# AGENDA FOR SPECIAL MEETING

# KERRVILLE CITY COUNCIL

# TUESDAY MARCH 8, 2011, 4:00 P.M.

# CITY HALL COUNCIL CHAMBERS

# 800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

# Agenda Item:
**(Staff)**

2A. Approval of the minutes of the special city council meeting held February 2, and the regular meeting held February 8, 2011.

MINUTES OF THE KERRVILLE CITY COUNCIL AND
CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT COPRORATION
JOINT MEETING FEBRUARY 2, 2011

On February 2, 2011, the joint meeting of the Kerrville City Council and the Economic Improvement Corporation was called to order by Mayor Wampler at 10:00 a.m. in the city hall council chambers, 800 Junction Highway.

COUNCIL MEMBERS PRESENT:

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|---|---|
| David Wampler | Mayor |
| R. Bruce Motheral | Mayor Pro Tem |
| T. Scott Gross | Councilmember |
| Stacie Keeble | Councilmember |

COUNCIL MEMBER ABSENT:

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| Gene Allen | Councilmember |

EIC MEMBERS PRESENT:

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| Bill Crumrine | President |
| Alan Massey | Secretary |
| Rex Boyland | |
| Warren Ferguson | |
| Robert Miller | |
| Gregg Appel | |

EIC MEMBER ABSENT:

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| Jack Pratt | Vice President |

STAFF PRESENT:

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| Todd Parton | City Manager |
| Mike Hayes | City Attorney |
| Kristine Ondrias | Assistant City Manager |
| Brenda G. Craig | City Secretary |
| Mindy Wendele | Director of Business Programs |
| Mike Erwin | Director of Finance |

**INFORMATION AND DISCUSSION WITH POSSIBLE ACTION:**

Review of documents that established the economic improvement corporation board. The consensus was that a review was not necessary as the documents were provided in the agenda packet.

Mayor Wampler noted the citizens voted to increase the sales tax in 1995, resulting in the establishment of an EIC board, as an advisory board appointed by the city council, to assist in the distribution of those funds.

Review and discussion of state law with regard to 4B boards, funding, and project eligibility guidelines.
It was noted that a broad range of projects were eligible for EIC funding under state statute, including creation of new businesses, retention of existing businesses, job creation and retention, increasing sales tax base, as well as providing infrastructure to an area that had economic development potential.

EIC and Council discussed city staff's workload and the potential for creating conflicts in serving both boards whose goals and priorities sometimes differed.

Discussion of goals and projects.
It was noted that in the past EIC had been reactionary, responding to requests. It was the consensus of both bodies to create a plan and establish objectives to achieve that plan. Such a plan should consider the following points:
-Should not rely on Kerrville as a retirement community as demographics would change; also noted effects of the senior tax freeze.
-Should pursue the economic strategic plan funded by EIC several years ago, for example, pursue expansion of the medical industry.
-The convention center/multi-purpose meeting facility was a viable project; however, private investment was necessary to make it economically feasible.
-Kerrville was not a primary location for conventions for various reasons.
-EIC should be more proactive; invest EIC funds to achieve highest economic impact possible; however, competing and offering incentives could result in a net zero gain to the tax base.
-Achieve economic viability and increase tax base by attracting people to Kerrville; provide amenities people want to see in a community; be the place people want to visit and live in.
-Focus on improving the community's strengths and attributes, e.g. the river, downtown, lifestyle, infrastructure, parks, river trails, and a world class library.

Council noted lost business in the past due to lack of infrastructure to serve their requirements; the city should be prepared to provide services or businesses will locate elsewhere.

Methodologies used to fund qualifying projects.
Council and EIC discussed issuing EIC debt in 2011 and 2014 to fund capital infrastructure projects in areas that had economic development potential. EIC members were concerned that there would not be funds available to respond to other requests that may arise. Mayor Wampler noted that EIC expressed that there were no procedural impediments against the city making application to EIC to fund such projects; therefore, council stated that staff should bring items to EIC for discussion and consideration. The consensus of the Council and EIC was to prepare a funding plan in order to achieve the projects and goals discussed.

The EIC members left the meeting at 11:29.

**EXECUTIVE SESSION**:
Ms. Keeble moved for the city council to go into executive closed session under Section 551.071 (consultation with attorney of the Texas Government Code; the motion was seconded by Mr. Gross and passed 5-0 to discuss the following matter:

Section 551.071:

- LCRA Transmission Services Corporation proposed McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties, Texas. Public Utility Commission of Texas (PUC) Docket No. 38354.

At 11:29 a.m. the regular meeting recessed and council went into executive closed session at 11:45 a.m. At 12:20 p.m. the executive closed session recessed and council returned to open session at 12:21p.m. Mayor Wampler announced that no action had been taken in executive session.

**ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION**:
LCRA Transmission Services Corporation proposed McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties, Texas. Public Utility Commission of Texas (PUC) Docket No. 38354
Mr. Gross moved to authorize the city attorney to move forward to appeal the decision of the Public Utility Commission. The motion was seconded by Mr. Motheral and passed 4-0.

**ADJOURNMENT**. The meeting adjourned at 12:22 p.m.

APPROVED: ____________________ ______________________________
David Wampler, Mayor

ATTEST:

______________________________
Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
FEBRUARY 8, 2011

On February 8, 2011, the Kerrville City Council meeting was called to order by Mayor Wampler at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Reverend Mike Williams, Zion Lutheran Church, followed by the Pledge of Allegiance led by Jerry Lane, of the Military Officers Association of America.

MEMBERS PRESENT:

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|---|---|
| David Wampler | Mayor |
| R. Bruce Motheral | Mayor Pro Tem |
| Gene Allen | Councilmember |
| T. Scott Gross | Councilmember |
| Stacie Keeble | Councilmember |

MEMBER ABSENT: None

STAFF PRESENT:

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|---|---|
| Todd Parton | City Manager |
| Mike Hayes | City Attorney |
| Kristine Ondrias | Assistant City Manager |
| Brenda G. Craig | City Secretary |
| Travis Cochrane | Director of Information Technology |
| Charvy Tork | IT Systems Administrator |
| Mindy Wendele | Director of Business Programs |
| Mike Erwin | Director of Finance |
| Kevin Coleman | Director of Development Services |
| Kim Meismer | Director of General Operations |
| Charlie Hastings | Director of Public Works |
| Mike Wellborn | Director of Engineering |
| Robert Ojeda | Fire Chief |
| John Young | Police Chief |
| Daniel Schwartz | Library Director |

VISITORS PRESENT: List on file in city secretary's office.

1. **VISITORS/CITIZENS FORUM**: The following persons spoke:
1A. Kate Roos noted the League of Women Voters Kerrville Area were sponsoring a series of public education forums regarding state wide water resources and the availability of water locally. The meetings will be held at the UGRA offices at 125 Lehmann Drive 9:00 a.m.–1:00 p.m. on February 19, March 19, and April 9.

1B. Sara Hendricker urged council to accept the donation of land from the Cailloux Foundation for a new city hall; the location would benefit the citizens and would increase pedestrian traffic and support local downtown businesses, and ensure the availability of public parking at the parking garage. She also asked council to consider using economic development funds to partner with local schools to better educate students, noting an educated workforce was an important factor in job creation and retention. She urged the city and county to come to an agreement for emergency medical services and not create another taxing district. Also, she questioned how the city's sidewalk project met ADA disability requirements with regard to obstacles, e.g. mailboxes.

**2. RECOGNITIONS AND COMMENDATIONS:**
2A. Police Captains David Knight and Jeffrey Wendling upon graduation from the FBI National Academy in Quantico, Virginia.

**3. PRESENTATION:**
3A. Alamo Area Council of Governments (AACOG) regarding the Kerr County weatherization assistance program.
Joe Ramos, AACOG representative, presented a weatherization assistance program designed to provide energy conservation to low income households; he noted that $400,000 was available for the Kerr area.

**4. CONSENT AGENDA:**
Mr. Gross moved for approval of items 4A through 4B; Ms. Keeble seconded the motion and it passed 5-0:
4A. Approval of the minutes of the regular city council meeting held January 11, 2011.
4B. Resolution No. 008-2011 authorizing the submission of a grant application to the Office of the Governor, Criminal Justice Division, by the City of Kerrville.
**END OF CONSENT AGENDA**

**5. ORDINANCES, SECOND AND FINAL READING**
5A. Ordinance No. 2011-02 amending the budget for fiscal year 2011 to account for changes in the status of various capital improvement projects, to amend other city funds to account for balances for approved purposes, and to account for revenue resulting from the settlement of a claim and grant funding awards. Mayor Wampler read the ordinance by title only.

Mr. Erwin noted no changes to the ordinance since first reading and recommended approval.

Mr. Motheral moved for approval of Ordinance No. 2011-02 on second and final reading; Mr. Allen seconded the motion and it passed 5-0.

5B. Ordinance No. 2011-03 amending the zoning district boundaries of Lot 445, Block 60, Schreiner Addition, otherwise known as 509 Barnett Street and located within the City of Kerrville, Kerr County, Texas, from the "R1-A" residential district to "C-19" central city district; containing a cumulative clause; containing a savings and severability clause; and ordering publication. Mayor Wampler read the ordinance by title only.

Mr. Coleman noted that approval of the ordinance would put all of the property owned by the same owner under one zoning district. The planning and zoning commission recommended approval, and there were no changes to the ordinance since first reading.

Mr. Motheral moved for approval of Ordinance No. 2011-03 on second and final reading; Ms. Keeble seconded the motion and it passed 5-0.

## 6. ORDINANCE, FIRST READING

6A. An ordinance amending Chapter 54 "Floods", Article II "Floodplain Management," of the Code of Ordinances of the City of Kerrville, Texas, to adopt the flood insurance study and updated flood insurance rate maps issued by the Federal Emergency Management Agency; containing a cumulative clause; containing a savings and severability clause; establishing an effective date; ordering publication; and providing other matters related to the subject. Mayor Wampler read the ordinance by title only.

Mr. Wellborn noted in 2006 FEMA began updating flood insurance rate maps. In 2009 the city and county protested the preliminary maps based on incorrect/ incomplete data and resubmitted information to FEMA; FEMA reissued revised maps and letter of final determination on September 7, 2010, to become effective March 3, 2011. The city was required to adopt the new maps in order to maintain eligibility in the national flood insurance program. He noted 150 structures would be impacted as a result of the new maps; those property owners were notified, and staff had met with owners making inquiries to answer questions and provide information. Adoption of the ordinance would not affect the city's plan to build the river trail.

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

## 7. CONSIDERATION AND POSSIBLE ACTION

7A. Lower Colorado River Authority (LCRA) Transmission Services Corporation (TSC) regarding right-of-way acquisition process for the Public Utility Commission ordered CREZ transmission project, Big Hill to Kendall (McCamey D-Kendall-Gillespie) line. (Barbara Hofmann, Public Affairs Representative, LCRA) . The matter was postponed at the request of LCRA.

7B. Update regarding Lower Colorado River Authority Transmission Services Corporation's (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project (PUC Docket No. 38354). Matter was deferred to executive session.

7C. Request to discuss safety issues and repair of sprinkler system related to the sidewalk project on Methodist Encampment Road (Ellen M. Folk).
Mr. Parton noted Ms. Folk requested the item be cancelled; however, he reported on her concerns: damage to private property (destruction of her irrigation system), pedestrian safety, and sidewalk location. He noted that the project includes the requirement that the contractor repair damages to property and TxDOT will inspect repairs. He discussed the factors considered in determining the location of the sidewalks, i.e. utility lines, landscape features, number of properties to be disrupted, and pedestrian safety.

Mr. Wellborn noted that Kerrville Landscape had been hired to repair irrigation systems within the sidewalk project, and all repairs would be inspected before final acceptance of the project. Mike Coward, engineer for Texas Department of Transportation (TxDOT),noted all repairs would be inspected and completed before TxDOT would release funds to the contractor.

The following persons spoke:
1. Sara Hendricker questioned whether the sidewalks would meet ADA disability requirements with regard to the placement of mailboxes and other obstacles in sidewalks. Sidewalks switched from one side of the street to the other and she questioned the safety of pedestrians having to go back and forth across streets.

2. Derik Naiser, LNV Engineering, stated the sidewalks, as designed, were compliant with ADA regulations. He would review construction for compliance as sections were completed to make sure the sidewalks had been constructed to design specifications. All pedestrian crossings would occur at intersections and would be marked appropriately.

7D. Update on the safe routes to schools construction project by Texas Department of Transportation and LNV Engineering, Inc.
Mike Coward, engineer for TxDOT, noted that TxDOT had received 8 bids for the project and the construction contract had been awarded to TI-ZACK Concrete to construct over 8 miles of sidewalks in the amount of $1,784,709.95. The contractor was ahead of schedule, currently at 22% completion.

7E. Request for council direction regarding zoning ordinance review and implementation.
John Mosty, chair of the Zoning Ordinance Input Committee (ZOIC), noted that work was progressing on the rewrite of the zoning ordinance and public forums were being held by ZOIC at each step; however, ZOIC was disappointed in the lack of public participation. He reported ZOIC had completed sections of the zoning ordinance rewrite and it had been submitted to the legal department. He noted ZOIC was unanimous in its opinion that public input was vitally important, and was concerned about the lack of public input; however, he noted some public participation was received during discussions regarding the creation of a central business district. He presented future steps in the review process.

Mr. Mosty requested guidance from city council on whether to continue the process of presentation and adoption of sections of the zoning ordinance incrementally as ZOIC completed those sections, or to wait until the entire zoning ordinance rewrite was complete and present it as one document.

Mr. Motheral opined that consideration and adoption of the zoning ordinance should not be in piecemeal fashion; rather the document should be considered as a whole where all pieces were connected and worked together. He requested that the document not be adopted in incremental sections.

The council discussed advantages/disadvantages of piecemealing the project in increments in order to adopt sections as they were completed and progress forward, versus waiting until all sections were finished and then presenting one complete document for public hearing and adoption. It was noted that the incremental process as recommended by ZOIC would allow sections to be implemented incrementally and speed up the review process, and amendments could be made if necessary.

The consensus of the council was that ZOIC should continue the process of reviewing the zoning ordinance in incremental sections and schedule presentations and public hearings before the planning and zoning commission and city council.

7F. Authorize execution of a contract with Alsay, Inc. for the construction of the Methodist Encampment water well in the amount not to exceed $1,150,000.
Mr. Wellborn recommended awarding the contract for construction of the Methodist Encampment water well to Alsay in the amount not to exceed $1,150,000 including contingencies.

Mr. Gross moved to authorize execution of the contract to Alsay, Inc. as stated; Ms. Keeble seconded the motion and it passed 5-0.

7G. Approval of the 2011 street rehabilitation list.
Mr. Hastings reviewed the pavement management system adopted in 2004 as a guide to address street rehabilitation needs for the city's 141 miles of pavement. All streets were evaluated and assigned an index number based on its condition. He noted 18% (26 miles) of streets were rated as failed, and streets were failing at a rate of 2.5% (3.6 miles) per year. He reviewed a list of streets recommended for sealcoat, overlay, and reconstruction in 2011, and upon approval by council, he will notify the utility companies and allow them 90 days to relocate any utilities in conflict with the city's construction plans.

Ms. Keeble moved for approval of the 2011 street rehabilitation list as presented and authorization to notify the affected utility companies; Mr. Allen seconded the motion and it passed 5-0.

7H. <u>Interlocal agreements between City of Kerrville and Kerr County for joint operations</u>.
Mr. Parton noted the city provided the county notice of termination of the existing interlocal agreements with the intent of renegotiating those agreements. At the joint meeting on January 19 the city and county established a subcommittee process for reviewing operations for animal control, fire and emergency medical services, library, and airport operations. Mr. Parton provided the document received from the county giving a profile of joint functions with a list of questions and comments. He noted he had provided the county the city's review of joint operations.

Mr. Parton provided an analysis of city and county revenue sources and noted the city was a primary revenue source for the county, comprising 47% of the county's population and 43.4% of the county's assessed valuation, and noted that $7,349,681 of the county's revenue was generated within the city: $5,492,545 in ad valorem tax; $523,511for county road and bridge; $305,500 vehicle registration; $235,000 for an additional $10 vehicle registration fee; and $793,125 in sales tax. He noted that county residents accounted for $1,788,750 in sales tax revenue to the city; therefore, city residents contributed a net $5.6 million to the county's budget. He estimated that the provision of all city services would require a contribution of $1.9 million from the county, including animal control services; netting the county with approximately $5.6 million contribution from city residents.

The following points were also noted by council and staff:
- The county proposed that the city separate the fire and EMS service. Mr. Parton noted the department operated as a combination service; certified personnel were cross trained for both functions and equipment was used to provide both services. Regarding having multiple units respond to Priority 1 and 2 calls, protocols were in place to ensure the safety of city personnel and to have sufficient manpower and equipment to be able to adequately manage a situation on a case-by-case basis. The city did not routinely send a fire engine to an EMS call in the county unless it was a Priority 1 or 2 call. Councilmembers stated they were strongly opposed to separating fire and EMS service.
- The fire department also provided swift water rescue, emergency management, county-wide communications, search and rescue, back up to other agencies, and first responder services; severing fire and EMS would have a domino effect on the impact of these services as well.
- The city was a fire and EMS services provider; the county was not a partner in this service. Payment should not be on a per call basis, rather, on the fixed costs for having the service available when needed.
- Mayor Wampler noted that Eric Maloney, city EMS coordinator, received the 2010 EMS Coordinator of the Year Award from the State of Texas. Mr. Parton noted that in addition to running an exemplary EMS service, the city also had a collection rate of 79-80% which was an extremely high collection rate. Mr. Maloney also oversaw the county's the first responder program and training.
- Only 1% of the communities in the entire country had an ISO rating of 2 or better; due to the city's funding investment in the fire department, the city had a 2;

this benefited county residents in their insurance premiums also.

- The county was discussing creating an emergency services district; the city would likely opt out as it already had a professional service and there would be no advantage of paying an additional tax.
- The city is equal owner of the airport and should be involved in that operation; the city has the option of terminating the existing airport agreements. The county has not provided information regarding airport allocation for FY12.
- The county was not upholding its long-standing prior agreement with Mr. Butt to equally fund the library; the city had never stepped away from honoring that commitment.
- Under state law, the county must provide animal control services for large animals for the entire county. The county desired to correlate regulations and provide the same level of service county-wide.
- County road and bridge operation was fund through ad valorem tax, vehicle registration and vehicle fee; in FY10 $1.1 million was levied city wide; the total county wide expenditure for that operation was $2.6-2.7 million. Mayor Wampler noted that of that amount, the city citizens contributed $523,511 but only received a total of eight days of work on 2.8 miles of chip seal overlay over the past three years.
- Based on information in the county's budget, sufficient funds were available in the county budget to pay for all joint services, including fire and EMS, without interfering with the county's existing service levels in their other functions.

Mr. Parton proposed an overview of funding operations of the four joint functions:

- Fire and EMS: be based on service demand, time out and equipment utilization.
- Library: expenditure based on past 10 year average of $825,000, split equally city/county.
- Airport: end of year expenditure from FY2010 at $460,000 and split equally.
- Animal Control: continue to be run and funded by the county; county proposed to correlate city/county regulations.

The provision of services under this plan would require a net $450,000-500,000 additional contribution from the county.

Mayor Wampler noted the county had not provided an official review of the joint services provided or the desired level of services, rather the county provided a profile of comments and suggestions, but with the caveat that the profile was not acted on by the county; so there was confusion on how the city should proceed in order to complete the negotiations and meet the March 31 deadline.

Mr. Parton proposed that staff prepare a plan for funding operations based on the proposal cited above, maintaining existing service levels for fire and EMS with current operating protocols in place and cost allocation to support that service; maintain service level at library at 54 hours per week; airport commitment be where it had been in the past and based on end of year actual expenditure with cost split equally; and animal control funded by county at level proposed. If the plan was not acceptable, then break into subcommittees with the county. Mr.

Gross volunteered to work on library negotiations; Ms. Keeble, animal control; Mr. Motheral and Mr. Allen on any subcommittee needed; Mayor Wampler will serve on all subcommittees. The council's goal was to have negotiated agreements in place and meet deadline of March 31.

The consensus of council was to proceed to initiate the proposal outlined by Mr. Parton and let the county respond.

**8. INFORMATION AND DISCUSSION:**

8A. Update on Millenium—the new integrated library system.
Mr. Schwartz reported on the library's new Millenium system that replaced the Galaxy system. The library circulated 3,146 items the first week. He reviewed the type of reports the system could perform, including residency reports, data base searches, and on-line registration. Since January 24, the library had registered 1,488 persons for library cards, and checked out 5,536 items.

8B. Update on the new voice over internet protocol (VoIP) telephone system installation.
Mr. Cochrane reported equipment installation and on-site training had begun; and he anticipated the entire system should be operational by February 18. The VoIP system should save the city $40,000 annually over the cost of the previous system.

8C. Economic update.
Mr. Erwin reported unemployment was at 9% and even thought the number was down, he felt this trend may be due to people dropping out of unemployment numbers. Sales tax was up 14%; HOT tax was down. General fund and water/ sewer fund revenues and expenditures were on target with the budget. He noted the backup generator at the wastewater treatment plant had gone out during the emergency rolling electric shut-downs necessary during the freezing weather and had to be replaced. Staff will place an item on a future agenda to ratify this emergency purchase in the amount of $120,000 plus installation cost to be paid out of the water/sewer contingency fund.

**9. ITEMS FOR FUTURE AGENDAS**: No items were proposed.

**10. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

- Ms. Keeble noted that Partners in Ministry would be holding a Community Service Infusion (CSI) event on March 26 to help with minor home repairs and clean up for persons in need; she asked if city council or staff were interested in forming a team to contact her.
- Father Daughter Dance on February 12 at 6 p.m. at the Dietert Center.
- Ray Watson, the new Economic Development Director was introduced.
- Mr. Parton noted staff would be submitting a grant application to the Peterson Foundation for the Butt-Holdsworth Library renovation.
- Ruth Spradling questioned where the funding for the AACOG weatherization program originated. Mayor Wampler noted it was federal money passed through to the local AACOG.

**11. EXECUTIVE SESSION:**
Ms. Keeble moved for the city council to go into executive closed session under Section 551.071 (consultation with attorney of the Texas Government Code; the motion was seconded by Mr. Motheral and passed 5-0 to discuss the following matter:
Section 551.071:
- LCRA Transmission Services Corporation proposed McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties, Texas. Public Utility Commission of Texas (PUC) Docket No. 38354.

- Contemplated litigation involving a claim against C&C Groundwater Services regarding aquifer storage recovery well 3 (ASR3).

At 8:19 p.m. the regular meeting recessed and council went into executive closed session at 8:25 p.m. At 9:03 p.m. the executive closed session recessed and council returned to open session at 9:04 p.m. Mayor Wampler announced that no action had been taken in executive session.

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

**ADJOURNMENT**. The meeting adjourned at 9:05 p.m.

APPROVED: ____________________ ______________________________
David Wampler, Mayor

ATTEST:

______________________________
Brenda G. Craig, City Secretary

# Agenda Item:

(Staff)

2B. A resolution authorizing publication of notice of intention to issue certificates of obligation in the amount not to exceed $6,400,000 for the purpose of water and wastewater capital improvements.

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

**SUBJECT:** Resolution Authorizing Publication of Notice of Intent to Issue Certificates of Obligation

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED**: February 25, 2011

**SUBMITTED BY:** Mike Erwin
Director of Finance

**CLEARANCES:** Todd Parton
City Manager

**EXHIBITS:** Resolution; Notice of Intent to Issue Certificates of Obligation

**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 FINANCE DIRECTOR:**

## SUMMARY STATEMENT

The FY 11 budget includes CIP projects funded by Certificates of Obligation (COs). While COs are backed by the full faith and credit of the City, the water/wastewater debt that will be issued for these projects will be funded with revenue from the water/wastewater fund which is dedicated to these specific purposes. The debt will be used to acquire, construct and equip extensions and/or improvements to the City's water and wastewater systems and to pay the costs associated with issuance of the Certificates.

The aggregate amount of certificates of obligation will not exceed $6,400,000. Because it is less than $10,000,000, this issue will be bank qualified which should make it more attractive to banks because of the tax benefits associated with this type of issue.

## RECOMMENDED ACTION

Approve resolution authorizing publication of notice of intent to issue certificates of obligation.

**CITY OF KERRVILLE, TEXAS**
**RESOLUTION NO. ___-2011**

**A RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION IN THE AMOUNT NOT TO EXCEED $6,400,000 FOR THE PURPOSE OF WATER AND WASTEWATER CAPITAL IMPROVEMENTS**

**WHEREAS**, the City Council of the City of Kerrville, Texas (the "City") hereby determines that it is necessary and desirable to acquire, construct, and equip extensions and improvements to the City's waterworks and sewer system (the "Projects"); and

**WHEREAS**, the City Council of the City intends to finance the Projects from proceeds derived from the sale of a series of *Combination Tax and Revenue Certificates of Obligation* issued by the City pursuant to Sections 271.041-271.063, Texas Local Government Code, as amended; and

**WHEREAS,** pursuant to Section 271.049, Texas Local Government Code, the City Council deems it advisable to give notice of intention to issue certificates of obligation in an amount not to exceed an aggregate of *$6,400,000* for the purpose of paying, in whole or in part, the Projects, to pay all or a portion of the legal, fiscal, and engineering fees in connection with the Projects, and to pay the costs of issuance related to the certificates of obligation; and

**WHEREAS,** it is hereby officially found and determined that the meeting at which this resolution was passed was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, TEXAS:**

**SECTION ONE.** **APPROVAL OF NOTICE OF INTENTION.** Attached hereto is a form of the "*Notice of Intention to Issue Combination Tax and Revenue Certificates of Obligation,*" the form and substance of which is hereby adopted and approved.

**SECTION TWO.** **AUTHORIZATION TO PUBLISH NOTICE OF INTENTION.** The City Secretary shall cause said notice to be published in substantially the form attached hereto in a newspaper, as defined in Section 2051.044, Texas Government Code, that is of general circulation in the area of the City, on the same day in each of two consecutive weeks, the date of the first publication thereof to be at least 31 days before the date tentatively set for the passage of the ordinance authorizing the issuance of such certificates of obligation as shown in said notice. The City Manager and the Finance Director are each authorized to make changes to said Notice as necessary prior to its publication.

**SECTION THREE.** **<u>Incorporation of Recitals</u>.** The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City Council hereby incorporates such recitals as a part of this Resolution.

**SECTION FOUR.** **<u>Effective Date</u>.** This Resolution shall become effective immediately upon passage.

**PASSED AND APPROVED ON this the ______day of ___________________, A.D., 2011.**

______________________________
David Wampler, Mayor

APPROVED AS TO FORM:

______________________________
Michael C. Hayes, City Attorney

ATTEST:

______________________________
Brenda G. Craig, City Secretary

**CITY OF KERRVILLE, TEXAS**
**NOTICE OF INTENTION TO ISSUE**
**COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION**

The City Council of the City of Kerrville, Texas (the "City") does hereby give notice of intention to issue one or more series of *City of Kerrville, Texas Combination Tax and Revenue Certificates of Obligation* in the maximum aggregate principal amount not to exceed *$6,400,000* for the purpose of paying, in whole or in part, contractual obligations to acquire, construct and equip extensions and improvements to the City's waterworks and sewer system (the "Projects") and for paying professional services related thereto. The City proposes to provide for the payment of such Certificates of Obligation from the levy and collection of ad valorem taxes in the City as provided by law and from a lien on and pledge of "Surplus Revenues", if any, received by the City from the ownership and operation of the City's waterworks and sewer system. The City Council proposes to authorize the issuance of such Certificates of Obligation at 6:00 p.m. on Tuesday, April 26, 2011, at a Regular Meeting, at the City Hall, Kerrville, Texas.

/s/ Brenda Craig
City Secretary,
City of Kerrville, Texas

## CERTIFICATE FOR RESOLUTION

**STATE OF TEXAS §**
**COUNTY OF KERR §**
**CITY OF KERRVILLE §**

I, the undersigned City Secretary of **CITY OF KERRVILLE, TEXAS** (the "***City***"), hereby certify as follows:

1. The City Council of the City convened in REGULAR MEETING ON THE 8$^{TH}$ DAY OF MARCH, 2011, at the designated meeting place, and the roll was called of the duly constituted officers and members of said City Council, to-wit:

David Wampler, Mayor
R. Bruce Motheral, Councilmember, Place One
Stacie Keeble, Councilmember, Place Two
T. Scott Gross, Councilmember, Place Three
Gene Allen, Councilmember, Place Four

and all of said persons were present, except the following absentees: __________________________________________, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

**RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION**

was duly read. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: ___ NOES: ___ ABSTENTIONS: ___

2. A true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in said City Council's minutes of said Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from said City Council's minutes of said Meeting pertaining to the adoption of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said City Council as indicated therein; each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting; and said Meeting was open to the public, and public notice of the time, place, and purpose of said Meeting was given, all as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED the 8$^{th}$ day of March, 2011.

____________________________________
City Secretary, City of Kerrville, Texas

# Agenda Item:
**(Staff)**

2C. Authorize execution of a right-of-way license agreement at 228 Washington Street for the continuing use of a handicap ramp.

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

**SUBJECT:** Approval of a Right-of-Way License Agreement at 228 Washington Street for a handicap ramp

**FOR AGENDA OF:** 3/8/11 **DATE SUBMITTED**: 2/21/11

**SUBMITTED BY:** Charlie Hastings CH
Public Works Director

**CLEARANCES:** Todd Parton
City Manager

**EXHIBITS:** Google Maps picture of 228 Washington

**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

In 1999, Council adopted Resolution 99-176 authorizing a right-of-way license agreement with Carl Meek, Sr. for a permit to construct a handicap access ramp at 228 Washington Street utilizing the city sidewalk. The agreement had an initial term of ten (10) years and was renewable, but the deadline to renew was missed by both the applicant and his successor. The subject property passed to the Janet Meek Trust, who wishes to pay in advance for the new ten year term of the License Agreement as well as arrears owed since the lapse of the agreement in May 2009 ($10 per year).

## RECOMMENDED ACTION

The Director of Public Works recommends that council authorize the City Manager to execute a right-of-way license agreement with the Janet Meek Trust for a handicap access ramp that is permanently affixed to the sidewalk in the public right-of-way located at 228 Washington Street.

Google maps

Address is approximate

228 Washington
Right of Way License Agreement, Carl Meek Sr.
The Janet Meek Family Trust

## RIGHT-OF-WAY LICENSE AGREEMENT

The City of Kerrville, Texas, a home rule municipal corporation ("City"), acting by and through its duly authorized City Manager and City Secretary, for the consideration set out below, the receipt and sufficiency of which is hereby acknowledged, does hereby grant to The Janet Meek Trust, whose principal place of business is located at 1218 Bandera Highway, Kerrville, Kerr County, Texas ("Licensee"), its successors and assigns, a continuing license to enter upon those certain parcels of land owned or controlled by the City of Kerrville in Kerr County, Texas, to wit:

> An approximate 84 square foot area of land located in Lot 76, Block 7, B.F. Cage Addition, an addition to the City of Kerrville, Texas, said area extending Easterly a distance of four feet (4.0') from the existing building into the City's public right of way toward Washington Street, and for a distance of eleven feet (1 1.0') from either side of the center line of the existing door of the building on the side facing Washington Street, more commonly known as 228 Washington Street;

referred to hereinafter as the "Licensed Premises." Licensee may continue to use the Licensed Premises for the purpose of installing, maintaining, repairing, removing, and/or replacing a handicap access ramp which is permanently affixed within the public right-of-way. City's consent to encroachment, as evidenced by this Right-of-Way License Agreement ("Agreement"), does not constitute the City's abandonment, partial or otherwise, of the Licensed Premises.

For and in consideration of the execution of this Agreement and the mutual promises and covenants of the parties hereto, it is mutually promised, understood and agreed as follows:

1. This Agreement shall be for an initial term of ten (10) years, commencing on the last date it is signed by both parties hereto (also known as the "Commencement Date"), unless terminated earlier as provided hereafter. Licensee shall have the option of renewing and extending the term of this License for one additional term of ten (10) years, by giving notice of renewal in writing to the City not less than ninety (90) days in advance of the date of termination of the original ten (10) year term.

2. In further consideration for the rights herein granted to Licensee, Licensee shall pay to City the sum of $10.00 per year, payable on or before the anniversary of the Commencement Date, or, at the option of the Licensee, paid up in advance for the entire ten-year term. The yearly license fee payment shall be made to City at the office of the City Manager, 800 Junction Highway, Kerrville, Texas, 78028, or at such other address as City may later in writing direct Licensee. The payment of any sum, yearly or otherwise, is nonrefundable even where termination occurs prior to the end of a term.

3. Licensee shall have the option to terminate this License at any time upon giving the City written notice thirty (30) days in advance of such termination. Prior to the expiration of this time, Licensee shall, upon request of the City, remove all of its structures that encroach into the Licensed Premises.

4. City shall have the option to cancel and terminate this License for failure of Licensee to comply with any provisions or requirements contained in this License after sixty (60) days written notice to do so. In addition, City may terminate this License at any time upon giving Licensee written notice thirty (30) days in advance of such termination where a federal or state court or agency determines that Licensee's encroachments into the public's right-of-way violates federal or state law with respect to accessibility standards.

5. Where appropriate, Licensee shall apply for and obtain the appropriate building permits from City, as such additional improvements shall be designed, constructed, installed, and maintained so as to comply with applicable federal, state, and local laws and regulations.

6. Licensee shall carry insurance in the following types and amounts for the duration of this Agreement and furnish Certificates of Insurance along with copies of policy declaration pages and all policy endorsements as evidence thereof to City:

A. Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence limit of $1,000,000. The policy must provide contractual liability coverage for liability assumed under this Agreement, products and completed operations coverage, independent contractor's coverage, and a waiver of a Transfer of Right of Recovery Against Others in favor of the City. If this coverage is underwritten on a claims-made basis, the retroactive date shall be coincident with the date of this Agreement and the certificate of insurance shall state that the coverage is claims-made and shall specify the retroactive date. Licensee shall maintain coverage for the duration of this Agreement and for six-months following termination of this Agreement. Licensee shall pay for this extended reporting period coverage.

B. If insurance policies are not written for amounts specified in Subsection A, above, Licensee shall carry umbrella or excess liability insurance for any differences in amounts specified. If excess liability insurance is provided, it must follow the form of the primary coverage.

C. Licensee shall provide City at least thirty (30) days written notice of erosion of the aggregate limit below the minimum required combined single limit coverage.

D. Licensee shall provide that all provisions of this Agreement concerning liability, duty, standard of care, together with the indemnification or defense provisions herein, shall be underwritten by contractual coverage sufficient to include such obligations within applicable policies.

E. Licensee shall not commence work under this Agreement until it has obtained all required insurance and until such insurance has been reviewed by the City Attorney for the City of Kerrville, Texas.

F. Licensee shall produce an endorsement to each affected policy that contains the following:

(1) That names City of Kerrville, Texas, as additional insured, with right of subrogation against City waived;

(2) That obligates the insurance company to notify City of any non-renewal, cancellation, or material change to the policy, at least thirty (30) calendar days before the change or cancellation;

(3) That the "other" insurance clause shall not apply to City where City is an additional insured shown on the policy. It is intended that the policies required in this Agreement, covering both City and Licensee, shall be considered primary coverage, as applicable.

(4) Licensee shall not cause any insurance to be canceled or permit any insurance to lapse during the term of this Agreement or the six-month period following completion, in the case of a claims-made policy.

(5) City reserves the right to review the insurance requirements of this Paragraph 6. during the effective period of this Agreement and to make reasonable adjustments to insurance coverages, their limits when deemed necessary and prudent by City based upon changes in statutory law, court decisions, or the claims history of the industry or financial condition of the insurance company as well as that of Licensee. City shall be entitled to review, upon request, and without expense to City, to receive copies of the requisite insurance policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions, except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter on any of such policies.

G. All certificates shall include a clause to the effect that the policy may not be canceled, reduced, restricted, or limited until thirty (30) calendar days after City has received written notice of such cancellation or change.

7. **LICENSEE AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS CITY AND ALL OF CITY'S OFFICERS, AGENTS AND EMPLOYEES** from all suits, actions, claims, damages, personal injuries, losses, property damage and expenses of any character whatsoever, including attorney's fees, **BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ON ACCOUNT OF ANY INTENTIONAL OR NEGLIGENT ACT OR**

**OMISSION OF LICENSEE, ITS OFFICERS, AGENTS, EMPLOYEES, TENANTS, OR CONTRACTORS AND ANY OF THEIR RESPECTIVE SUBCONTRACTORS,** arising out of the location of the four (4) columns and canopy described herein within the public right-of-way, or any operations conducted on the Licensed Premises by Licensee, its officers, employees, contractors, or tenants, with respect to the construction of the four (4) columns and canopy.

8. City expressly reserves the full right to grant easements or licenses crossing or running parallel with the Licensed Premises used by Licensee.

9. It is especially provided, however, that as an express condition of this License, and not as a mere covenant, in the event Licensee abandons or removes the four (4) columns or canopy and fails to replace any such improvement for a period of twelve (12) months, other than the time elapsing between the date hereof and the initial installation of the improvements to be constructed hereunder, then and in that event, this License shall automatically revert to the City, its successors or assigns, free and clear of any right, title, or interest in the Licensee, without the necessity of any notice to Licensee or any re-entry by the City.

10. City reserves the right to use the Licensed Premises and the airspace above the Licensed Premises for any purpose allowed by law and to do and permit to be done, any work in connection therewith which may be deemed necessary or proper by the City on, across, along, under or over said Licensed Premises; and whenever by reason of said work in connection with said other purposes it shall be deemed necessary by the City to alter, change, adapt, conform, relocate, remove, or otherwise disturb Licensee's four (4) columns or canopy or other property in any part of the Licensed Premises occupied by Licensee, such alterations or changes or relocations shall be made by the Licensee when ordered in writing by the City Manager pursuant to directions from the City Council without any claim for reimbursement for damages against the City.

11. Any notice or communication required in the administration of this License shall be sent to the City as follows:

City Manager
800 Junction Highway
Kerrville, Texas 78028

Any notice or communication required in the administration of this License shall be sent to the Licensee as follows:

The Janet Meek Trust
Attn: ____________________
1218 Bandera Highway
Kerrville, Texas 78028

12. This License Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and is fully performed in Kerr County, Texas.

IN WITNESS WHEREOF, the undersigned have set their hands on the day indicated, with the effective date of this License Agreement being the latter of the dates this Agreement is signed by the respective parties.

CITY OF KERRVILLE, TEXAS

By ____________________________
Todd Parton, City Manager

Date: __________________________

ATTEST:

______________________________
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

______________________________
Michael C. Hayes, City Attorney

THE JANET MEEK TRUST

______________________________
By: ___________________________
Its: ___________________________

Date: __________________________

ACKNOWLEDGMENTS

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on the ____ day of ______________, 2011, by Todd Parton, City Manager, for and on behalf of the City of Kerrville, Texas.

________________________________

Notary Public, State Of Texas

Printed Name:____________________

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on the ____ day of ______________, 2011, by ________________________, the __________________, for The Janet Meek Trust.

________________________________

Notary Public, State Of Texas

Printed Name:____________________

My Commission Expires:____________

T:\Legal\PUBLIC WORKS\Prop transaction\ROW\ROW Use Permit_228 Water Street_030311.doc

# Agenda Item:
**(Staff)**

2D. Authorize an amendment to the existing professional service agreement with Freese & Nichols, Inc. for the Birkdale lift station and force mains capital improvement project and increasing the contract by $30,000 to include the design of the force main co-mingle box at the wastewater treatment plant.

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

**SUBJECT:** Council authorization for the City Manager to amend the existing professional service agreement with Freese and Nichols, Inc. for the Birkdale Lift Station and Force Mains Capital Improvement Project and increase the contract by $30,000.00 to include the design of the Force Main Co-Mingle Box at the WWTP.

**FOR AGENDA OF:** March 8, 2011 MW **DATE SUBMITTED:** February 25, 2011

**SUBMITTED BY:** Michael Wellborn, P.E. Director of Engineering

**CLEARANCES:** Kristine Ondrias Assistant City Manager KO

**EXHIBITS:** Contract Amendment

**AGENDA MAILED TO:** Freese and Nichols, Inc.

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP /BC

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|---|---|---|---|
| **$30,000.00** | **$463,756.34** | **$730,000.00** | **W75** |

**PAYMENT TO BE MADE TO:** **Freese and Nichols, Inc.**
**4040 Broadway, Suite 600**
**San Antonio, TX 78209**

**REVIEWED BY THE FINANCE DIRECTOR:** ME/BC

## SUMMARY STATEMENT

Birkdale was listed as the number one wastewater system priority in the 2008 Utility Master Plan. The design and construction of this lift station, gravity mains, and force mains will free up capacity in Legion and Quinlan lift stations and allow for new development in the Birkdale, Broadway, Comanche Trace, G Street, Jefferson, and Legion Basins. The development of the Birkdale system is the cornerstone in our ability to supply wastewater services throughout the City. The scope of engineering services for this project is to prepare a complete set of contract documents including the plans, bid documents, general/supplementary conditions, technical specifications, and other related documents for replacement of the City of Kerrville's Birkdale Lift Station and installation of a dual 18" force mains from the lift station to the City's wastewater treatment plant.

This amendment adds the design of the Force Main Co-Mingle Box at the WWTP to the Birkdale Lift Station and Force Main project since the design and construction of the Force Main Co-Mingle Box need to be done simultaneously in order for the Birkdale Lift Station and Force Main to come online. This contract amendment does not require additional funds to be added to the project.

The Force Main Co-Mingle Box will be designed for the 2027 peak flow of 30.5 MGD that originates from the Legion (14.4 MGD), Quinlan (3.4 MGD), and Birkdale (12.7 MGD) Lift Stations. With the construction of the Co-Mingle Box and associated improvements, flow to the existing Headworks at the WWTP can be controlled as necessary to accommodate the hydraulic capacity of the Headworks. When flows increase to the point where the Headwork's capacity would be exceeded, flow will be diverted into a pipe and subsequently into a concrete lined portion of the existing Flow Equalization Basin (FEB). The design will include manual coarse bar screens to capture large solids from emergency flows that are diverted to the FEB. The Co-Mingle Box will have an additional screened outlet for a future overflow location. The design includes modifications to the existing FEB and modifications to the existing yard piping. A force main sized to handle 1,389 GPM will be installed from the concrete lined section of FEB back to the Co-Mingle Box to accommodate flows from a future FEB pump. The Force Main Co-Mingle Box will be included in the Birkdale Lift Station and Force Main bid package and constructed concurrently.

The addition of the Force Main Co-Mingle Box adds $30,000.00 to the existing professional services agreement with Freese and Nichols, Inc. for a combined contract amount of $556,000.00 ($526,000.00 per original agreement + $30,000.00 for this amendment).

## RECOMMENDED ACTION

The Director of Engineering recommends City Council authorize the City Manager to amend the existing professional service agreement with Freese and Nichols, Inc. for the Birkdale Lift Station and Force Mains Capital Improvement Project and increase the contract by $30,000.00 to include the design of the Force Main Co-Mingle Box at the WWTP making a combined contract amount not to exceed $556,000.00.

# Agenda Item:
**(Staff)**

2E. Ratification of emergency purchase and installation of back-up generator at the wastewater treatment plant.

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

**SUBJECT:** Ratification of emergency purchase and installation of back-up generator at the wastewater plant.

**FOR AGENDA OF:** March 08, 2011 **DATE SUBMITTED**: February 25, 2011

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

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|---|---|---|---|
| $ 146,422 | $ 406,402 | $ 0 | 02-885-504 |

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

**SUMMARY STATEMENT**

On February 04, 2011, the wastewater plant's large diesel generator was started due to power outage. After startup, the generator went into over speed, shot sparks, and ultimately became inoperable. Attempts to repair the generator were unsuccessful. The Wastewater Superintendent requested that a new backup generator be purchased.

The Wastewater Plant's TPDES/TCEQ permit specifically requires it to have an alternate power source powerful enough to run the entire facility in case of power outages. If a power outage occurs without a generator to operate pumps at the Treatment plant, a serious raw wastewater spill becomes eminent with the potential to overflow up to 2.5 million gallons of raw sewage a day into the Guadalupe River, which could become an extreme health and safety threat to the public.

The purchase of this new generator falls under the Emergency Purchase of the City's purchasing policy based on 1) threat to the health and safety of the public and 2) unforeseen damage to City property. Under the City's current purchasing policy, emergency purchases do not require competitive bidding.
Two other distributors, in addition to Holt, were contacted but Holt provided the best

value. The total cost for this emergency purchase is $146,422 and includes:

| | |
|---|---|
| 1. A New Caterpillar 600 kW Generator from Holt Company | $122,087 |
| 2. A New Caterpillar 1200 Amp Transfer Switch from Holt Co. | $ 14,500 |
| 3. Electrical connection contract from DW Electric | $ 8,471 |
| 4. Remove old and place new generator by Perry Crain | $ 1,364 |
| | $146,422 |

## RECOMMENDED ACTION

Ratify this Emergency Purchase.

# Agenda Item:

(Staff)

3A. Public hearing on proposed annexation and recommended zoning of James Avery Craftsman Campus, consisting of approximately 43.72 acres, and generally located at the intersection of Harper Road (RR783) and Avery Road and adjacent to the northern property line of American Bank of Texas property.

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

**SUBJECT:** Public Hearing: Annexation and Zoning Request – Consider a proposed annexation into the Kerrville City Limits of a 43.72 acre tract generally located at and along the intersection of Harper Road (RM 783) and Avery Road and adjacent to the north property line of the American Bank of Texas property. (File No. 2011-07)

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED:** March 4, 2011

**SUBMITTED BY:** Gordon Browning **CLEARANCES:** Kevin Coleman KC

**EXHIBITS:** Location Map, Tract Map

**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

Annexation-Zoning Timeline:

- January 25, 2011 – City Council accepts the annexation petition from James Avery Craftsman, Inc. for a 43.72 acre tract. (Resolution No. 006-2011)

- February 23, 2011 – Notice of the required public hearing is published in The Kerrville Daily Times.

- March 3, 2011 – Planning and Zoning Commission (P&Z) public hearing on the proposed annexation and recommendation of zoning designation to the City Council.

- **March 8, 2011 – City Council conducts the first required public hearing on the proposed annexation.**

- March 10, 2011 – Notice of the second required public hearing published in The Kerrville Daily Times and written notification to property owners, franchise utilities, Texas Department of Transportation (TxDOT) and Kerrville Independent School District (KISD).

- March 22, 2011 – City Council conducts the second required public hearing on the proposed annexation.

- April 26, 2011 – City Council considers an ordinance on first reading annexing and zoning the subject property.

- May 10, 2011 – City Council considers an ordinance on second and final reading annexing and zoning the subject property.

Summary:

- City Council adopts Resolution No. 006-2011, granting the petition for annexation of the subject 43.72 acre tract.

- Staff recommends a zoning designation of PDD (Planned Development District for Jewelry Manufacturing) for the property. This designation will accommodate the existing operation as well as provide for any future expansion that may take place within the boundaries of the current facility.

- The James Avery Craftsman property is a developed manufacturing operation. Once annexed the property will have the ability to be fully connected to City utilities

- The Planning and Zoning Commission at their March 3, 2011 meeting, following a public hearing, recommended annexing the subject tract with a zoning designation of PDD. No one from the public appeared at the public hearing.

## RECOMMENDED ACTION

Staff and the Planning and Zoning Commission recommend that the City Council conduct the first required public hearing on this request. No action is to be taken at this time.

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

**SUBJECT:** Public Hearing: Annexation and Zoning Request – Consider a proposed annexation into the Kerrville City Limits of a 43.72 acre tract generally located at and along the intersection of Harper Road (RM 783) and Avery Road and adjacent to the north property line of the American Bank of Texas property. (File No. 2011-07)

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED:** March 4, 2011

**SUBMITTED BY:** Gordon Browning **CLEARANCES:** Kevin Coleman KC

**EXHIBITS:** Location Map, Tract Map

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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

**PAYMENT TO BE MADE TO:**
**APPROVED FOR SUBMITTAL BY DIRECTOR OF ADMINISTRATIVE SERVICES:**

## SUMMARY STATEMENT

Annexation-Zoning Timeline:

- January 25, 2011 – City Council accepts the annexation petition from James Avery Craftsman, Inc. for a 43.72 acre tract. (Resolution No. 006-2011)
- February 23, 2011 – Notice of the required public hearing is published in The Kerrville Daily Times.
- March 3, 2011 – Planning and Zoning Commission (P&Z) public hearing on the proposed annexation and recommendation of zoning designation to the City Council.
- **March 8, 2011 – City Council conducts the first required public hearing on the proposed annexation.**
- March 10, 2011 – Notice of the second required public hearing published in The Kerrville Daily Times and written notification to property owners, franchise utilities, Texas Department of Transportation (TxDOT) and Kerrville Independent School District (KISD).

- March 22, 2011 – City Council conducts the second required public hearing on the proposed annexation.

- April 26, 2011 – City Council considers an ordinance on first reading annexing and zoning the subject property.

- May 10, 2011 – City Council considers an ordinance on second and final reading annexing and zoning the subject property.

Summary:

- City Council adopts Resolution No. 006-2011, granting the petition for annexation of the subject 43.72 acre tract.

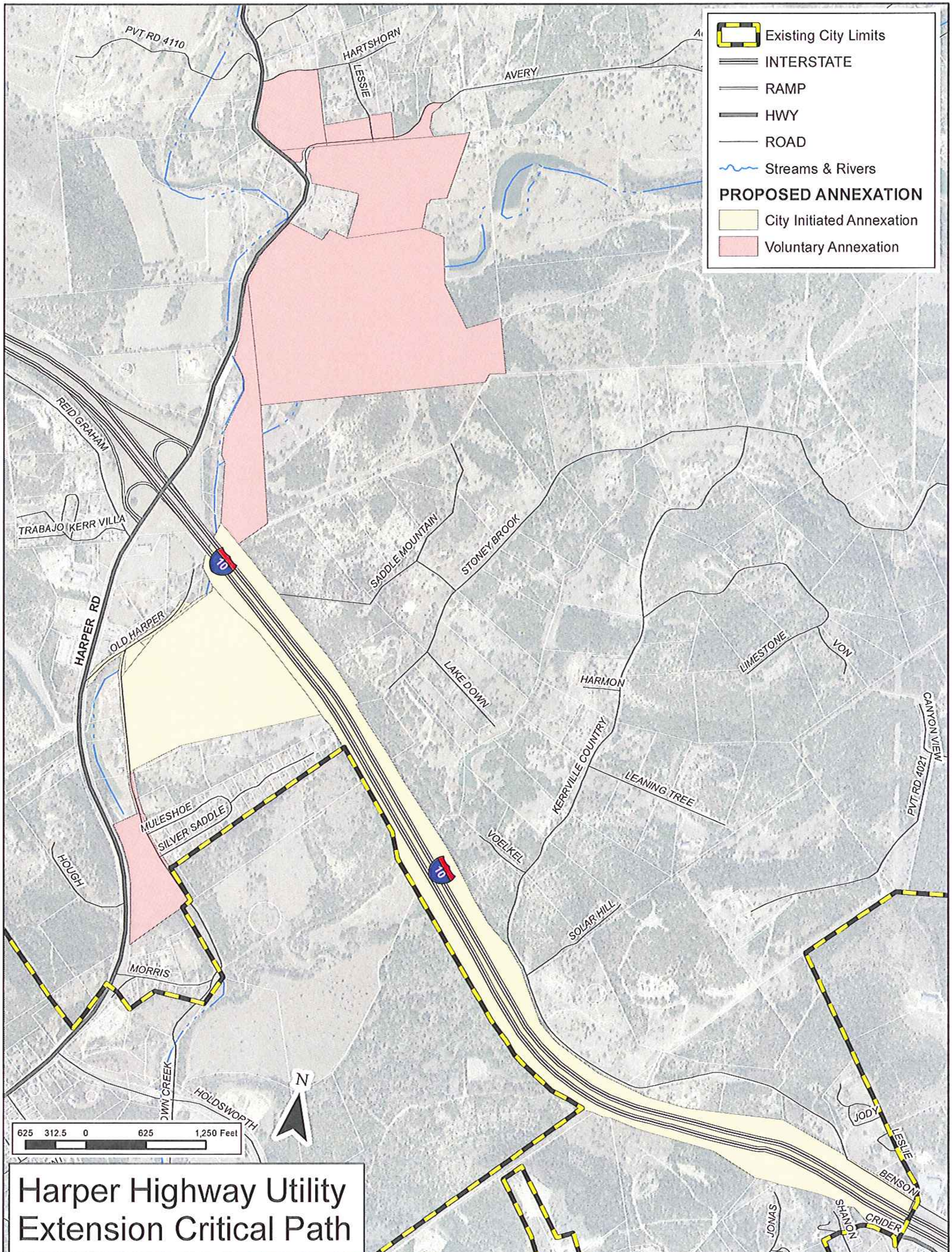
- Staff recommends a zoning designation of PDD (Planned Development District for Jewelry Manufacturing) for the property. This designation will accommodate the existing operation as well as provide for any future expansion that may take place within the boundaries of the current facility.

- The James Avery Craftsman property is a developed manufacturing operation. Once annexed the property will have the ability to be fully connected to City utilities

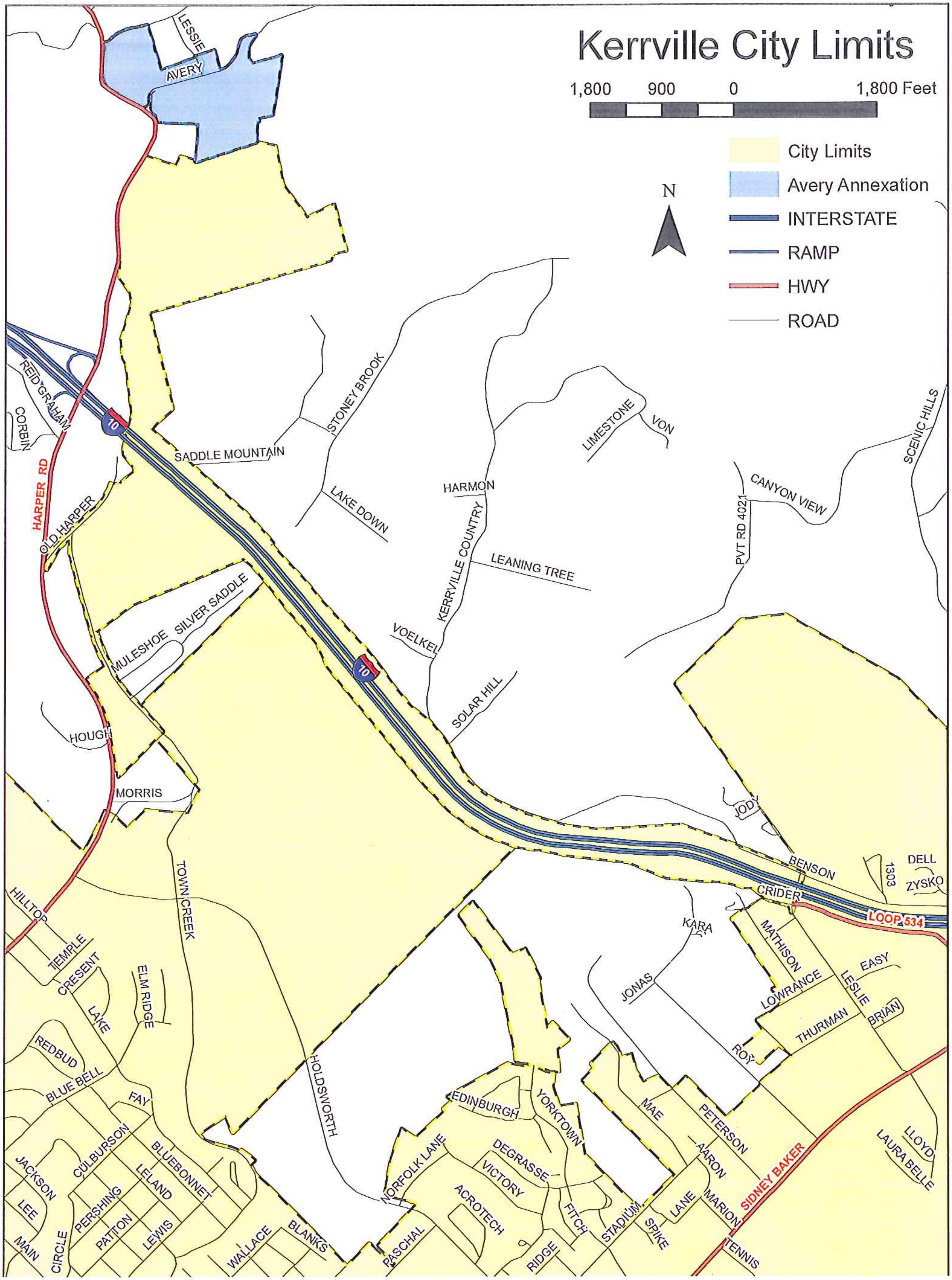
- The Planning and Zoning Commission at their March 3, 2011 meeting, following a public hearing, recommended annexing the subject tract with a zoning designation of PDD. No one from the public appeared at the public hearing.

## RECOMMENDED ACTION

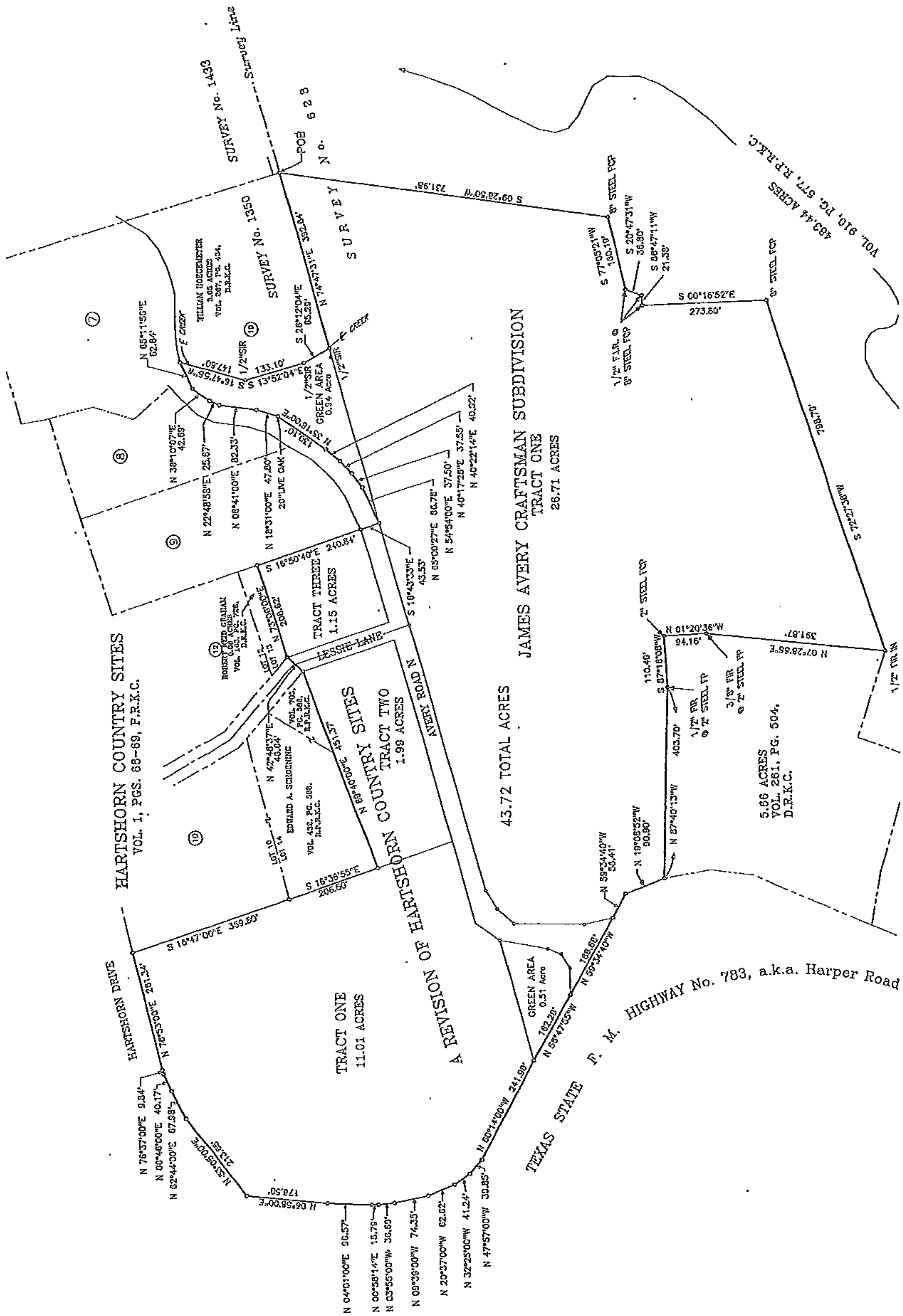
Staff and the Planning and Zoning Commission recommend that the City Council conduct the first required public hearing on this request. No action is to be taken at this time.




# Harper Highway Utility Extension Critical Path



Kerrville City Limits
1,800 900 0 1,800 Feet
City Limits
Avery Annexation
INTERSTATE
RAMP
HWY
ROAD
N
LESSIE
AVERY
REID GRAHAM
CORBIN
HARPER RD
10
SADDLE MOUNTAIN
STONEY BROOK
LAKE DOWN
HARMON
KERRVILLE COUNTRY
LEANING TREE
LIMESTONE
VON
SCENIC HILLS
CANYON VIEW
PVT RD 4021
OLD HARPER
SILVER SADDLE
MULESHOE
VOELKEL
SOLAR HILL
HOUGH
MORRIS
TOWN CREEK
JODY
BENSON
CRIDER
1303
DELL
ZYSKO
LOOP 534
KARA
MATHISON
EASY
LESLIE
LOWRANCE
JONAS
BRIAN
THURMAN
ROY
HILLTOP
TEMPLE
CRESENT
ELM RIDGE
LAKE
REDBUD
BLUE BELL
FAY
HOLDSWORTH
EDINBURGH
YORKTOWN
MAE
PETERSON
CULBURSON
BLUEBONNET
JACKSON
LELAND
PERSHING
LEE
PATTON
LEWIS
MAIN
CIRCLE
WALLACE
BLANKS
NORFOLK LANE
DEGRASSE
VICTORY
ACROTECH
PASCHAL
FITCH
RIDGE
STADIUM
SPIKE
LANE
AARON
MARION
TENNIS
SIDNEY BAKER
LLOYD
LAURA BELLE



SURVEY No. 1433
Survey Line
POB
SURVEY No. 628
SURVEY No. 1350
VOL. 910, PG. 577, R.P.R.K.C.
483.44 ACRES
S 69°28'50"W 731.58'
8" STEEL FCP
S 77°05'21"W 190.10'
S 20°47'31"W 36.80'
S 86°47'11"W 21.38'
S 00°16'52"E 273.80'
1/2" F.I.R. @ 8" STEEL FCP
S 72°27'38"W 798.70'
JAMES AVERY CRAFTSMAN SUBDIVISION
TRACT ONE
26.71 ACRES
43.72 TOTAL ACRES
N 01°20'36"W 94.16'
N 07°28'56"E 391.87'
1/2" FIR
S 87°18'08"W 110.40'
3/8" FIR @ 2" STEEL FP
1/2" FIR @ 2" STEEL FP
N 87°40'13"W 403.70'
5.66 ACRES
VOL. 261, PG. 504,
D.R.K.C.
N 19°08'52"W 90.90'
N 59°34'40"W 58.41'
N 59°34'40"W 169.60'
N 58°47'55"W 162.26'
GREEN AREA
0.51 Acre
TEXAS STATE F. M. HIGHWAY No. 783, a.k.a. Harper Road
N 60°14'00"W 241.90'
AVERY ROAD N
A REVISION OF HARTSHORN COUNTRY SITES
TRACT TWO
1.99 ACRES
TRACT THREE
1.15 ACRES
TRACT ONE
11.01 ACRES
LESSIE LANE
HARTSHORN COUNTRY SITES
VOL. 1, PGS. 68-69, P.R.K.C.
HARTSHORN DRIVE
WILLIAM HOEGEMEYER
3.63 ACRES
GREEN AREA
0.94 Acre
1/2"SIR
S 13°52'04"E 133.10'
S 26°12'04"E 65.29'
N 74°47'31"E 352.84'
N 35°18'00"E 130.10'
20" LIVE OAK
S 16°50'40"E 240.84'
S 16°36'55"E 206.60'
S 16°47'00"E 359.60'
N 76°53'00"E 291.34'
N 69°40'00"E 451.37'
EDWARD A. SCHOENING
LOT 10
LOT 14
LOT 12
LOT 13
N 06°58'00"E 178.50'


EXHIBIT B

# Agenda Item:
**(Staff)**

3B. Public hearing on proposed annexation and recommended zoning of various properties, consisting of approximately 278.4 acres, and generally located beginning northeast of the intersection of Morris Road and Town Creek Road, continuing in a northerly direction along Town Creek Road, across and including Interstate 10, then north through undeveloped property, and terminating at the southern property line of the James Avery Craftsman Campus, as located on the southeastern corner of the intersection of Harper Road (RR 783) and Avery Road.

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

**SUBJECT:** Public Hearing: Annexation and Zoning Request – Consider a proposed annexation into the Kerrville City Limits of 278.4 acres of various properties, such properties being generally located near the Town Creek Road and Morris Road intersection, north along Town Creek Road, across and including Interstate 10, continuing north through undeveloped property and terminating at the south property line of the James Avery Craftsman Headquarters. (File No. 2011-06)

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED:** March 4, 2011

**SUBMITTED BY:** Gordon Browning **CLEARANCES:** Kevin Coleman KC

**EXHIBITS:** Location Map, 5 Tract Maps

**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

Annexation-Zoning Timeline:

- January 25, 2011 – City Council accepts annexation petitions from five (5) property owners as part of the Harper Road Utility Extension Project (116.55 acres) and instructs staff, in the public interest, to begin the annexation process on an additional 161.85 acres. (Resolution Nos. 004-2011 & 006-2011)
- February 18, 2011 – Written notice to affected property owners of the City initiated annexation and zoning mailed.
- February 23, 2011 – Notice of the required public hearing published in The Kerrville Daily Times.
- March 3, 2011 – Planning and Zoning Commission (P&Z) public hearing on proposed annexation and a recommendation of zoning designation to City Council.

- **<u>March 8, 2011</u> – City Council conducts the first required public hearing on the proposed annexation.**

- <u>March 10, 2011</u> – Notice of second required public hearing published in The Kerrville Daily Times and written notification to property owners, franchise utilities, Texas Department of Transportation (TxDOT) and the Kerrville Independent School District (KISD).

- <u>March 22, 2011</u> – City Council conducts the second required public hearing on the proposed annexation.

- <u>April 26, 2011</u> – City Council considers an ordinance on first reading annexing and zoning the subject property.

- <u>May 10, 2010</u> – City Council considers an ordinance on second and final reading annexing and zoning the subject property.

<u>Summary:</u>

- City Council adopts Resolution No. 006-2011, granting the petition for annexation of 116.55 acres and Resolution 004-2011 initiating annexation of an additional 161.85 acres.

- The properties shown and described in the attachments are adjacent to the water and/or sewer extension currently under construction along Harper and Town Creek Roads. In exchange for utility connection the owners of the five (5) properties are requesting annexation and zoning of their respective properties. The additional 161.85 acres are being annexed and zoned to complete the project and to maintain connectivity to the City Limits. Utility connections to those properties will also be available where applicable.

- Staff recommends a zoning designation of R-1 (Single Family Residential) for the properties being annexed.

- The Planning and Zoning Commission at their March 3, 2011 meeting, following a public hearing, recommended annexing the subject tract with a zoning designation of R-1. The owner of 701 Town Creek asked the Commission to defer action for 60 days or until ownership of property was settled. No one else from the public appeared at the public hearing.

## RECOMMENDED ACTION

Staff and the Planning and Zoning Commission recommend that the City Council conduct the first required public hearing on this request. No action is to be taken at this time.

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

**SUBJECT:** Public Hearing: Annexation and Zoning Request – Consider a proposed annexation into the Kerrville City Limits of 278.4 acres of various properties, such properties being generally located near the Town Creek Road and Morris Road intersection, north along Town Creek Road, across and including Interstate 10, continuing north through undeveloped property and terminating at the south property line of the James Avery Craftsman Headquarters. (File No. 2011-06)

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED:** March 4, 2011

**SUBMITTED BY:** Gordon Browning **CLEARANCES:** Kevin Coleman KC

**EXHIBITS:** Location Map, 5 Tract Maps

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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

**PAYMENT TO BE MADE TO:**

**APPROVED FOR SUBMITTAL BY DIRECTOR OF ADMINISTRATIVE SERVICES:**

Reviewed by the Finance Director:

**SUMMARY STATEMENT**

Annexation-Zoning Timeline:

- January 25, 2011 – City Council accepts annexation petitions from five (5) property owners as part of the Harper Road Utility Extension Project (116.55 acres) and instructs staff, in the public interest, to begin the annexation process on an additional 161.85 acres. (Resolution Nos. 004-2011 & 006-2011)

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Summary:

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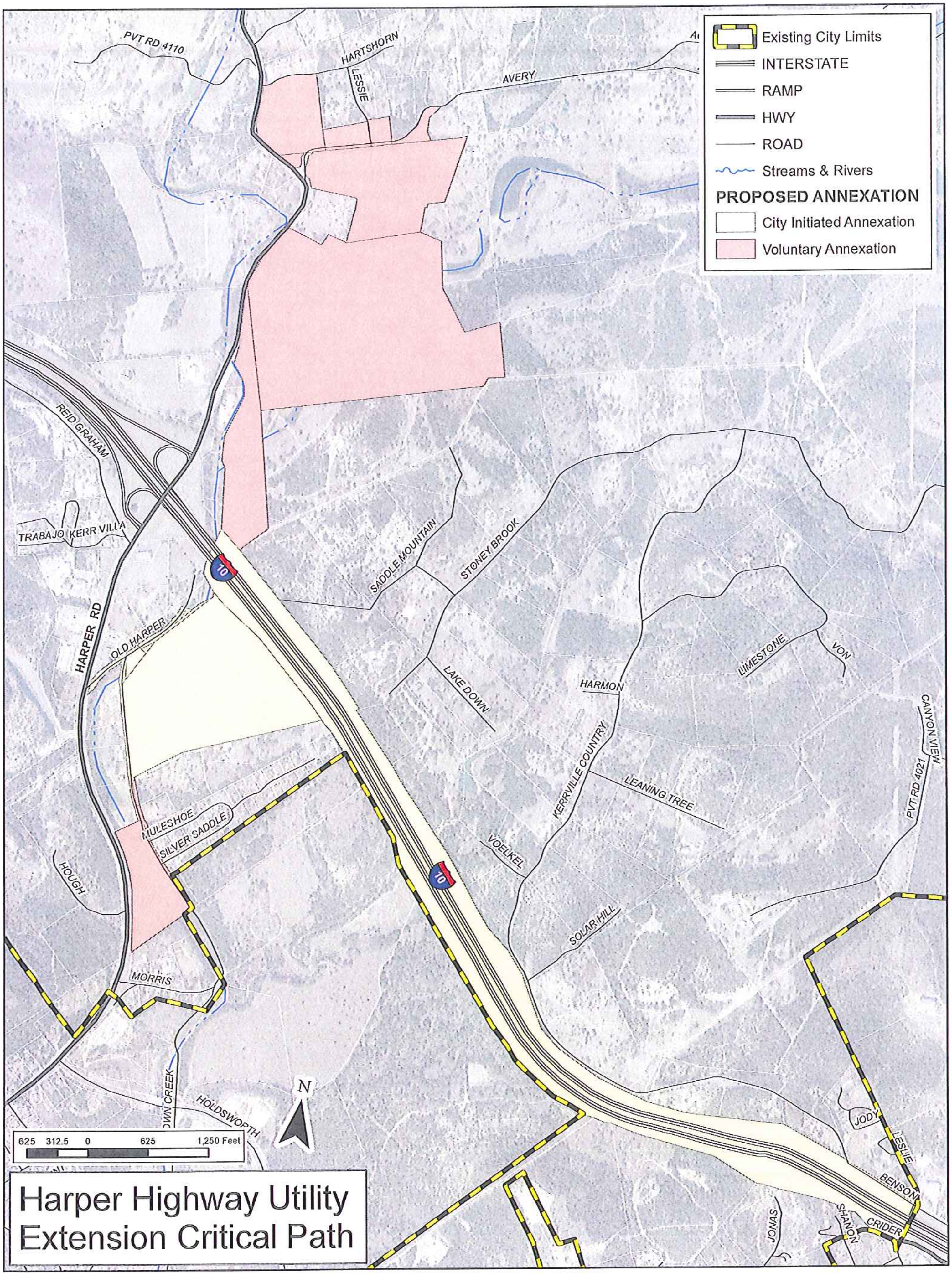
- Staff recommends a zoning designation of R-1 (Single Family Residential) for the properties being annexed.

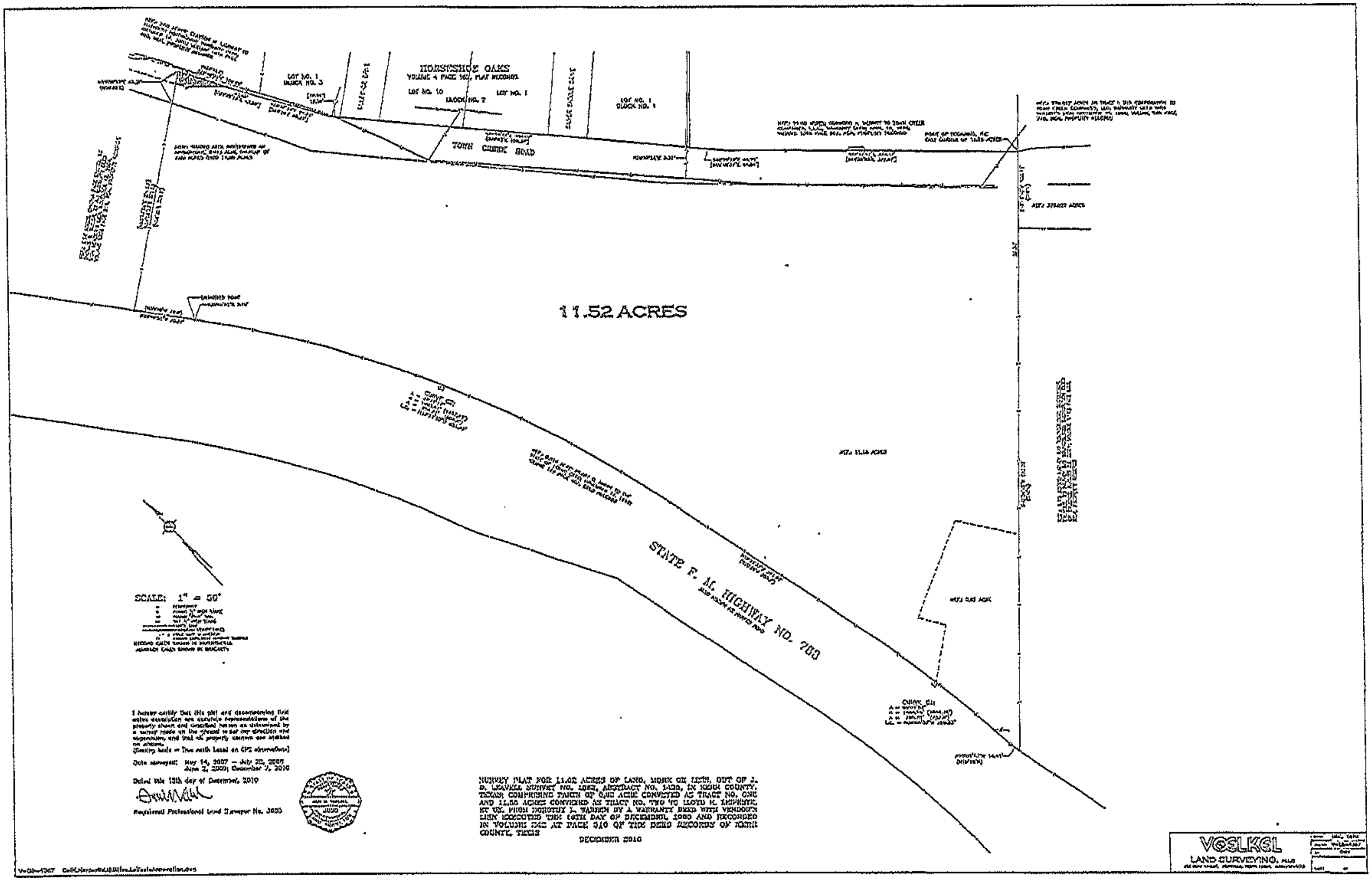
- The Planning and Zoning Commission at their March 3, 2011 meeting, following a public hearing, recommended annexing the subject tract with a zoning designation of R-1. The owner of 701 Town Creek asked the Commission to defer action for 60 days or until ownership of property was settled. No one else from the public appeared at the public hearing.

## RECOMMENDED ACTION

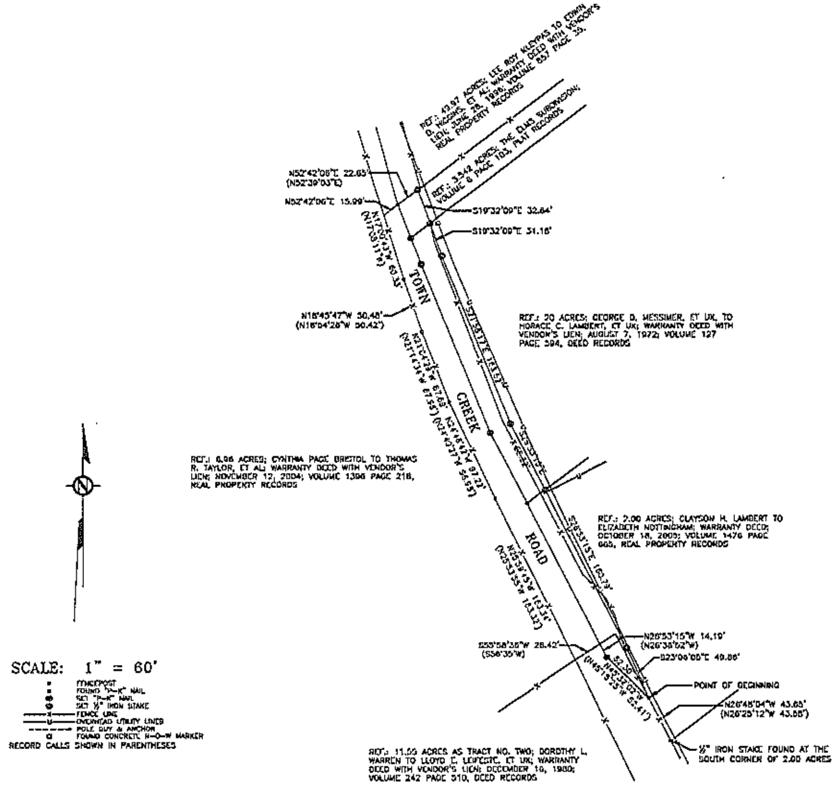
Staff and the Planning and Zoning Commission recommend that the City Council conduct the first required public hearing on this request. No action is to be taken at this time.




# Harper Highway Utility Extension Critical Path



HORSESHOE OAKS
LOT NO. 1 BLOCK NO. 3
LOT NO. 10 BLOCK NO. 7 LOT NO. 1
LOT NO. 1 BLOCK NO. 1
TOWN CREEK ROAD
11.52 ACRES
STATE F. M. HIGHWAY NO. 783
SCALE: 1" = 50'
Dated this 13th day of December, 2010
Registered Professional Land Surveyor No.
December 2010
LAND SURVEYING




I hereby certify that this plat and accompanying field notes description are accurate representations of the property shown and described hereon as determined by a survey made on the ground under my direction and supervision, and that all property corners are marked as shown.
(Bearing basis = True north based on GPS observations)

Date surveyed: May 14, 2007 – July 28, 2008
January 7 & December 7, 2010
January 18, 2011

Dated this 24th day of January, 2011

Don W. Voelkel
Registered Professional Land Surveyor No. 3990


SURVEY PLAT FOR 0.45 ACRE OF LAND, MORE OR LESS, OUT OF JESUS HERNANDEZ SURVEY NO. 548, ABSTRACT NO. 189, IN KERR COUNTY, TEXAS; PARTS OF 20 ACRES, 11.55 ACRES, 3.542 ACRES, 2.00 ACRES, AND THE RIGHT-OF-WAY OF TOWN CREEK ROAD, AS SHOWN HEREON, IN KERR COUNTY, TEXAS

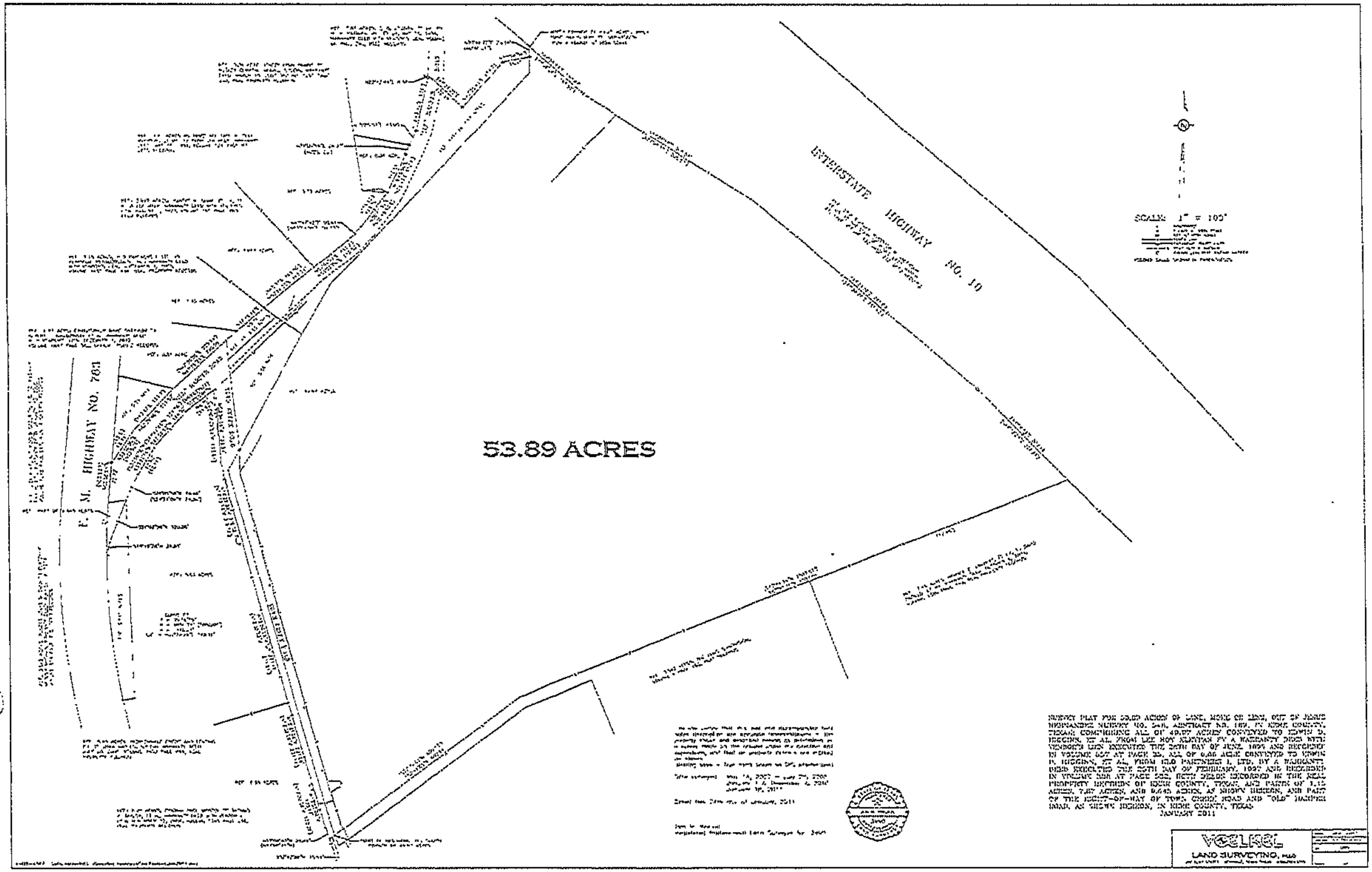
JANUARY 2011

VOELKEL
LAND SURVEYING, PLLC
212 CLAY STREET, KERRVILLE, TEXAS 78028, 830-257-3315

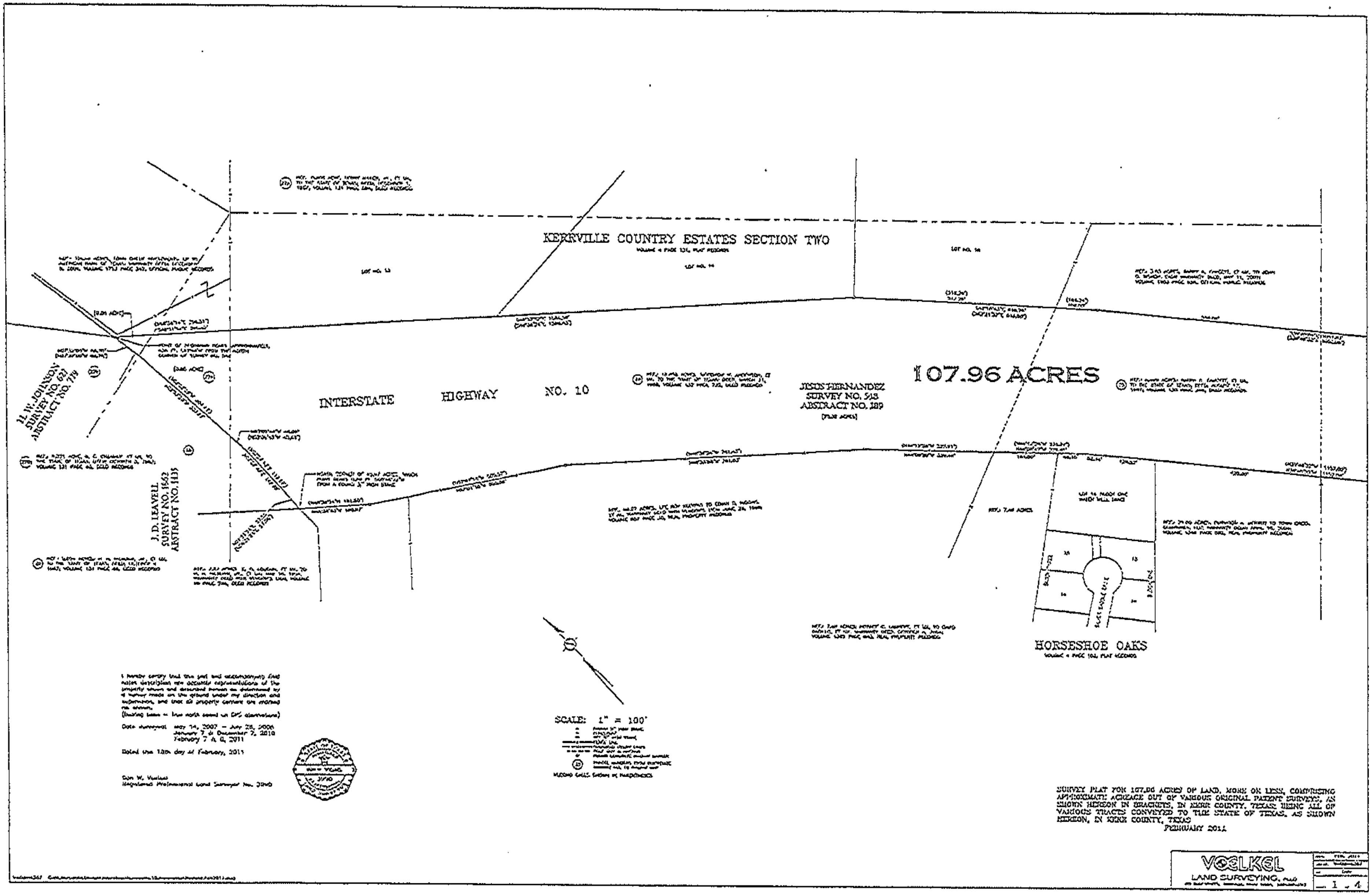
| | |
|---|---|
| DATE | JAN. 2011 |
| JOB NO. | V-11-4387 |
| DR. | DWV |
| SHEET | OF |

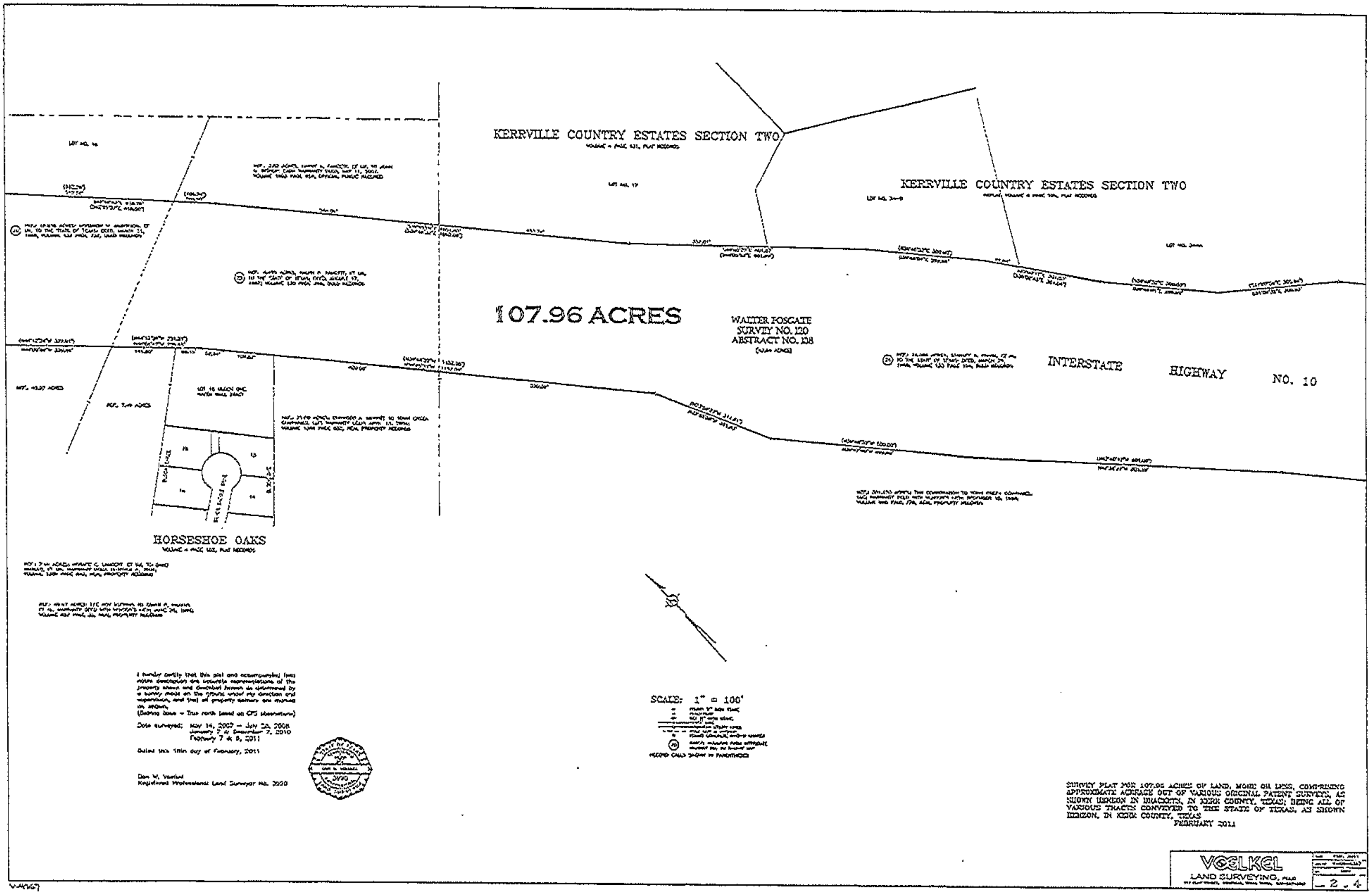
CofK.HarperRd.Utilities.TownCreekRoad.Annexation.dwg
V-11-4387

P. 004-701

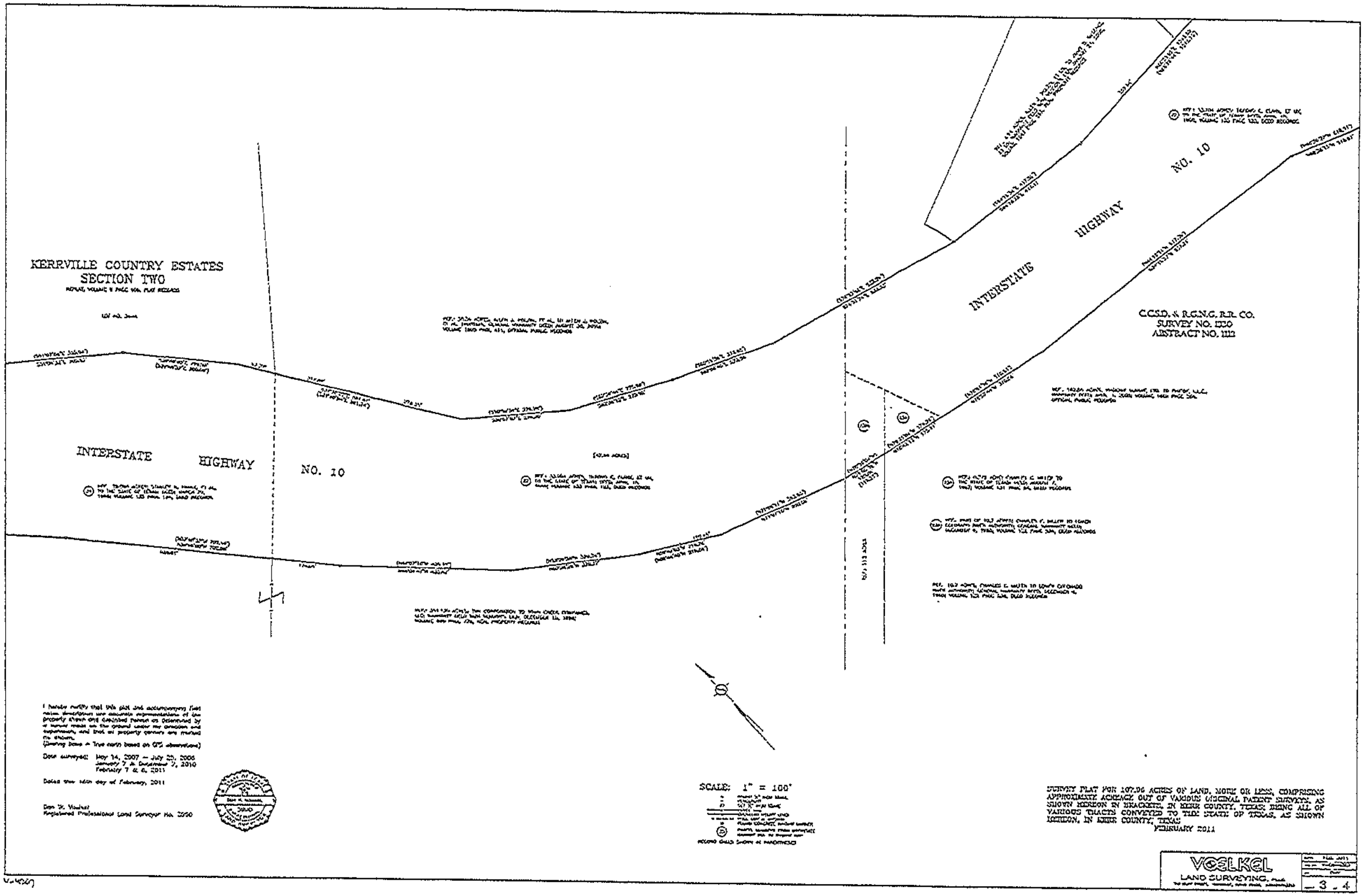


F. M. HIGHWAY NO. 783
53.89 ACRES
INTERSTATE HIGHWAY NO. 10
SCALE: 1" = 100'
JANUARY 2011
VOELKEL
LAND SURVEYING

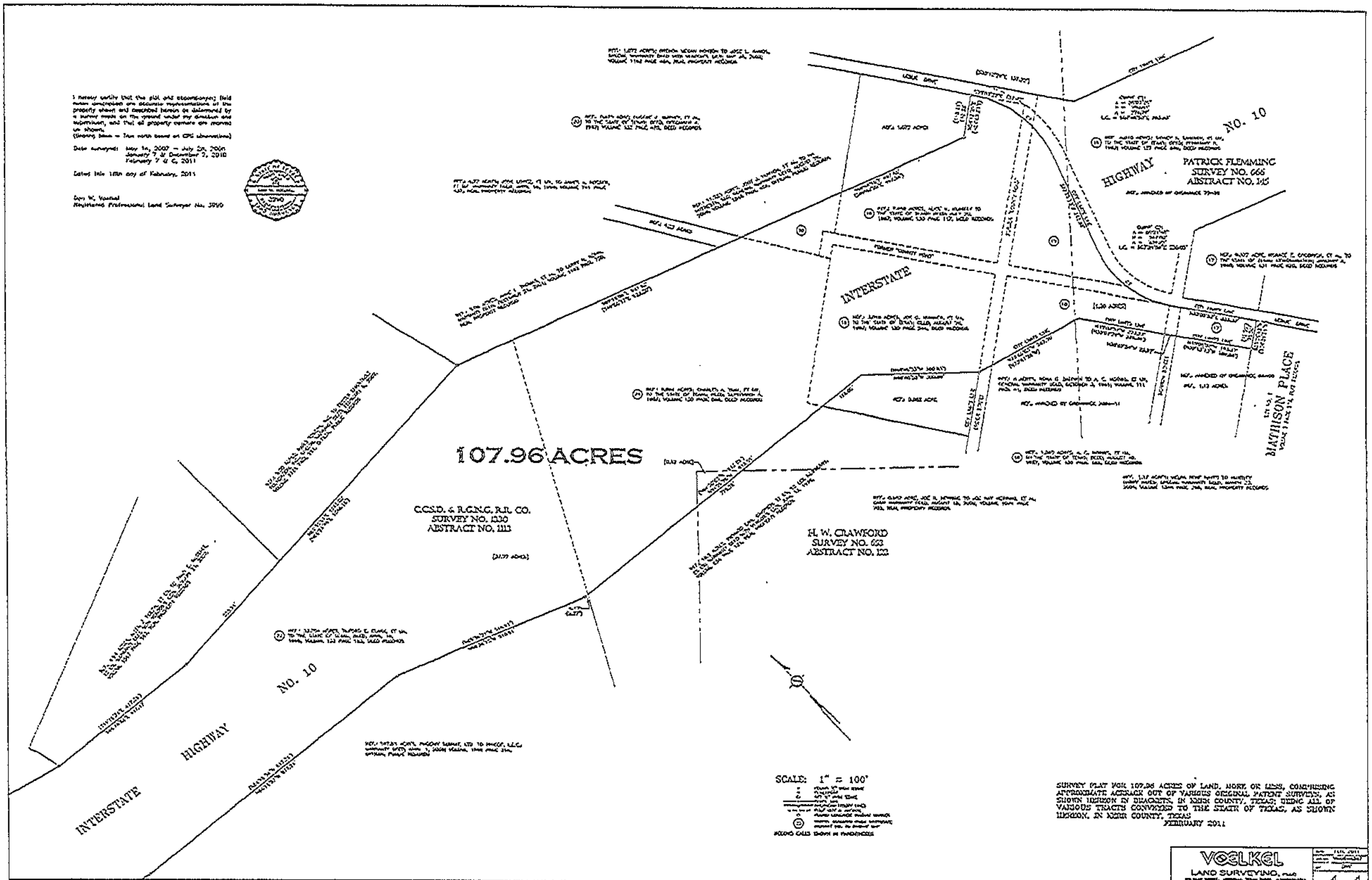

KERRVILLE COUNTRY ESTATES SECTION TWO
H. W. JOHNSON
SURVEY NO. 621
ABSTRACT NO. 779
INTERSTATE HIGHWAY NO. 10
JESUS HERNANDEZ
SURVEY NO. 513
ABSTRACT NO. 189
107.96 ACRES
J. D. LEAVELL
SURVEY NO. 1662
ABSTRACT NO. 1135
HORSESHOE OAKS
SCALE: 1" = 100'
SURVEY PLAT FOR 107.96 ACRES OF LAND, MORE OR LESS, COMPRISING APPROXIMATE ACREAGE OUT OF VARIOUS ORIGINAL PATENT SURVEYS, AS SHOWN HEREON IN BRACKETS, IN KERR COUNTY, TEXAS: BEING ALL OF VARIOUS TRACTS CONVEYED TO THE STATE OF TEXAS, AS SHOWN HEREON, IN KERR COUNTY, TEXAS
FEBRUARY 2011
VOELKEL
LAND SURVEYING
1 4



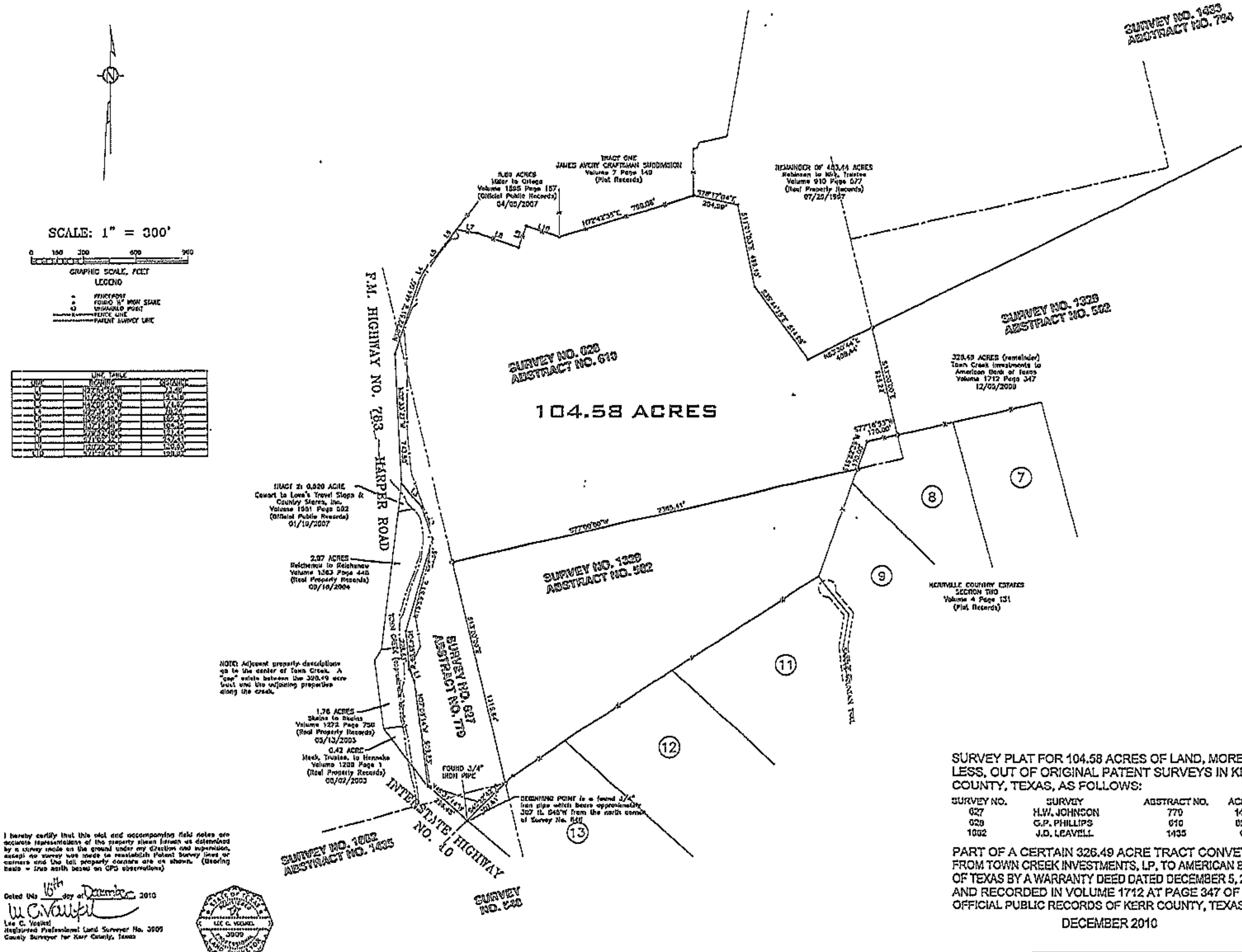
SURVEY PLAT FOR 107.96 ACRES OF LAND, MORE OR LESS, COMPRISING APPROXIMATE ACREAGE OUT OF VARIOUS ORIGINAL PATENT SURVEYS, AS SHOWN HEREON IN BRACKETS, IN KERR COUNTY, TEXAS; BEING ALL OF VARIOUS TRACTS CONVEYED TO THE STATE OF TEXAS, AS SHOWN HEREON, IN KERR COUNTY, TEXAS
FEBRUARY 2011



KERRVILLE COUNTRY ESTATES
SECTION TWO
INTERSTATE HIGHWAY NO. 10
INTERSTATE HIGHWAY NO. 10
C.C.S.D. & R.G.N.G. R.R. CO.
SURVEY NO. 1330
ABSTRACT NO. 1112
SCALE: 1" = 100'
SURVEY PLAT FOR 107.06 ACRES OF LAND, MORE OR LESS, COMPRISING APPROXIMATE ACREAGE OUT OF VARIOUS ORIGINAL PATENT SURVEYS, AS SHOWN HEREON IN BRACKETS, IN KERR COUNTY, TEXAS; BEING ALL OF VARIOUS TRACTS CONVEYED TO THE STATE OF TEXAS, AS SHOWN HEREON, IN KERR COUNTY, TEXAS
FEBRUARY 2011
VOELKEL
LAND SURVEYING
3
4



107.96 ACRES
INTERSTATE HIGHWAY NO. 10
C.C.S.D. & R.G.N.G. R.R. CO.
SURVEY NO. 1130
ABSTRACT NO. 1113
H. W. CRAWFORD
SURVEY NO. 653
ABSTRACT NO. 122
PATRICK FLEMMING
SURVEY NO. 666
ABSTRACT NO. 145
MATHISON PLACE
SCALE: 1" = 100'
SURVEY PLAT FOR 107.96 ACRES OF LAND, MORE OR LESS, COMPRISING APPROXIMATE ACREAGE OUT OF VARIOUS ORIGINAL PATENT SURVEYS, AS SHOWN HEREON IN BRACKETS, IN KERR COUNTY, TEXAS; BEING ALL OF VARIOUS TRACTS CONVEYED TO THE STATE OF TEXAS, AS SHOWN HEREON, IN KERR COUNTY, TEXAS
FEBRUARY 2011
VOELKEL
LAND SURVEYING
4 4




SURVEY PLAT FOR 104.58 ACRES OF LAND, MORE OR LESS, OUT OF ORIGINAL PATENT SURVEYS IN KERR COUNTY, TEXAS, AS FOLLOWS:

| SURVEY NO. | SURVEY | ABSTRACT NO. | ACRES |
|---|---|---|---|
| 627 | H.W. JOHNSON | 770 | 14.10 |
| 628 | G.P. PHILLIPS | 610 | 89.76 |
| 1082 | J.D. LEAVELL | 1435 | 0.64 |

PART OF A CERTAIN 326.49 ACRE TRACT CONVEYED FROM TOWN CREEK INVESTMENTS, LP, TO AMERICAN BANK OF TEXAS BY A WARRANTY DEED DATED DECEMBER 5, 2008, AND RECORDED IN VOLUME 1712 AT PAGE 347 OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS

DECEMBER 2010

Dated this 16th day of December 2010

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

VOELKEL
LAND SURVEYING, PLLC

Annex.AmBankTX.2010.dwg
Y-4367/4450

1 of 1

# Agenda Item:
**(Staff)**

4A. Receive an update and provide direction to city staff regarding the Kerrville river trail project.

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

**SUBJECT:** Receive an update and provide direction to city staff regarding the Kerrville river trail project.

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED**: March 4, 2011

**SUBMITTED BY:** Todd Parton
City Manager

**CLEARANCES:** NA

**EXHIBITS:** None

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

## SUMMARY STATEMENT

Mr. Pete Moore will be present to provide an update to the City Council regarding the current status of the river trail project. In addition, staff is requesting direction on a strategy to move the project toward implementation.

To date, Mr. Moore has created a concept piece for the river trail that includes a routing plan, a fitness program, a nature program, and a conservation/education program. The river trail routing plan has been created by Mr. Moore in conjunction with his consulting engineer and the programming components have been created in conjunction with Schreiner University, Family Sports Center, and the Riverside Nature Center.

Mr. Moore has also been in contact with Mr. Joe Herring, Jr. to develop a historical component for the trail.

In addition, a 501 c(3) organization has been created to support the river trail project. The mission of the organization is to raise funds for the construction and maintenance of the trail in addition to serving as a land bank than can accept and manage lands donated for the purpose of the river trail.

Staff has met with Mr. Moore to establish a timeline for moving this project forward. The next steps include schematic design, project pricing, community input, final design, and execution. A tentative timeline is included below and is under review by Mr. Moore's potential design team:

1. City Council Direction – March 2011
2. Schematic Design (Including Public Input) – 60 Days (May to June, 2011)
3. Pricing – 30 Days (June to July, 2011)
4. Final Design – 60 Days (July to August, 2011)
5. Execution (TBD):
   a. Right-of-Way Acquisition
   b. Preparation of Bid Documents
   c. Bidding and Construction
   d. Final Acceptance

A timeline for execution may be established once the means and methods of construction have been identified. Options for construction include this as a City construction effort or as a public/private effort with design and construction by Mr. Moore with City financial contribution. The City would have design input and direction throughout the project. Additional consideration for construction will be the ability to acquire final easements and to secure adequate funding.

The schematic design phase would also include a phasing plan with phase 1 planning to extend from Louise Hays Park to Knapp Park. A key issue in constructing this entire phase will be the ability to secure easements or rights-of-way. Construction phasing will include a means to break the initial phasing into smaller segments that could focus on a trail from Guadalupe Park west to Knapp Park and from the River Nature Center to Tranquility Island and into Louise Hays Park.

In order to facilitate this project, Mr. Moore has offered his willingness to front the costs for design and preliminary engineering drawings with reimbursement from the City. This would provide schematic design from Knapp Park east to Louise Hays Park. The schematic design phase can also include preliminary park design for Louise Hays and Guadalupe Parks.

An alternative option would be to continue working with Mr. Moore to construct that portion of the trail that extends from Guadalupe Park west to Knapp Park and to concentrate on improvements to Louise Hays Park.

## RECOMMENDED ACTION

Provide direction to city staff regarding the scope, schedule, and means of procurement for this project.

# <u>Agenda Item:</u>
**(Staff)**

4B. Direction to staff regarding interlocal agreements between the City of Kerrville and Kerr County for joint operations.

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

**SUBJECT:** Discussion and consideration of interlocal agreements between the City of Kerrville and Kerr County for joint operations.

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED:** March 4, 2011

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

**EXHIBITS:** City of Kerrville Outline of Interlocal Agreements

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

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

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

## SUMMARY STATEMENT

Staff is requesting direction from the City Council with regard to the discussions held during the March 2, 2011, joint meeting between the City Council and Commissioners' Court.

Specific direction from the City Council is requested on modifications to the outline of services recently presented to the Commissioners' Court by the City. A copy of that outline of services is attached to this memorandum.

Outstanding topics include:

1. Desired modifications based on Commission input, and
2. Reaffirmation of the March 31, 2011, deadline.

Staff is in the process of reviewing the original outline of services and will provide some additional information for consideration at this meeting.

## RECOMMENDED ACTION

Consider the proposed outline of services and provide direction to City staff regarding changes in the proposed services and funding levels in addition to the timeline for negotiations

## Outline of Interlocal Services
## (Submitted to Kerr County February 15, 2011)

Proposal for Joint Operations between the City of Kerrville and Kerr County (Anticipates a 5-Year Initial Funding Commitment)

1. **Library**
   a. Annual Operations Expenses
      i. Split Equally between City and County
      ii. Fixed Annual Allocation
         1. 10-Year Average of Audited Expenditures
         2. $412,500 Each for Total of $825,000
         3. Annual Escalator Benchmarked to CPI After Second Year of Funding
      iii. Excludes Capital Expenditures, Major Building Maintenance and Depreciation
   b. Library Facilities
      i. City Maintains Ownership of Building and Land
      ii. City Bears Responsibility for Major Building Maintenance, Capital Improvements, and Depreciation
   c. Library Staff
      i. Employees of the City of Kerrville
   d. Operations
      i. Open 54 Hours and 7 Days/Week (Except Holidays)
      ii. Current Programming to Remain
      iii. Add Youth Services and Increase Staff with a Youth Services Librarian

**Recap:** **Total Annual Operating Expenses = $825,000**
**Annual Expenses Split 50/50 = $412,500 Each by City and County**
**Annual Expense Escalator benchmarked to CPI after Second Year**
**Programming to Remain Consistent**

2. **Airport**
   a. Annual Operations Expenses
      i. Split Equallyly Between City and County
      ii. Annual Allocation
         1. 2-Year Average of Audited Annual Expenditures Less Revenues
         2. $200,000 Each for Total of $400,000
         3. Annual Escalator Benchmarked to CPI After Second Year of Funding
   b. Capital Improvements
      i. Split Evenly Between City and County
      ii. Funding Provided After Bids Received
      iii. Capital Improvements Limited to a CIP Approved Annually by both the City and the County
      iv. No Capital Improvements Exceeding $5,000 Allowed without Prior Approval of Both the City and the County

c. Airport Board
    i. Existing Board Structure Maintained
    ii. Current Management Contract Needs to be Evaluated and Amended w/the Following Specific Points Modified
        1. Current Terms of Agreement
            a. Automatically Renewing Agreement (Annual Basis)
            b. Termination For Cause
        2. Pricing of Agreement – Currently Contains No Provision for Charges for Services
    iii. Gifts – No Gifts of Land or Facilities May be Provided by the Airport Board without Prior Approval of both the City and the County

**Recap:** **Total Annual Operating Expenses = $460,000**
**Annual Expenses Split 50/50 = $230,000 Each to City and County**
**Annual Expense Escalator benchmarked to CPI after Second Year**
**Airport Board Amendments**
**Capital Improvements**
**Gifts**

## 3. Fire and Emergency Medical Services

a. Combination Services Covered Under a Single Agreement
b. Annual County Funding Commitment
    i. Pricing based on Total Costs to Provide the Service
        1. County Utilization of Resources for Fire and EMS
        2. EMS Collections to be Applied as System Revenue w/Annual Pricing being Net Operational Expenses After Collections for EMS Services Less 2% of Net Collections for Administrative Expenses
    ii. Basis for Pricing to Also Include Depreciation, Management Overhead, Workers Compensation Coverage, and Risk and Liability Insurance
c. Services Provided
    i. Fire Operations
        1. Certified Fire Fighter Staffing w/Certified Equipment in First Responder Area
        2. Coverage Provided 24 Hours/Day and 7 Days/Week in First Responder Area
        3. County-Wide Emergency Management Services
        4. Emergency Rescue
            a. Dive Team
            b. Swift Water
            c. Low Angle/High Angle Rope
            d. Vehicle Recovery and Extrication
            e. Body Recovery
            f. Evidence Recovery
    ii. Emergency Medical Services Operations
        1. ALS-MICU Level Services for Emergency and Non-Emergency Calls
        2. Coverage for Entire County (excluding existing contracted areas)
        3. Coverage Provided 24 Hours/Day and 7 Days/Week
        4. All Transfer Services in County

5. Coordinate Kerr County First Responder Program
    a. Administrative Services
    b. Medical Director Services by Board Certified Emergency Medical Physician

iii. Existing Levels of Service Maintained for Fire and EMS Operations
    1. Existing Manpower
    2. Existing Equipment
    3. Existing Protocols

**Recap:** **Single Contract for Fire and EMS Service**
**Annual Pricing Based on County Utilization**
**Existing Levels of Service Maintained**

## 4. <u>Animal Control</u>

a. Annual Operations Expenses – Covered Fully by County
b. City Revise Codes to be Consistent with County Codes (Animal Control Staff Provides Direction)
c. All Cases Filed in County Courts
d. No Minimum Service Level Requirement within the City of Kerrville
e. All Revenues from Animal Control Operations go to County
    i. Citations
    ii. Animal Registrations
    iii. All Other Revenue Sources

**Recap:** **County Provides Full Services**
**County Provides Full Funding**
**County Maintains All Revenues**
**City Codes Amended to Provide Single Set of Standards**

# <u>Agenda Item:</u>

(Staff)

4C. Consider acceptance of a gift of land in the 700 block of Water Street from the Cailloux Foundation for use as a city hall.

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

**SUBJECT:** Consider acceptance of a gift of land in the 700 block of Water Street by the Cailloux Foundation for use as a city hall

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED:** March 3, 2011

**SUBMITTED BY:** Todd Parton
City Manager

**CLEARANCES:** NA

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

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

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

## SUMMARY STATEMENT

On December 9, 2010, Mr. Ben Modisett, representing the Cailloux Foundation, offered the city land on the southeast corner of Main Street and Sidney Baker for construction of a new city hall. Council instructed staff to work with the Cailloux Foundation to discuss the specific details of the offer, and staff will be prepared to present those details to council.

## RECOMMENDED ACTION

Consider acceptance of the gift from the Cailloux Foundation.

# Agenda Item:

**(Staff)**

4D. Update regarding Lower Colorado River Authority Transmission Services Corporation's (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project (PUC Docket No. 38354).

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

**SUBJECT:** Update regarding Lower Colorado River Authority Transmission Services Corporation application for the proposed McCamey D to Kendall to Gillespie CREZ project.

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED**: March 3, 2011

**SUBMITTED BY:** Todd Parton
City Manager

**CLEARANCES:**

**EXHIBITS:** None

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

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

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

## SUMMARY STATEMENT

City Staff will provide on update regarding the CREZ Project.

## RECOMMENDED ACTION

Discussion and possible action as may be necessary.

# <u>Agenda Item:</u>
**(Staff)**

5A. Economic update.

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

**SUBJECT:** Kerrville Budget/Economic Update

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED**: February 24, 2011

**SUBMITTED BY:** Mike Erwin ME/BC
Director of Finance

**CLEARANCES:** Todd Parton
City Manager

**EXHIBITS: Economic Update**
**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 OR FINANCE:**

## SUMMARY STATEMENT

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

## RECOMMENDED ACTION

No action required information purposes only.

CITY OF KERRVILLE
ECONOMIC UPDATE AS OF MARCH 2, 2011

| | Current Month | Previous Month | 1 Year Ago | Trend | Current Month |
|---|---|---|---|---|---|
| National | | | | | |
| Unemployment | 9.00% | 9.40% | 9.70% | ↓ | January |
| Consumer Confidence | 70.4 | 64.8 | 46.4 | ↑ | February |
| 1 year T-Bills | 0.23% | 0.25% | 0.30% | ↓ | 3/2/11 |
| State | | | | | |
| Monthly Unemployment | 8.00% | 8.30% | 8.00% | ↓ | December |
| Monthly Sales Tax | $1,828.1m | $1,807.9m | $1,655.3m | ↑ | January |
| Local | | | | | |
| Monthly Unemployment (Kerr Co.) | 5.90% | 6.10% | 5.90% | ↓ | December |
| Median Listing Price | $198,500 | $199,000 | $210,000 | ↓ | 2/3/11 |
| Monthly Sales Tax | $482,684 | $390,103 | $473,674 | ↑ | February |
| Monthly EIC Tax | $241,320 | $195,030 | $236,837 | ↑ | February |
| Monthly HOT | $40,575 | $41,856 | $44,742 | ↓ | February |

| | FY11 Budget | FY11 as of 01/31/2011 | FY11 % Received | FY10 as of 01/31/2010 | FY10 % Received |
|---|---|---|---|---|---|
| General Fund | | | | | |
| Tax Revenue | $14,647,100 | $9,076,313 | 61.97% | $8,528,233 | 56.65% |
| Property Tax | $8,240,000 | $7,127,278 | 86.50% | $6,785,923 | 80.13% |
| Sales Tax | $4,500,000 | $1,512,457 | 33.61% | $1,420,479 | 30.72% |
| Permits & Fees | $402,450 | $129,655 | 32.22% | $91,059 | 24.56% |
| Intergovernmental | $707,013 | $313,040 | 44.28% | $212,061 | 30.51% |
| Service Revenues | $2,578,260 | $809,570 | 31.40% | $931,833 | 28.14% |
| Grant Revenue | $10,000 | $4,944 | 49.44% | $10,525 | 105.25% |
| Fines & Forfeitures | $477,710 | $193,328 | 40.47% | $156,136 | 30.95% |
| Interest & Misc. | $235,372 | $163,717 | 69.56% | $169,429 | 36.82% |
| Transfers In | $1,000,000 | $333,333 | 33.33% | $597,967 | 47.43% |
| Total General Fund | $20,057,905 | $11,023,899 | 54.96% | $10,697,243 | 49.37% |
| Total General Fund Expenditures | $20,057,905 | $6,635,482 | 33.08% | $7,481,255 | 33.32% |
| Water/Sewer Fund | | | | | |
| Water Sales | $4,400,000 | $1,590,183 | 36.14% | $1,274,249 | 6.29% |
| Sewer Sales | $3,760,000 | $1,166,082 | 31.01% | $1,221,333 | 7.17% |
| Other Revenue | $782,124 | $219,000 | 28.00% | $231,971 | 34.65% |
| Total Water & Sewer Fund | $8,942,124 | $2,975,265 | 33.27% | $2,727,554 | 28.32% |
| Total W&S Fund Expenditures | $9,242,124 | $2,901,724 | 31.40% | $2,900,746 | 30.62% |

# <u>Agenda Item:</u>
**(Staff)**

6A. Appointment to the Kerrville Public Utility Board (KPUB).

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

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**SUBJECT:** Appointment to the Kerrville Public Utility Board

**FOR AGENDA OF:** March 8, 2011 **DATE SUBMITTED**: February 21, 2011

**SUBMITTED BY:** Brenda Craig, City Secretary BC **CLEARANCES:**

**EXHIBITS:** Board List
Letter and applications from KPUB (attached separately for executive session)

**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:**

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## SUMMARY STATEMENT

Consider appointment to the following board:

**Kerrville Public Utility Board**: One term due to expire April 21, 2011: Stephen P. Fine.

## RECOMMENDED ACTION

Consider appointment.

## KERRVILLE PUBLIC UTILITY BOARD

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| SMITH, BLAKE W.<br>P.O. Box 139<br>Hunt, 78024 | 238-4621 (O)<br>238-4548 (H) | 04-16-02 | 04-10-07 | 04-21-12 |
| FINE, STEPHEN<br>1210 Virginia Dr. | 257-6020 (O)<br>896-2934 (H) | 03-28-06 | | 04-21-11 |
| GAMBLE, FRED<br>430 Crest Ridge | 792-7355 (O)<br>257-5135 (H) | 04-13-10 | | 04-21-15 |
| WAMPLER, DAVID<br>Mayor<br>222 Sidney Baker South<br>Suite 538 | 895-3600 (O)<br>896-7832 (H) | 05-18-10 | | 05-18-12 |
| SAMPLE, JOHN<br>P.O. Box 291341<br>355 W. Main | 257-6625 (H) | 03-10-09 | | 04-21-14 |
| McCUAN, TRACY<br>General Manager<br>P.O. Box 294999 | 257-3050 (O) | | | |

Qualifications: Citizen of the United States of America who reside or conduct business on a full-time basis in Kerr County, Texas and who use the system for personal, residential, business and/or company use. No person who is related within the second degree of consanguinity or affinity to any member of the board of trustees shall be eligible for election as a member of the board.

Vacancies: All vacancies shall be filled by the city council from nominations of at least three persons for each position to be filled by the majority vote of the remaining members of the board of trustees. If the city council does not act upon such nominations within 30 days after submission in writing to the city council, the board of trustees by majority vote of the remaining members shall nominate three additional persons for each position to be filled. If the city council does not act upon such additional nominations within 30 days after submission of such additional nominations, the board shall be empowered to fill such vacancies by the majority vote of the remaining members of the board of trustees.

Powers: To take, have and exercise exclusive possession and control of the system, and all additions thereto, and to collect, and enforce the collection of all funds and revenues that may be or become owing or hat may arise out of the operation of the system, and to disburse the same. To fix all rates for all services to be furnished by the system, with the power to alter the same at any time or times, subject to approval of the city council of the city of Kerrville. To employ and pay the compensation of a general manager of the system, and attorneys, engineers and other professional or technical aids as may be necessary. To do any and all things necessary in reference to the installing and maintaining of a complete system of records and accounts pertaining to the system and to make monies available for the payment of revenue bonds.

| | |
|---|---|
| Term of Office: | Five years; a person who has served as a member of the Board for an initial term shall be eligible to be re-appointed for one additional consecutive term of five years, and one only, but may serve for any number of non-consecutive terms so long as such member has not served as a member of the board for at least two years next preceding the term for which such member is appointed. A member who is appointed to the board to serve out an unexpired portion of a retired member's term shall not be considered to have served a "term" unless the unexpired portion of the term so served is two years or more. Permanent removal of residence from, or the failure to conduct business on a full-time basis in Kerr County by any member of the board shall vacate his office as a member of the board. |
| Quorum: | Three |
| Number of Members: | Five |
| Meeting Time & Place: | Third Monday, 8:30 a.m., 2250 Memorial Blvd. |
| Absences: | Any member of the board, other than the Mayor, who shall be continuously absent from all meetings held by the board for a period of four consecutive months shall, unless he shall have been granted leave of absence by the unanimous vote of the remaining members of the board, be considered to have vacated his office as a member of the board. |
| Established by: | Ordinance No. 1987-45 (purchase); Resolution 1987-106 (Board); |
| Revised: | May 28, 2010 |