to qualify such absences as excused.
Established by:	Ordinance No. 1967-17; amended by Ordinance Nos. 80-5, 84-14, 84-58, 85-01, 87-24, 87-60, 87-61, and 2005-19 (in its entirety); Resolution Nos. 045-2006, 107-2006, 076-2007, and 122-2007 did not change this board. Code of Ordinances: Chapter 66 - Article II – Sections 66-31 through 66-34; Amended by Ordinance No. 2010-05; Amended by Ordinance No. 2011-16.
Revised:	May 27, 2015

* Appointed by Friends of the Butt-Holdsworth Memorial Library