

## **AGENDA FOR THE KERRVILLE CITY COUNCIL MEETING**

**TUESDAY, JUNE 23, 2020, 6:00 P.M.**

**KERRVILLE CITY HALL, COUNCIL CHAMBERS**

**701 MAIN STREET, KERRVILLE, TEXAS**

### **The Community Vision**

*Kerrville will be a vibrant, welcoming and inclusive community that:*

- *Respects and protects the natural environment that surrounds it;*
- *Seeks to attract economic growth and development;*
- *Provides opportunities for prosperity, personal enrichment and intellectual growth for people of all ages; and*
- *Does so while preserving the small-town charm, heritage, arts and culture of the community.*



Kerrville2050



**KERRVILLE CITY COUNCIL MEETING AGENDA**  
**JUNE 23, 2020 6:00 PM**  
**CITY HALL, COUNCIL CHAMBERS**  
**701 MAIN STREET, KERRVILLE, TEXAS**



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***Council Meeting Procedures during the Disaster Declaration***

COVID-19 (Coronavirus) provides a unique concern in that gathering members of the public, City Council, and City staff within a physical setting constitutes a public health risk. On March 16, 2020, the Texas Governor suspended certain requirements of the Open Meetings Act to permit open meetings to occur in a fully virtual setting (e.g., telephonic or videoconference meeting).

In an effort to avoid and mitigate health risks, and limited occupancy levels in Council Chambers, City Council will convene in a virtual forum and attendance will be limited to only those persons essential to holding the meeting. No member of the public will be admitted into City Hall during this time.

Citizens can provide public comment on specific agenda items through Zoom. Zoom telephone numbers are toll free: **1-877-853-5247** or **1-888-788-0099**. The Meeting ID is **964 7386 9336#**. (You must enter the pound sign (#) after the Meeting ID.) \*See Citizen Participation Guidelines. Remember that a speaker must call in by 5:45 p.m., June 23, 2020 and register with the Zoom moderator, and each speaker is limited to four minutes.

A person may also submit written comments on specific agenda items, to include public hearings, and comments will be read into the meeting record. Comments must include a name, address, and a reference to the relevant item. Comments that do not include such information will not be read. Comments must be received by 5:45 p.m., June 23, 2020. Comments may be:

- a. dropped off at the City Hall Utility Payments Drop-Box; or
- b. emailed to [shelley.mcelhannon@kerrvilletx.gov](mailto:shelley.mcelhannon@kerrvilletx.gov).

Citizens may view and hear the City Council meetings on Spectrum Channel 2 or by live-streaming via the City's website ([www.kerrvilletx.gov](http://www.kerrvilletx.gov)). City Council meetings are recorded and the recordings are posted on the City's website.

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**CALL TO ORDER:**

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Led by Councilmember Place 3 Judy Eychner

**1 CONSENT AGENDA:**

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

- 1.A. Approval of a five year golf cart lease agreement with PNC Equipment Finance, LLC through NIPA / Omnia, for the Scott Schreiner Municipal Golf Course in the amount of \$281,613.20.  
Attachments:  
[20200618\\_PNC Golf Cart Lease 2020.pdf](20200618_PNC Golf Cart Lease 2020.pdf)
- 1.B. Minutes for the City Council meeting held June 09, 2020.  
Attachments:  
[20200623\\_Minutes-Regular meeting 6-9-20 6pm.pdf](20200623_Minutes-Regular meeting 6-9-20 6pm.pdf)

1.C. Minutes for the City Council workshop held June 16, 2020.

Attachments:

[20200623\\_Minutes\\_Council workshop 6-16-20 10am.pdf](#)

**END OF CONSENT AGENDA**

**2 CONSIDERATION AND POSSIBLE ACTION:**

2.A. Purchase a 2020 Ford F-550 4X4 and remount wildland/brush skid not to exceed \$74,058.

Attachments:

[20200623\\_Quote\\_from Ford for KFD Brush Truck.pdf](#)

[20200623\\_Quote\\_from Big Tex for KFD MAC Haik Brush Truck.pdf](#)

2.B. Construction contract with Balcones Ridge Construction, LLC for the Bluebell Road Waterline Replacement project in an amount of \$234,175.00.

Attachments:

[20200623\\_Bid\\_Bluebell Water Main Replacement\\_Received Bids.pdf](#)

2.C. Briefing and possible action as to the City's ongoing preparedness and response to COVID-19 (Coronavirus).

**3 INFORMATION & DISCUSSION:**

3.A. Financial update for the month ended May 31, 2020

Attachments:

[20200623\\_Presentation\\_May Financial Presentation.pdf](#)

**4 ORDINANCE(S), FIRST READING:**

4.A. Ordinance No. 2020-13. An Ordinance amending Ordinance No. 2018-19 which created Tax Increment Reinvestment Zone Number One, City of Kerrville, Texas, by increasing the number of Board of Directors for the Zone; containing a cumulative clause; containing a savings and severability clause; and providing other matters relating to this subject.

Attachments:

[20200623\\_Ordinance\\_2020-13 TIRZ membership increase amending Ord 2018-19.pdf](#)

**5 EXECUTIVE SESSION:**

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

5.A. Sky Master business development project (551.071, 551.072, 551.087)

5.B. EIC Property: 300 Peterson Farm Road (551.087)

**6 ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY:**

**ADJOURN**



## ALTERNATIVE CITIZEN/PUBLIC PARTICIPATION GUIDELINES (Due to COVID-19 Pandemic Disaster Declaration)



**Despite the necessity to restrict public access to Kerrville City Council meetings in the interest of public health during the COVID-19 pandemic, citizens and visitors are welcome to participate in Kerrville City Council meetings in several alternative ways as outlined below.**

### **Instructions for callers:**

Dial one of the following numbers:

877 853 5247 (Toll Free) or

888 788 0099 (Toll Free)

If you cannot get through on one of the numbers due to network congestion, call the other number.

When your call is answered you will hear "**Welcome to Zoom, enter your Meeting ID followed by pound.**" Enter in the Meeting ID below followed by the pound sign (#).

The Meeting ID is **964 7386 9336#**

If the moderator has not started the meeting yet, you will hear "The meeting has not started yet, please hold or call back later."

Once you have called into the meeting, your microphone will be placed on mute and your call will be placed in the call queue. At this point, you will hear silence on the phone. Do not hang up. The moderator will unmute your microphone as he/she is going down the list. Once the meeting has started, you will be able to listen to proceedings even if your microphone is muted.

The moderator will be accepting calls starting at 5:00 p.m. Place your call before the 5:45 p.m. deadline in order to participate in speaking on a specific item. You will be queued to speak. Any calls made after the 5:45 p.m. deadline will not be answered, and microphones will be kept muted.

### **Instructions for written comments:**

Written comments will be accepted for any agenda items. Written comments will be read into record, and can be provided in two different ways:

**OPTION 1 by hard copy** – Comments may be dropped off at the City Hall Utility Payments Drop-Box on the north side of City Hall by 5:45 p.m. the evening of the Council meeting. You are required to provide your first and last name, address, and identify the item you wish to comment on.

**OPTION 2 by email** - Comments can be emailed to **shelley.mcelhannon@kerrvilletx.gov** and must be received by 5:45 p.m. the evening of the Council meeting. You are required to provide your first and last name, address, and identify the item you wish to comment on. In addition, anyone may email Councilmembers via their City email addresses as specified on the City's website.

For either option, provide **all required information** in order for your comments to be accepted. Thank you for your participation!



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

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**SUBJECT:** Approval of a five year golf cart lease agreement with PNC Equipment Finance, LLC through NIPA / Omnia, for the Scott Schreiner Municipal Golf Course in the amount of \$281,613.20.

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** Jun 17, 2020

**SUBMITTED BY:** Ashlea Boyle

**EXHIBITS:** [20200618\\_PNC Golf Cart Lease 2020.pdf](#)

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| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b> |
|------------------------------|---|-------------------------|------------------------|
| \$281,613.20                 | N/A   | N/A                     | 14-1402-3410           |

**PAYMENT TO BE MADE TO:** PNC Equipment Finance, LLC

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|                             |     |
|-----------------------------|-----|
| <b>Kerrville 2050 Item?</b> | No  |
| <b>Key Priority Area</b>    | N/A |
| <b>Guiding Principle</b>    | N/A |
| <b>Action Item</b>          | N/A |

**SUMMARY STATEMENT:**

Attached is a five year lease agreement with PNC Equipment Finance, LLC for golf carts at the Scott Schreiner Municipal Golf Course. The current lease expires in July 2020, thus necessitating a new lease. The new lease is for a fleet of 55 E-Z-GO RXV Elite cart, which is an upgrade of carts. The elite carts include a lithium battery which is more efficient and less maintenance than the lead-acid battery carts that are currently leased at the course. Advantages of lithium battery carts include greater efficiency than lead-acid models, with no power loss (lead-acid models have noticeable power loss as battery fades); zero maintenance (does not require watering and terminal post cleaning as with lead-acid models); charges twice as fast; and charges anytime, for any length of time (lead-acid models require dedicated time for complete battery charging).

The monthly payment will be \$4,855.40 for 58 months totaling to \$281,613.20 over five years. This lease price was procured through the NIPA / Omnia purchasing cooperative, contract number R161101. The offset to cost is with proposed FY2021 increase to cart fees. If approved, staff will budget appropriately for the expense each fiscal year. Staff recommends approval of this lease agreement as presented.

**RECOMMENDED ACTION:**

Authorize City Manager to execute lease.

May 8, 2020  
City of Kerrville  
701 Main Street  
Kerrville TX, 78028

NIPA: #R161101

RE: Lease Number 1163201-2

To Whom It May Concern:

Thank you for choosing PNC Equipment Finance, LLC as your financing source. Enclosed you will find the following documentation:

- **Lease Agreement:** Please sign, print name, title and date.
- **Certificate of Acceptance:** Please date, sign and insert title.
- **Payment Schedule:** Please sign, print name, title and date in the lower left hand corner of the page.
- **Resolution and Certificate of Incumbency:** Please have all authorized signers (including the individual who signed the documents) sign in the middle section along with the Corporate Secretary or Assistant Secretary, who should complete the bottom section of the document. This person must complete the top and bottom sections of the document. If you have a corporate resolution available, please include that in the return of your documents. If this document does not apply to your business structure, please send a copy of your Operating Agreement, Partnership Agreement or Incorporating documents.
- **Insurance:** Please note the page detailing instructions regarding the certificate of insurance required under the terms of the lease. Simply forward a copy of the signed page to your insurance carrier, so that they may issue the appropriate certificate on a timely basis.
- **Customer Information Form:** Please complete and return.
- **Notification of Tax Treatment:** Please complete and return. *If sales tax exempt, please include a completed Resale Certificate.*
- **Minutes of Governing Body (approving the purchase & finance of equipment):** Please return a copy with the documents.

We appreciate this opportunity to serve you and look forward to working with you in the future. Should you have any questions before sending the documents, please feel free to contact me at [gwixted@leaserv.com](mailto:gwixted@leaserv.com).

Sincerely,

Gillian Wixted  
Sales Specialist

# Lease Agreement

Dated as of May 8, 2020  
 Lease Number 1163201-2

Lessor: PNC Equipment Finance, LLC  
 655 Business Center Drive, Suite 250  
 Horsham, PA 19044

Lessee: LESSEE FULL LEGAL NAME  
 City of Kerrville  
 701 Main Street  
 Kerrville, TX 78028

FEDERAL TAX ID  
**746001490**

Equipment Description **See attached Certificate of Acceptance for Equipment Description**

Rent Lease Term is for **60** months, with Rent payments due  monthly;  quarterly;  semi-annually;  annually; each in the amount of **See Attached Payment Schedule** beginning \_\_\_\_\_.

## Payment Schedule

Lessee shall pay Rent payments exclusively from legally available funds in U.S. currency to Lessor in the amounts and on the dates set forth herein, without notice or demand.

## TERMS AND CONDITIONS

- LEASE.** Subject to the terms of this Lease, Lessee agrees to lease from Lessor the equipment (the "Equipment") described in the attached Certificate of Acceptance when Lessor accepts this Lease. Lessee agrees to be bound by all the terms of this Lease.
- DELIVERY AND ACCEPTANCE OF EQUIPMENT.** Acceptance of the Equipment occurs upon delivery. When Lessee receives the Equipment, Lessee agrees to inspect it and to verify by telephone or in writing such information as Lessor may require. Delivery and installation costs are the Lessee's responsibility. If Lessee signed a purchase contract for the Equipment, by signing this Lease Lessee assigns its rights, but none of its obligations under the purchase contract, to Lessor.
- RENT.** Lessee agrees to pay Lessor Rent (plus applicable taxes) in the amount and frequency stated above. Rent Payments under this Lease do not include the accrual of an interest portion. If Lessee's Rent payments are due in Advance, the first Rent payment is due on the date Lessee accepts the Equipment under the Lease. Lessor will advise Lessee as to (a) the due date of each Rent payment, and (b) the address to which Lessee must send payments. Rent is due whether or not Lessee receives an invoice from Lessor. Lessee will pay Lessor any required advance rent when Lessee signs this Lease. Lessee authorizes Lessor to change the Rent by not more than 15% due to changes in the Equipment configuration, which may occur prior to Lessor's acceptance of this Lease. Restrictive endorsements on checks Lessee sends to Lessor will not reduce obligations to Lessor. Unless a proper exemption certificate is provided, applicable sales and use taxes will be added to the Rent.
- NON-APPROPRIATION OF FUNDS.** Lessee intends to remit all Rent and other payments to Lessor for the full Lease Term if funds are legally available. In the event Lessee is not granted an appropriation of funds at any time during the Lease Term for the Equipment subject to this Lease and operating funds are not otherwise available to Lessee to pay the Rent and other payments due and to become due under this Lease, and there is no other legal procedure or available funds by or with which payment can be made to Lessor, and the non-appropriation did not result from an act or omission by Lessee, Lessee shall have the right to return the Equipment in accordance with Section 16 of the Lease and terminate this Lease on the last day of the fiscal period for which appropriations were received without penalty or expense to Lessee, except as the portion of Rent for which funds shall have been appropriated and budgeted. At least 30 days prior to the end of Lessee's fiscal year, Lessee's chief executive officer (or legal counsel) shall certify in writing that (a) funds have not been appropriated for the upcoming fiscal period, (b) such non-appropriation did not result from any act or failure to act by Lessee, and (c) Lessee has exhausted all funds legally available for the payment of Rent.
- UNCONDITIONAL OBLIGATION. LESSEE AGREES THAT IT IS UNCONDITIONALLY OBLIGATED TO PAY ALL RENT AND ANY OTHER AMOUNTS DUE UNDER THIS LEASE IN ALL FISCAL YEARS IN WHICH FUNDS HAVE BEEN APPROPRIATED NO MATTER WHAT HAPPENS, EVEN IF THE EQUIPMENT IS DAMAGED OR DESTROYED, IF IT IS DEFECTIVE OR IF LESSEE HAVE TEMPORARY OR PERMANENT LOSS OF ITS USE. LESSEE IS NOT ENTITLED TO ANY REDUCTION OR SET-OFF AGAINST RENT OR OTHER AMOUNTS DUE UNDER THIS LEASE FOR ANY REASON WHATSOEVER.**
- DISCLAIMER OF WARRANTIES. THE EQUIPMENT IS BEING LEASED TO LESSEE IN "AS IS" CONDITION. LESSEE AGREES THAT LESSOR HAS NOT MANUFACTURED THE EQUIPMENT AND THAT LESSEE HAS SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSEE HAS NOT RELIED ON ANY STATEMENTS LESSOR OR ITS EMPLOYEES HAVE MADE. LESSOR HAS NOT MADE AND DOES NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP, OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW.** Lessee is aware of the name of the Equipment manufacturer and will contact the manufacturer for a description of warranty rights. If the manufacturer has provided Lessor with a warranty, Lessor assigns its rights to such warranty to Lessee and Lessee may enforce all warranty rights directly against the manufacturer of the Equipment. Lessee agrees to settle any dispute regarding performance of the Equipment directly with the manufacturer of the Equipment.
- TITLE AND SECURITY INTEREST.** Unless otherwise required by the laws of the state where Lessee is located, Lessor shall have title to the Equipment, except as set forth in section 15.

7. **USE, MAINTENANCE AND REPAIR.** Lessee will not move the Equipment from the Equipment Location without Lessor's advance written consent. Lessee will give Lessor reasonable access to the Equipment Location so that Lessor can check the Equipment's existence, condition and proper maintenance. Lessee will use the Equipment in the manner for which it was intended, as required by all applicable manuals and instructions, and keep it eligible for any manufacturer's certification and/or standard full service maintenance contract. At Lessee's own cost and expense, Lessee will keep the Equipment in good repair, condition and working order, ordinary wear and tear excepted. Lessee will not make any permanent alterations to the Equipment.
8. **TAXES.** Lessee agrees to pay Lessor, when invoiced, all taxes (including any sales, use and personal property taxes), fines, interest and penalties relating to this Lease and the Equipment (excluding taxes based on Lessor's net income). Lessee agrees to file any required personal property tax returns and, if Lessor asks, Lessee will provide Lessor with proof of payment. Lessor does not have to contest any tax assessments.
9. **INDEMNITY.** Lessor is not responsible for any injuries, damages, penalties, claims or losses, including legal expenses, incurred by Lessee or any other person caused by the transportation, installation, manufacture, selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the Equipment. To the extent permitted by law, Lessee agrees to reimburse Lessor for and defend Lessor against any claims for such losses, damages, penalties, claims, injuries, or expenses. This indemnity continues even after this Lease has expired, for acts or omissions that occurred during the Lease Term.
10. **IDENTIFICATION.** Lessee authorizes Lessor to insert or correct missing information on this Lease, including Lessee's official name, serial numbers and any other information describing the Equipment. Lessor will send Lessee copies of such changes. Lessee will attach to the Equipment any name plates or stickers Lessor provides Lessee.
11. **LOSS OR DAMAGE.** Lessee is responsible for any loss of the Equipment from any cause at all, whether or not insured, from the time the Equipment is shipped to Lessee until it is returned to Lessor. If any item of Equipment is lost, stolen or damaged, Lessee will promptly notify Lessor of such event. Then, at Lessor's option, Lessee will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay Lessor an amount equal to the Net Book Value (as defined in Section 14) of the lost, stolen or damaged Equipment. If Lessee has satisfied Lessee's obligations under this Section 11, Lessor will forward to Lessee any insurance proceeds which Lessor receives for lost, damaged, or destroyed Equipment. If Lessee is in default, Lessor will apply any insurance proceeds Lessor receives to reduce Lessee's obligations under Section 14 of this Lease.
12. **INSURANCE.** Lessee agrees to (a) keep the Equipment fully insured against loss, naming Lessor as loss payee, and (b) obtain a general public liability insurance policy covering both personal injury and property damage in amounts not less than Lessor may tell Lessee, naming Lessor as additional insured, until Lessee has met all Lessee's obligations under this Lease. Lessor is under no duty to tell Lessee if Lessee's insurance coverage is adequate. The policies shall state that Lessor is to be notified of any proposed cancellation at least 30 days prior to the date set for cancellation. Upon Lessor's request, Lessee agree to provide Lessor with certificates or other evidence of insurance acceptable to Lessor. If Lessee does not provide Lessor with evidence of proper insurance within ten days of Lessor's request or Lessor receives notice of policy cancellation, Lessor may (but Lessor is not obligated to) obtain insurance on Lessor's interest in the Equipment at Lessee's expense. Lessee will pay all insurance premiums and related charges.
13. **DEFAULT.** Lessee will be in default under this Lease if any of the following happens: (a) Lessor does not receive any Rent or other payment due under this Lease within ten days after its due date, (b) Lessee fails to perform or observe any other promise or obligation in this Lease and does not correct the default within ten days after Lessor sends Lessee written notice of default, (c) any representation, warranty or statement Lessee has made in this Lease shall prove to have been false or misleading in any material respect, (d) any insurance carrier cancels or threatens to cancel any insurance on the Equipment, (e) the Equipment or any part of it is abused, illegally used, misused, lost, destroyed, or damaged beyond repair, (f) a petition is filed by or against Lessee under any bankruptcy or insolvency laws, or (g) Lessee defaults on any other agreement between it and Lessor (or Lessor's affiliates).
14. **REMEDIES.** Upon the occurrence of a default, Lessor may, in its sole discretion, do any or all of the following: (a) provide written notice to Lessee of default, (b) as liquidated damages for loss of a bargain and not as a penalty, declare due and payable, the present value of (i) any and all amounts which may be then due and payable by Lessee to Lessor under this Lease, plus (ii) all Rent payments remaining through the end of the Lease Term, discounted at the higher of 3% or the lowest rate allowed by law, plus the Fair Market Value of the Equipment (collectively, the "Net Book Value"). Lessor has the right to require Lessee to make the Equipment available to Lessor for repossession during reasonable business hours or Lessor may repossess the Equipment, so long as Lessor does not breach the peace in doing so, or Lessor may use legal process in compliance with applicable law pursuant to court order to have the Equipment repossessed. Lessee will not make any claims against Lessor or the Equipment for trespass, damage or any other reason. If Lessor takes possession of the Equipment Lessor may (a) sell or lease the Equipment at public or private sale or lease, and/or (b) exercise such other rights as may be allowed by applicable law. Although Lessee agrees that Lessor has no obligation to sell the Equipment, if Lessor does sell the Equipment, Lessor will reduce the Net Book Value by the amounts Lessor receives. Lessee will immediately pay Lessor the remaining Net Book Value. Lessee agrees (a) that Lessor only needs to give Lessee ten days' advance notice of any sale and no notice of advertising, (b) to pay all of the costs Lessor incurs to enforce Lessor's rights against Lessee, including attorney's fees, and (c) that Lessor will retain all of Lessor's rights against Lessee even if Lessor does not choose to enforce them at the time of Lessee's default.
15. **LESSEE'S OPTION AT END OF LEASE.** Notwithstanding anything contained in the Lease to the contrary, so long as no default shall have occurred and be continuing, Lessee may, at Lessee's option, purchase the Equipment leased pursuant to this Rental Schedule on an "as is, where is" basis, without representation or warranty, express or implied, at the end of the Initial Term at a price equal to the Fair Market Value thereof, plus applicable taxes. "Fair Market Value" shall be equal to the value which would be obtained in an arms-length transaction between an informed and willing buyer and an informed and willing seller under no compulsion to sell, and in such determination, costs of removal of the Equipment from its location of current use shall not be a deduction from such value. If Lessee and Lessor cannot agree on the Fair Market Value thereof, such value shall be determined by appraisal at the sole expense of Lessee. Appraisal shall be a procedure whereby two recognized independent appraisers, one chosen by Lessee and one by Lessor, shall mutually agree upon the amount in question. If the appraisers are unable to agree upon the amount in question, a third recognized independent appraisers' evaluation shall be binding and conclusive on Lessee and Lessor. This purchase option as applicable shall only be available if Lessee gives Lessor 90 days' prior written notice of Lessee's irrevocable intent to exercise such option and Lessor and Lessee shall have agreed to all terms and conditions of such purchase prior to the expiration date of the Initial Term. Until the Equipment is returned as required below, all terms of the Lease shall remain in full force and effect including the obligation to pay Rent.
16. **RETURN OF EQUIPMENT.** If (a) default occurs, (b) a non-appropriation of funds occurs in accordance with Section 3, or (c) Lessee does not purchase the Equipment pursuant to Section 15, Lessee will immediately return the Equipment to any location(s) in the continental United States and aboard any carriers(s) Lessor may designate. The Equipment must be properly packed for shipment in accordance with the manufacturer's recommendations or specifications, freight prepaid and insured, maintained in accordance with Section 7, and in "Average Saleable Condition." "Average Saleable Condition" means that all of the Equipment is immediately available for use by a third party buyer, user or lessee, other than Lessee named in this Lease, without the need for any repair or refurbishment. All Equipment must be free of markings. Lessee will pay Lessor for any missing or defective parts or accessories. Lessee will continue to pay Rent until the Equipment is received and accepted by Lessor.
17. **LESSEE'S REPRESENTATIONS AND WARRANTIES.** Lessee hereby represents and warrants to Lessor that as of the date of this Lease, and throughout the Lease Term: (a) Lessee is the entity indicated in this Lease; (b) Lessee is a State or a fully constituted political subdivision or agency of the State in which Lessee is located; (c) Lessee is duly organized and existing under the Constitution and laws of the State in which Lessee is located; (d)

Lessee is authorized to enter into and carry out Lessee's obligations under this Lease, any documents relative to the acquisition of the Equipment and any other documents required to be delivered in connection with this Lease (collectively, the "Documents"); (e) the Documents have been duly authorized, executed and delivered by Lessee in accordance with all applicable laws, rules, ordinances, and regulations, the Documents are valid, legal, binding agreements, enforceable in accordance with their terms and the person(s) signing the Documents have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signature, each of which is genuine; (f) the Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of Lessee's authority and shall be used during the Lease Term only by Lessee and only to perform such function; (g) Lessee intends to use the Equipment for the entire Lease Term and shall take all necessary action to include in Lessee's annual budget any funds required to fulfill Lessee's obligations for each fiscal year during the Lease Term; (h) Lessee has complied fully with all applicable law governing open meetings, public bidding and appropriations required in connection with this Lease and the acquisition of the Equipment; (i) Lessee's obligations to remit Rent under this Lease constitutes a current expense and not a debt under applicable state law and no provision of this Lease constitutes a pledge of Lessee's tax or general revenues, and any provision which is so constructed by a court of competent jurisdiction is void from the inception of this lease; (j) all payments due and to become due during Lessee's current fiscal year are within the fiscal budget of such year, and are included within an unrestricted and unencumbered appropriation currently available for the lease of the Equipment; and (k) all financial information Lessee has provided to Lessor is true and accurate and provides a good representation of Lessee's financial condition.

18. **LESSEE'S PROMISES.** In addition to the other provisions of this Lease, Lessee agrees that during the term of this Lease (a) Lessee will promptly notify Lessor in writing if it moves Lessee's principal office or it changes names or its legal structure, (b) Lessee will provide to Lessor such financial information as may reasonably request from time to time, and (c) Lessee will take any action Lessor reasonably requests to protect Lessor's rights in the Equipment and to meet Lessee's obligations under this Lease.
19. **ASSIGNMENT. LESSEE WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE, SUB-LEASE OR PART WITH POSSESSION OF THE EQUIPMENT OR FILE OR PERMIT A LIEN TO BE FILED AGAINST THE EQUIPMENT.** Lessee will not attach any of the Equipment to any real estate. Upon Lessor's reasonable request and at Lessee's cost, Lessee will obtain from each person having an interest in the real estate where the Equipment is located a waiver of any rights they may have in the Equipment.
20. **ASSIGNMENT BY LESSOR.** This Lease, and the rights of Lessor hereunder and in and to the Equipment, may be assigned and reassigned in whole or in part to one or more assignees by Lessor or its assigns at any time without the necessity of obtaining the consent of Lessee; provided, however, no such assignment or reassignment shall be effective unless and until Lessee shall have been given written notice of assignment disclosing the name and address of the assignee or its agent authorized to receive payments and otherwise service this Lease on its behalf. Upon receipt of notice of assignment, Lessee agrees to record the same in records maintained for such purpose, and further, to make all payments as designated in the assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Lease or otherwise) that Lessee may from time to time have against Lessor or Lessor's assigns. Lessee agrees to execute all documents, including acknowledgments of assignment, which may reasonably be requested by Lessor or its assigns to protect their interests in the Equipment and in this Lease.
21. **COLLECTION EXPENSES, OVERDUE PAYMENT.** Lessee agrees that Lessor can, but does not have to, take on Lessee's behalf any action which Lessee fails to take as required by this Lease, and Lessor's expenses will be in addition to that of the Rent which Lessee owes Lessor. If Lessor receives any payment from Lessee after the due date, Lessee shall pay Lessor on demand as a late charge five percent (5%) of such overdue amount, limited, however, to the maximum amount allowed by law.
22. **AGREED LEASE RATE FACTOR.** Lessee understands that the Equipment may be purchased for cash (the "Equipment Cost") or it may be leased. By signing this Lease, Lessee acknowledges that it has chosen to lease the Equipment from Lessor for the Lease Term and that Lessee has agreed to pay Rent. Each payment of Rent includes a principal amount based on the Equipment Cost and a lease charge rate. If it is determined that Lessee's payments under this Lease result in an interest payment higher than allowed by applicable law, then any excess interest collected will be applied to the repayment of principal and interest will be charged at the highest rate allowed by law. In no event will Lessor charge or receive or will Lessee pay any amounts in excess of the legal amount.
23. **MISCELLANEOUS.** This Lease contains the entire agreement and supersedes any conflicting provision of any equipment purchase order or any other agreement. **TIME IS OF THE ESSENCE IN THIS LEASE.** If a court finds any provision of Lease to be unenforceable, the remaining terms of this Lease shall remain in effect. **TO THE EXTENT THAT THIS LEASE IS FOUND TO NOT BE A TRUE LEASE, THIS LEASE IS A "FINANCE LEASE" AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE.** Lessee authorizes Lessor (or Lessor's agent) to (a) obtain credit reports, (b) make such other credit inquiries as Lessor may deem necessary, and (c) furnish payment history information to credit reporting agencies. To the extent permitted by law, Lessor may charge Lessee a fee of \$250.00 to cover Lessor's documentation and investigation costs.
24. **NOTICES.** All of Lessee's written notices to Lessor must be sent by certified mail or recognized overnight delivery service, postage prepaid, to Lessor at Lessor's address stated in this Lease, or by facsimile transmission to Lessor's facsimile telephone number, with oral confirmation of receipt. All of Lessor's notices to Lessee may be sent first class mail, postage prepaid, to Lessee's address stated in this Lease. At any time after this Lease is signed, Lessee or Lessor may change an address or facsimile telephone number by giving notice to the other of the change.
25. **ANTI-MONEY LAUNDERING/INTERNATIONAL TRADE COMPLIANCE.** Lessee represents and warrants to Lessor, as of the date of this Lease, the date of each advance of proceeds under the Lease, the date of any renewal, extension or modification of this Lease, and at all times until the Lease has been terminated and all amounts thereunder have been indefeasibly paid in full, that: (a) no Covered Entity (i) is a Sanctioned Person; or (ii) does business in or with, or derives any of its operating income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any law, regulation, order or directive enforced by any Compliance Authority; (b) the proceeds of the Lease will not be used to fund any unlawful activity; (c) the funds used to repay the Lease are not derived from any unlawful activity; and (d) each Covered Entity is in compliance with, and no Covered Entity engages in any dealings or transactions prohibited by, any laws of the United States.  
As used herein: **"Compliance Authority"** means each and all of the (a) U.S. Treasury Department/Office of Foreign Assets Control, (b) U.S. Treasury Department/Financial Crimes Enforcement Network, (c) U.S. State Department/Directorate of Defense Trade Controls, (d) U.S. Commerce Department/Bureau of Industry and Security, (e) U.S. Internal Revenue Service, (f) U.S. Justice Department, and (g) U.S. Securities and Exchange Commission; **"Covered Entity"** means Lessee, its affiliates and subsidiaries and direct and indirect owners; **"Sanctioned Country"** means a country subject to a sanctions program maintained by any Compliance Authority; and **"Sanctioned Person"** means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person or entity, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any order or directive of any Compliance Authority or otherwise subject to, or specially designated under, any sanctions program maintained by any Compliance Authority.
26. **USA PATRIOT ACT NOTICE.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each lessee that opens an account. What this means: when the Lessee opens an account, Lessor will ask for the business name, business address, taxpayer identifying number and other information that will allow the Lessor to identify Lessee, such as organizational documents. For some businesses and organizations, Lessor may also need to ask for identifying information and documentation relating to certain individuals associated with the business or organization.
27. **WAIVERS. LESSOR AND LESSEE EACH AGREE TO WAIVE, AND TO TAKE ALL REQUIRED STEPS TO WAIVE, ALL RIGHTS TO A JURY TRIAL.** To the extent Lessee is permitted by applicable law, Lessee waives all rights and remedies conferred upon a lessee by Article 2A

(Sections 508-522) of the Uniform Commercial Code including but not limited to Lessee's rights to: (a) cancel or repudiate this Lease; (b) reject or revoke acceptance of the Equipment; (c) recover damages from Lessor for any breach of warranty or for any other reason; (d) grant a security interest in any Equipment in Lessee's possession. To the extent Lessee is permitted by applicable law, Lessee waives any rights they now or later may have under any statute or otherwise which requires Lessor to sell or otherwise use any Equipment to reduce Lessor's damages, which requires Lessor to provide Lessee with notice of default, intent to accelerate amounts becoming due or acceleration of amounts becoming due, or which may otherwise limit or modify any of Lessor's rights or remedies. **ANY ACTION LESSEE TAKES AGAINST LESSOR FOR ANY DEFAULT, INCLUDING BREACH OF WARRANTY OR INDEMNITY, MUST BE STARTED WITHIN ONE YEAR AFTER THE EVENT, WHICH CAUSED IT.** Lessor will not be liable for specific performance of this Lease or for any losses, damages, delay or failure to deliver Equipment.

**28. IMPORTANT INFORMATION ABOUT PHONE CALLS.** By providing telephone number(s) to Lessor, now or at any later time, Lessee authorizes Lessor and its affiliates and designees to contact Lessee regarding Lessee account(s) with Lessor or its affiliates, whether such accounts are Lessee individual accounts or business accounts for which Lessee is a contact, at such numbers using any means, including but not limited to placing calls using an automated dialing system to cell, VoIP or other wireless phone number, or leaving prerecorded messages or sending text messages, even if charges may be incurred for the calls or text messages. Lessee consents that any phone call with Lessor may be monitored or recorded by Lessor.

**IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS LEASE SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. THE TERMS OF THIS LEASE MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT BETWEEN LESSEE AND LESSOR. LESSEE AGREES TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS LEASE. LESSEE AGREES THAT THE EQUIPMENT WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.**

**LESSEE CERTIFIES THAT ALL THE INFORMATION GIVEN IN THIS LEASE AND LESSEE'S APPLICATION WAS CORRECT AND COMPLETE WHEN THIS LEASE WAS SIGNED. THIS LEASE IS NOT BINDING UPON LESSOR OR EFFECTIVE UNLESS AND UNTIL LESSOR EXECUTES THIS LEASE. THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF THE LESSEE.**

PNC Equipment Finance, LLC  
("Lessor")

**X**  
Authorized Signature  
\_\_\_\_\_  
Print Name \_\_\_\_\_  
Title: \_\_\_\_\_  
  
655 Business Center Drive, Suite 250  
Horsham, PA 19044

City of Kerrville  
("Lessee")

**X**  
Authorized Signature  
\_\_\_\_\_  
Print Name \_\_\_\_\_  
Title: \_\_\_\_\_  
  
Date  
701 Main Street  
Kerrville, TX 78028

#### OPINION OF COUNSEL

I have acted as counsel to the above-referenced Lessee (the "Lessee") with respect to this Lease Agreement by and between the Lessee and Lessor (the "Lease"), and in this capacity have reviewed the original or duplicate originals of the Lease and such other documents as I have deemed relevant. Based upon the foregoing, I am of the opinion that: (A) Lessee is a state or a fully constituted political subdivision or agency of a state within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended; (B) the execution, delivery and performance of the Lease by Lessee has been duly authorized by all necessary action on the part of Lessee; (C) the Lease constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as limited by laws of general application affecting the enforcement of creditors' rights, and does not constitute a debt of Lessee which is prohibited by state law; (D) the authorization, approval and execution of the Lease and all other proceedings of Lessee related to the transactions contemplated thereby have been performed in accordance with all open-meeting laws, public bidding laws, and all other applicable state laws. The undersigned certifies that (s)he is an attorney duly authorized to practice law in the State of \_\_\_\_\_.

The foregoing opinions are limited to the laws of such State and federal laws of the United States.

Attorney of Lessee

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Law firm: \_\_\_\_\_

May 8, 2020

**City of Kerrville**  
**Course Name: Scott Schreiner Golf Course**  
 701 Main Street

Kerrville, TX 78028

RE: Insurance Coverage Requirements for Equipment Financing Transaction between  
 PNC Equipment Finance, LLC and City of Kerrville

Before funding your transaction, PNC Equipment Finance, LLC requires evidence of appropriate insurance coverage on the equipment described in your transaction documents. Please forward this request to your insurance company, agent or broker as soon as possible and ask for the evidence of insurance to be sent to the address below.

PNC Equipment Finance, LLC will have an insurable interest in the following equipment:

| Quantity | Description | Serial No. |
|----------|-------------|------------|
| 55       | RXV Elite   |            |

As a condition to entering into the equipment financing transaction, PNC Equipment Finance, LLC requires the following at all times during the term of the transaction:

1. All of the equipment must be insured for its full insurable value on a 100% replacement cost basis or as set forth in the documents.
2. PNC Equipment Finance, LLC must be named as lender loss payee under a property insurance policy insuring all risks to the equipment, including fire, theft, and other customary coverage under an "extended coverage" endorsement, with a deductible not to exceed \$10,000 per occurrence.
3. PNC Equipment Finance, LLC must receive evidence that a comprehensive general liability insurance policy is in place with a minimum coverage of \$1,000,000. PNC Equipment Finance, LLC must be named as an additional insured under the liability policy.
4. Each property insurance policy must contain a lender's loss payable clause, or special endorsement, in which the insurer agrees that any loss will be payable in accordance with the policy terms, notwithstanding any act or negligence of the insured.
5. Each policy must provide for 30 days' written notice to PNCEF prior to any cancellation, non-renewal or amendment of the policy.

The evidence of insurance can consist of a Certificate of Insurance form, Evidence of Insurance form, Memorandum of Insurance, binder for insurance, declarations page, or the actual policy and endorsements, in each case naming PNC Equipment Finance, LLC as follows:

PNC Equipment Finance, LLC, and its successors and assigns, as lender loss payee  
 Attn: Insurance Department  
 655 Business Center Drive, Suite 250  
 Horsham, PA 19044

When completed, the evidence of insurance should be provided to the following address:

PNC Equipment Finance, LLC  
 655 Business Center Drive, Suite 250  
 Horsham, PA 19044

**Lease Number 1163201-2**

| Year | Jan        | Feb        | Mar        | Apr        | May        | Jun        | Jul        | Aug        | Sep        | Oct        | Nov        | Dec        |
|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 2020 |            |            |            |            |            |            | \$0.00     | \$0.00     | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 |
| 2021 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 |
| 2022 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 |
| 2023 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 |
| 2024 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 |
| 2025 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 | \$4,855.40 |            |            |            |            |            |            |

Plus applicable taxes. Payment on invoice could be different based on applicability of sales and use tax.

**This Payment Schedule and its terms and conditions are hereby incorporated by reference into the Lease identified above.**

**Lessor: PNC Equipment Finance, LLC**

**Lessee: City of Kerrville**

Signature:

Signature:




Print Name:

Print Name:

Title:

Title:

Date:

Date:

**RESOLUTION AND CERTIFICATE OF INCUMBENCY**  
**Lease Number 1163201-2**

Lessee: City of Kerrville

WHEREAS, Lessee, a body politic and corporate duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State or Commonwealth ("State") is authorized by the laws of the State to purchase, acquire and lease certain equipment and other property for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, pursuant to applicable law, the governing body of the Lessee ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interest in property, leases and easements necessary to the functions or operations of the Lessee.

WHEREAS, the Governing Body hereby finds and determines that the execution of one or more Lease Agreements or lease schedules ("Leases") in the amount not exceeding the amount stated above for the purpose of acquiring the property ("Equipment") to be described in the Leases is appropriate and necessary to the functions and operations of the Lessee.

WHEREAS, PNC Equipment Finance, LLC ("Lessor") shall act as Lessor under said Leases.

NOW, THEREFORE, Be It Ordained by the Governing Body of the Lessee:

Section 1. Either one of the \_\_\_\_\_ OR \_\_\_\_\_ (each an "Authorized Representative") acting on behalf of the Lessee, is hereby authorized to negotiate, enter into, execute, and deliver one or more Leases in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Lease as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Leases are hereby authorized.

Section 2. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Leases on behalf of the Lessee.

Section 3. The Lessee's obligations under the Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Lease and the Lessee's obligations under the Leases shall not constitute general obligations of the Lessee or indebtedness under the Constitution or laws of the State.

Section 4. This resolution shall take effect immediately upon its adoption and approval.

**NAMES AND TITLES OF AUTHORIZED REPRESENTATIVES: AUTHORIZED LEASE SIGNORS ONLY**

\_\_\_\_\_  
 Name \_\_\_\_\_ Title \_\_\_\_\_

\_\_\_\_\_  
 Name \_\_\_\_\_ Title \_\_\_\_\_

ADOPTED AND APPROVED on this \_\_\_\_\_, 20\_\_\_\_.

Section 5. I, the undersigned Secretary/Clerk identified below, does hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the above Lessee, a political subdivision duly organized and existing under the laws of the State where Lessee is located, that I have the title stated below, and that, as of the date hereof, the individuals named above are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

The undersigned Secretary/Clerk of the above-named Lessee hereby certifies and attests that the undersigned has access to the official records of the Governing Body of the Lessee, that the foregoing resolutions were duly adopted by said Governing Body of the Lessee at a meeting of said Governing Body and that such resolutions have not been amended or altered and are in full force and effect on the date stated below.

LESSEE: City of Kerrville

\_\_\_\_\_  
 Signature of Secretary/Clerk of Lessee

Print Name: \_\_\_\_\_

Official Title: \_\_\_\_\_

Date: \_\_\_\_\_

# CERTIFICATE OF ACCEPTANCE

**Lease Number 1163201-2**

| <b>Quantity</b> | <b>Description</b> | <b>Serial No.</b> |
|-----------------|--------------------|-------------------|
| <b>55</b>       | <b>RXV Elite</b>   |                   |

Scott Schreiner Golf Course  
1 Country Club Drive  
Kerrville, TX 78028

Lessee, through its authorized representative, hereby certifies to Lessor that:

1. The Equipment has been delivered to the location where it will be used, which is the Equipment Location given in the Lease Agreement ("Lease");
2. All of the Equipment has been inspected and is (a) complete, (b) properly installed, (c) functioning, and (d) in good working order;
3. Lessee accepts the Equipment for all purposes under the Lease as of \_\_\_\_\_, 20\_\_\_ (the "Acceptance Date"), which is the date on which the Equipment was delivered and installed;
4. The Equipment is of a size, design, capacity and manufacture acceptable to Lessee and suitable for Lessee's purposes; and
5. Lessee is not in default under the Lease, no Non-Appropriation of Funds (as described in the Lease) has occurred, and all of Lessee's statements and promises set forth in the Lease are true and correct.

Lessor is hereby authorized to insert serial numbers on the Lease.

THIS CERTIFICATE OF ACCEPTANCE IS SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_.

---

City of Kerrville  
(“Lessee”)

**X**  
Authorized Signature

Print Name

Title:

Date

701 Main Street  
Kerrville TX, 78028

**Lease # 1163201-2**

Please provide the following information. By providing such information, you will enable us to ensure prompt payment of your vendor and the correct processing of your lease transaction.

Thank you.

**Lessee Information**

|   |                                  |        |      |
|---|----------------------------------|--------|------|
| Full Business Legal Name: City of Kerrville | Federal Tax ID Number: 746001490 |        |      |
| Invoices should be directed to:             | Attention:                       |        |      |
| Address                                     | City:                            | State: | Zip: |

**Preferred Method of Payment: (Please check)**

|  |            |
|--|------------|
| <input type="checkbox"/> Monthly Invoice (Mail)  |            |
| Invoices should be directed to:                  | Attention: |
| Address  | City:      |
| <input type="checkbox"/> Monthly Invoice (Email) | Email:     |
| Billing Contact:                                 |            |

**Contact Information**

In order to verify receipt of equipment and review terms and conditions of the lease, please provide contact information for one or more staff that can assist in this process.

|            |        |
|------------|--------|
| Contact 1: | Phone: |
| Email:     |        |
| Contact 2: | Phone: |
| Email:     |        |

**I hereby attest the above information is accurate.**

|  |      |
|--|------|
| Signature<br> | Date |
| Email:   |      |



**PNC Equipment Finance, LLC** a Delaware limited liability company (“**PNC**”), is required to collect and remit sales/use tax in the taxing jurisdiction where your equipment will be located. If you select that you are exempt by marking one of the checkboxes below, you must provide a valid exemption certificate. If you do not provide this certificate *prior* to the booking of your transaction, you will be responsible for sales tax on all accrued payments.

- If tax has been remitted up front and financed into your lease payment, your account will not be marked sales tax exempt if you provide an exemption certificate after your transaction has been booked.
- If your tax is remitted on a monthly basis, your lease may be marked sales tax exempt for the remaining payments left to be invoiced if you provide a valid exemption certificate after your transaction has been booked.
- In the event we do not receive a valid sales tax exemption certificate prior to the date your lease commences, you will be charged sales/use tax.

Personal property tax returns will be filed as required by local law. In the event that any tax abatements or special exemptions are available on the equipment you will be leasing from us, please notify us as soon as possible and forward the related documentation to us. This will ensure that your leased equipment will be reported correctly.

**Please indicate below if your lease is subject to tax or whether a valid exemption exists.**

## Sales Tax

- I agree that my lease is subject to sales/use tax.
- I am exempt from sales/use tax and I have attached a completed exemption certificate to PNC.
- I am claiming a partial exemption from tax. I have attached a completed exemption certificate or other documented proof of this partial exemption.
- I agree that my business is subject to sales/use tax and I have attached a completed resale certificate. This certificate indicates that I will be responsible for collection and remittance of sales/use tax based on the subsequent re-rental of the property.

If applicable to the tax rates in your state, are you outside the city limits or in an unincorporated area?

Inside city limits       Outside city limits       Unincorporated area

## Property Tax

#### Additional comments:

**Lease Number 1163201-2**

### Lessee: City of Kerrville

**Signature:**

X

**Print Name:**

**Title:**

Date:

**PLEASE COMPLETE AND SIGN FORM**

## AMENDMENT TO LEASE PURCHASE AGREEMENT 1163201-2

This Amendment ("Amendment"), dated and effective as of May 14, 2020, to that certain Lease Agreement 1163201-2 (the "Lease") between City of Kerrville with its principal place of business at 701 Main Street, Kerrville, TX 78028 ("Lessee"), and PNC Equipment Finance, LLC, with an address at 655 Business Center Drive, Suite 250, Horsham, PA 19044 ("Lessor").

In consideration of the mutual covenants contained herein and other valuable consideration received, and with the intent to be legally bound, the parties amend the Lease as follows:

**RENT.** The 7<sup>th</sup> sentence in Section 3 titled "RENT" is deleted in its entirety. Lessee authorized Lessor to change the Rent by not more than 15% due to changes in the Equipment configuration, which may occur prior to Lessor's acceptance of the Lease.

**NON-APPROPRIATION OF FUNDS.** The 3<sup>rd</sup> sentence in Section 3 titled "Non-Appropriation of Funds" is amended to: At least 30 day prior to the end of Lessee's fiscal year, Lessee's City Manager (or legal counsel) shall certify in writing that (a) funds have not been appropriated for upcoming fiscal period, (b) such non-appropriation did not result from any act of failure to act by lessee, and (c) Lessee has exhausted all funds legally available for payment of Rent.,

**USE, MAINTNEANCE AND REPAIR.** The 1<sup>st</sup> sentence in Section 7 titled "Use, Maintenance and Repair" is amended to: Lessee will not move the Equipment from the Lessee's Schreiner Golf Course without Lessor's advance written consent, such consent not be unreasonably withheld.

**LOSS OR DAMAGE.** The 1<sup>st</sup> sentence in Section 11 Titled "Loss or Damage" is amended to: Lessee is responsible for any loss of the Equipment from any cause at all, whether or not insured, from the time the Equipment is delivered to Lessee until it is returned to Lessor.

**REMEDIES.** The 3<sup>rd</sup> sentence in Section 14 Titled "Remedies" is amended to: Lessee will not make any claims against Lessor or the Equipment for trespass or damage.

**LESSEE'S OPTION AT END OF LEASE.** The 1<sup>st</sup> sentence in Section 15 Titled "Lessee's Option at End of Lease" is amended to: Notwithstanding anything contained in the Lease to the contrary, so long as no default shall have occurred and be continuing, Lessee may, at Lessee's option, purchase the Equipment leased pursuant to this Rental Schedule on an "as is, where is" basis, without representation or warranty, express or implied, at the end of the initial Term at a price equal to the Fair Market Valued thereof, plus any applicable taxes.

**LESSEE'S REPRESENTATIONS AND WARRANTIES.** The 1<sup>st</sup> sentence in Section 17 Titled "Lessee's Representations and Warranties" is amended to: Lessee hereby represents and warrants to Lessor that as of the date of this Lease, and throughout the Lease Term: (a) Lessee is the entity indicated in this Lease; (b) Lessee is a State or a fully constituted political subdivision or agency of the State in which Lessee is located; (c) Lessee is duly organized and existing under the Constitution and laws of the State in which Lessee is located; (d) Lessee is authorized to enter into and carry out Lessee's obligations under this Lease, any documents relative to the acquisition of the Equipment and any other documents required to be delivered in connection with this Lease (collectively, the "Documents"); (e) the Documents have been duly authorized, executed and delivered by Lessee in accordance with all applicable laws, rules, ordinance, and regulations, the Documents are valid, legal, binding agreements, enforceable in accordance with their terms and the person(s) signing the Documents have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signature, each of which is genuine; (f) the Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of Lessee's authority and shall be used during the Lease Term only Lessee agents and customers only to perform such function; (g) Lessee intends to use the Equipment for the entire Lease term and shall take all necessary action to include in Lessee's annual budget any funds required to fulfill Lessee's obligations for each fiscal year during the Lease Term; (h) Lessee has complied fully with applicable law governing open meetings, public bidding and appropriations required in connection with this Lease and the acquisition of the Equipment; (i) Lessee's obligations to remit Rent under this Lease constitutes a current expense and not a debt under applicable state law and no provision of this Lease constitutes a pledge of Lessee's tax or general revenues, and any provision which is so constructed by a court of competent jurisdiction is void from the inception of this lease; (j) all payments due and to become due during

Lessee's current fiscal year are within the fiscal budget of such year, and are included within an unrestricted and unencumbered appropriation currently available for the lease of the Equipment; and (k) all financial information Lessee has provided to Lessor is true and accurate and provides a good representation of Lessee's financial condition.

**ASSIGNMENT.** The 2<sup>nd</sup> sentence in section 19 titled "Assignment" is amended to: Lessee will not sell, transfer, assign, pledge, sub-lease or part with possession of the equipment or file or permit a lien to be filed against the equipment." Is deleted in its entirety. Upon Lessor's reasonable request and at Lessee's cost, Lessee will obtain from each person having an interest in the real estate where the Equipment is located a waiver of any rights they may have in the Equipment.

All other terms and conditions of the Lease shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date above written.

**CITY OF KERRVILLE**

---

Authorized Signature

---

Printed Name

---

Title

**PNC EQUIPMENT FINANCE, LLC**

---

Authorized Signature

---

Printed Name

---

Title



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

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**SUBJECT:** Minutes for the City Council meeting held June 09, 2020.

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** May 13, 2020

**SUBMITTED BY:** Shelley McElhannon

**EXHIBITS:** [20200623\\_Minutes-Regular meeting 6-9-20 6pm.pdf](#)

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| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b> |
|------------------------------|---|-------------------------|------------------------|
| 0                            | 0   | 0                       | N/A                    |

**PAYMENT TO BE MADE TO:** N/A

---

|                             |     |
|-----------------------------|-----|
| <b>Kerrville 2050 Item?</b> | No  |
| <b>Key Priority Area</b>    | N/A |
| <b>Guiding Principle</b>    | N/A |
| <b>Action Item</b>          | N/A |

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**SUMMARY STATEMENT:**

Minutes for the City Council meeting held June 09, 2020 at 6:00 p.m.

**RECOMMENDED ACTION:**

Approve minutes as presented.

**CITY COUNCIL MINUTES  
REGULAR MEETING**

**KERRVILLE, TEXAS  
JUNE 09, 2020**

On June 09, 2020, at 6:00 p.m. the meeting was called to order by Mayor Bill Blackburn in the City Hall Council Chambers at 701 Main Street. The invocation was offered by Mayor Blackburn, followed by the Pledge of Allegiance led by Mayor Blackburn.

**COUNCILMEMBERS PRESENT:**

|                  |               |
|------------------|---------------|
| Bill Blackburn   | Mayor         |
| Judy Eychner     | Mayor Pro Tem |
| Kim Clarkson     | Councilmember |
| Gary Cochrane    | Councilmember |
| Delayne Sigerman | Councilmember |

**COUNCILMEMBER ABSENT:** None

**CITY EXECUTIVE STAFF PRESENT:**

|                    |                     |  |
|--------------------|---------------------|--|
| Mark McDaniel      | City Manager        | Ashlea Boyle Director Parks & Recreation |
| E.A. Hoppe         | Deputy City Manager | Kim Meismer Exec Director General Ops    |
| Mike Hayes         | City Attorney       | Dannie Smith Fire Chief                  |
| Shelley McElhannon | City Secretary      |  |

**VISITORS PRESENT:** No citizens were present physically at the City Council meeting due to the COVID-19 pandemic restrictions and the Governor's Disaster Declaration on March 16, 2020; public participation and engagement was offered through telephone, written comments, and by email.

**1. CONSENT AGENDA:**

Councilmember Gary Cochrane moved to approve item 1A as presented. Councilmember Judy Eychner seconded, and the motion passed 5-0.

1A. Minutes for the City Council regular meeting held May 26, 2020.

**END OF CONSENT AGENDA**

**2A. CONSIDERATION AND POSSIBLE ACTION:**

2A. The purchase of sport field flood lights for the Kerrville Sports Complex through Musco Sports Lighting, LLC via the Texas BuyBoard, in an amount not to exceed \$268,700.

The item caption was read into record by Shelley McElhannon.

Ashlea Boyle presented information and responded to questions by City Council.

Councilmember Eychner made a motion to approve the purchase of sport field flood lights for the Kerrville Sports Complex as presented, and Councilmember Delayne Sigerman seconded. The motion passed 5-0.

**3A. INFORMATION & DISCUSSION:**

3A. Briefing on storm events that occurred during the week of May 24, 2020.

The item caption was read into record by Shelley McElhannon. Mark McDaniel introduced item. E.A. Hoppe and Kim Meismer presented information and responded to questions by City Council.

3B. Briefing and possible action as to the City's ongoing preparedness and response to COVID-19 (Coronavirus).

The item caption was read into record by Shelley McElhannon. Mark McDaniel and Chief Dannie Smith presented information. Chief Smith recognized and named several individuals for exceptional works during the storm event Memorial Holiday weekend. Mark McDaniel, Chief Smith, and Ashlea Boyle and responded to questions by City Council.

The following person spoke:

- George Baroody

Councilmember Eychner made a motion for City Council to adjourn into closed executive session under 551.074 (personnel/officers), Chapter 551 of the Texas Government Code, and Councilmember Cochrane seconded. The motion passed 5-0.

City Council convened into closed executive session at 6:38 p.m.

**5. EXECUTIVE SESSION:**

Mayor Blackburn shifted the Executive Session agenda item forward.

- 5A. Appointments to the Economic Improvement Corporation.
- 5B. Appointments to the Tax Increment Reinvestment Zone Board of Directors.
- 5C. Appointments to the Zoning Board of Adjustment.

City Council reconvened in open session at 6:55 p.m.

**6. ACTIONS ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY:**

Mayor Blackburn shifted the Actions on Items discussed in Executive Session agenda item forward. Mayor Blackburn reported no action taken during Executive Session.

**4. BOARD APPOINTMENTS:**

- 4.A. Appointment to the Economic Improvement Corporation.

Three vacancies exist on the Economic Improvement Corporation.

Mayor Blackburn moved to appoint Councilmember Cochrane as a member of the Economic Improvement Corporation, and reappoint Don Barnett and Maggie Magee as members. Councilmember Eychner seconded, and the motion passed 5-0.

- 4.B. Appointments to the Tax Increment Reinvestment Zone Board of Directors.

Mayor Blackburn deferred appointments to the Tax Increment Reinvestment Zone Board of Directors, and requested amendments to the Board membership.

4.C. Appointments to the Zoning Board of Adjustment.

Two vacancies exists on the Zoning Board of Adjustment. Councilmember Sigerman moved to reappoint Sam Ligon, appoint current alternate member Ernest Garza as a regular member, and appoint Mike Asmus as an alternate member of the Board. Councilmember Cochrane seconded, and the motion passed 5-0.

**ADJOURN.** The meeting adjourned at 6:57 p.m.

APPROVED BY COUNCIL: \_\_\_\_\_

APPROVED:

---

Bill Blackburn, Mayor

ATTEST:

---

Shelley McElhannon, City Secretary



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

---

**SUBJECT:** Minutes for the City Council workshop held June 16, 2020.

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** May 13, 2020

**SUBMITTED BY:** Shelley McElhannon

**EXHIBITS:** [20200623\\_Minutes\\_Council workshop 6-16-20 10am.pdf](#)

---

| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b> |
|------------------------------|---|-------------------------|------------------------|
| 0                            | 0   | 0                       | N/A                    |

**PAYMENT TO BE MADE TO:** N/A

---

|                             |     |
|-----------------------------|-----|
| <b>Kerrville 2050 Item?</b> | No  |
| <b>Key Priority Area</b>    | N/A |
| <b>Guiding Principle</b>    | N/A |
| <b>Action Item</b>          | N/A |

---

**SUMMARY STATEMENT:**

Minutes for the City Council workshop held June 16, 2020 at 10:00 a.m.

**RECOMMENDED ACTION:**

Approve minutes as presented.

**CITY COUNCIL MINUTES  
WORKSHOP, COUNCIL CHAMBERS**

**KERRVILLE, TEXAS  
JUNE 16, 2020 10:00 AM**

**CALL TO ORDER:** On June 16, 2020, at 10:00 a.m., the Kerrville City Council workshop was called to order by Mayor Bill Blackburn in the City Hall Council Chambers, 701 Main Street.

**COUNCILMEMBERS PRESENT:**

|                  |                                      |
|------------------|--------------------------------------|
| Bill Blackburn   | Mayor                                |
| Gary Cochrane    | Councilmember Place 1                |
| Kim Clarkson     | Councilmember Place 2                |
| Judy Eychner     | Councilmember Place 3, Mayor Pro Tem |
| Delayne Sigerman | Councilmember Place 4                |

**COUNCILMEMBER ABSENT:** None

**CITY STAFF PRESENT:**

|                    |                     |               |                             |
|--------------------|---------------------|---------------|-----------------------------|
| Mark McDaniel      | City Manager        | Amy Dozier    | Chief Financial Officer     |
| E.A. Hoppe         | Deputy City Manager | Julie Behrens | Assistant Finance Director  |
| Mike Hayes         | City Attorney       | Kim Meismser  | Director General Operations |
| Shelley McElhannon | City Secretary      |               |                             |

**VISITORS PRESENT:** No citizens were present at the City Council workshop due to the COVID-19 pandemic restrictions and the Governor's Disaster Declaration on March 16, 2020; public participation and engagement was offered through Zoom by telephone, written comments, and by email.

**1. CONSIDERATION AND POSSIBLE ACTION:**

1.A. Fiscal Year 2021 Major Budget Items (General Fund).

Mark McDaniel introduced item. Amy Dozier presented information and requested direction by City Council on certain items. Mark McDaniel and Amy Dozier responded to questions by City Council.

**ADJOURN:**

The meeting was adjourned at 11:12 a.m.

APPROVED BY COUNCIL: \_\_\_\_\_

APPROVED:

ATTEST:

---

Bill Blackburn, Mayor

---

Shelley McElhannon, City Secretary



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

---

**SUBJECT:** Purchase a 2020 Ford F-550 4X4 and remount wildland/brush skid not to exceed \$74,058.

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** Jun 17, 2020

**SUBMITTED BY:** Dannie Smith

**EXHIBITS:** [20200623\\_Quote\\_from Ford for KFD Brush Truck.pdf](#)  
[20200623\\_Quote\\_from Big Tex for KFD MAC Haik Brush Truck.pdf](#)

---

| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b> |
|------------------------------|---|-------------------------|------------------------|
| \$74,058.00                  | \$75,000.00                                 | \$75,000.00             | 01-0121-5200           |

**PAYMENT TO BE MADE TO:** Mac Haik

---

|                             |     |
|-----------------------------|-----|
| <b>Kerrville 2050 Item?</b> | No  |
| <b>Key Priority Area</b>    | N/A |
| <b>Guiding Principle</b>    | N/A |
| <b>Action Item</b>          | N/A |

**SUMMARY STATEMENT:**

Since 2011, the fire department has responded to off-road wildland/brush fires with a 2011 Ford 550 4X4 Brush Truck. On March 18, 2020, the diesel exhaust fluid (DEF) system failed and damaged the engine on the unit. Ken Stoepel Ford of Kerrville provided a repair quote of \$26,359.11 to repair the vehicle. The repair consists of a complete engine and DEF system replacement. The fire department is concerned with spending such a large sum of money repairing a 9-year-old vehicle. The department believes a more feasible approach is to purchase a new cab & chassis and remount the wildland/brush skid and accessories. The cost to achieve this is listed below:

- 2020 Ford F-550 4X4 - \$64,510.00
- Remount Skid & Accessories - \$9,548.00

Total - \$74,058.00

Therefore, staff requests authorization to purchase a 2020 Ford F-550 4X4, and remount the existing wildland/brush skid and accessories onto the new vehicle, from Mac Haik Ford at a cost not to exceed \$74,058.00.

**RECOMMENDED ACTION:**

Authorize the City Manager to purchase a 2020 Ford 550 4X4 and remount wildland/brush skid.

Prepared for: Steven Boyd, Kerrville Fire Dept.

2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40



### Client Proposal

Prepared by:

Terry Leggett

Office: 512-930-3673

Quote ID: W5G

Date: 04/24/2020



Mac Haik Ford | 7201 IH-35 North, Georgetown, Texas, 78626  
Office: 512-930-3673 | Fax: 512-863-7348

**Prepared for: Steven Boyd**

Kerrville Fire Dept.

Prepared by: Terry Leggett

04/24/2020

Mac Haik Ford | 7201 IH-35 North Georgetown Texas | 78626



## 2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40 | Quote ID: W5G

**Steven Boyd, Kerrville Fire Dept.**

Re: Quote ID W5G 04/24/2020

Dear Steven,

Thank you very much for your interest in acquiring a vehicle from our dealership. We concur that your interest is well deserved. We hope that an outstanding product lineup and our dedication to customer service will enhance your ownership experience should you decide to buy a vehicle from us.

Attached, please find additional information that I hope will assist you in making a more informed decision. Please feel free to contact me at any time as I would truly appreciate the opportunity to be of service to you.

Sincerely,

**Terry Leggett**

**Prepared for: Steven Boyd**

Kerrville Fire Dept.

Prepared by: Terry Leggett

04/24/2020

Mac Haik Ford | 7201 IH-35 North Georgetown Texas | 78626



**2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)**

Price Level: 40 | Quote ID: W5G

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## 2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40 | Quote ID: W5G

## As Configured Vehicle

| Code                | Description  | MSRP        |
|---------------------|--|-------------|
| <b>Base Vehicle</b> |  |             |
| W5H                 | Base Vehicle Price (W5H)   | \$47,345.00 |
| <b>Packages</b>     |  |             |
| 660A                | Order Code 660A<br><br><i>Includes:</i><br>- Engine: 7.3L 2V DEVCT NA PFI V8 Gas<br>- Transmission: TorqShift 10-Speed Automatic<br>Includes selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery.<br>- Wheels: 19.5" x 6" Argent Painted Steel<br>Hub covers/center ornaments not included.<br>- Radio: AM/FM Stereo w/MP3 Player<br>Includes 6 speakers.<br>- SYNC Communications & Entertainment System<br>Includes enhanced voice recognition, 911 Assist, 4.2" LCD center stack screen, AppLink, 1 smart-charging USB-C port and steering wheel audio controls. | N/C         |

## Powertrain

|     |  |            |
|-----|--|------------|
| 99N | Engine: 7.3L 2V DEVCT NA PFI V8 Gas  | Included   |
| 44G | Transmission: TorqShift 10-Speed Automatic<br><br><i>Includes selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery.</i>  | Included   |
| X8L | Limited Slip w/4.88 Axle Ratio   | \$360.00   |
| 68M | GVWR: 19,500 lb Payload Plus Upgrade Package<br><br><i>Includes upgraded frame, rear-axle and low deflection/high capacity springs. Increases max RGAWR to 14,706. Note: See Order Guide Supplemental Reference for further details on GVWR.</i> | \$1,155.00 |

## Wheels &amp; Tires

|     |   |          |
|-----|---|----------|
| TGK | Tires: 225/70Rx19.5G BSW Traction (TGK)   | \$215.00 |
|     | <i>Includes 4 traction tires on the rear and 2 traction tires on the front. Not recommended for over the road applications; could incur irregular front tire wear and/or NVH.</i> |          |
| 64Z | Wheels: 19.5" x 6" Argent Painted Steel<br><br><i>Hub covers/center ornaments not included.</i>   | Included |
| 512 | Spare Tire, Wheel & Jack<br><br><i>Required in Rhode Island.</i><br><br><i>Excludes carrier.</i><br><i>Includes:</i><br>- 6-Ton Hydraulic Jack                                    | \$350.00 |

**2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)**

Price Level: 40 | Quote ID: W5G

**As Configured Vehicle (cont'd)**

| Code                         | Description   | MSRP       |
|------------------------------|---|------------|
| <b>Seats &amp; Seat Trim</b> |   |            |
| L                            | Vinyl 40/Mini-Console/40 Front Seat<br><i>Includes driver's side manual lumbar.</i>   | \$355.00   |
| <b>Other Options</b>         |   |            |
| PAINT                        | Monotone Paint Application  | STD        |
| 179WB                        | 179" Wheelbase  | STD        |
| STDRD                        | Radio: AM/FM Stereo w/MP3 Player<br><i>Includes 6 speakers.<br/>Includes:<br/>- SYNC Communications &amp; Entertainment System<br/>Includes enhanced voice recognition, 911 Assist, 4.2" LCD center stack screen, AppLink, 1 smart-charging USB-C port and steering wheel audio controls.</i>   | Included   |
| 90L                          | Power Equipment Group<br><i>Deletes passenger side lock cylinder. Includes upgraded door-trim panel.<br/>Includes:<br/>- Accessory Delay<br/>- Advanced Security Pack<br/>Includes SecuriLock Passive Anti-Theft System (PATS) and inclination/intrusion sensors.<br/>- Folding Trailer Tow Mirrors w/Power Heated Glass<br/>Includes manual telescoping, heated convex spotter mirror and integrated clearance lamps/turn signals.<br/>- MyKey<br/>Includes owner controls feature.<br/>- Power Front &amp; Rear Side Windows<br/>Includes 1-touch up/down driver/passenger window.<br/>- Power Locks<br/>- Remote Keyless Entry</i> | \$1,125.00 |
| 67P                          | Extra Heavy-Duty Front End<br>Suspension - 7,500 GAWR<br><i>Includes upgraded front axle and max 7,500 lbs. Front springs/GAWR rating for configuration selected. Incomplete vehicle package - requires further manufacture and certification by a final stage manufacturer.</i>  | \$285.00   |
| 61J                          | 6-Ton Hydraulic Jack  | Included   |
| 62R                          | Transmission Power Take-Off<br>Provision<br><i>Includes transmission mounted live drive and stationary mode PTO.</i>  | \$280.00   |
| 18B                          | Platform Running Boards   | \$445.00   |

**Emissions**

|     |                           |     |
|-----|---------------------------|-----|
| 425 | 50-State Emissions System | STD |
|-----|---------------------------|-----|

**Interior Colors**

**Prepared for: Steven Boyd**

Kerrville Fire Dept.

Prepared by: Terry Leggett

04/24/2020

Mac Haik Ford | 7201 IH-35 North Georgetown Texas | 78626



## 2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40 | Quote ID: W5G

### As Configured Vehicle (cont'd)

| Code  | Description       | MSRP |
|-------|-------------------|------|
| LS_01 | Medium Earth Gray | N/C  |

### Primary Colors

|       |          |     |
|-------|----------|-----|
| PQ_01 | Race Red | N/C |
|-------|----------|-----|

### General Info

|        |                                |     |
|--------|--------------------------------|-----|
| ORDER1 | Initial Order Date: 08/14/2019 | N/C |
|--------|--------------------------------|-----|

### Upfit Options

|           |  |             |
|-----------|--|-------------|
| F550 LIFT | 4' LIFT WITH TIRES<br><i>4' LIFT WITH TIRES AND WHEELS!!</i> | \$10,900.00 |
|-----------|--|-------------|

|          |             |
|----------|-------------|
| SUBTOTAL | \$62,815.00 |
|----------|-------------|

|                    |            |
|--------------------|------------|
| Destination Charge | \$1,695.00 |
|--------------------|------------|

|       |             |
|-------|-------------|
| TOTAL | \$64,510.00 |
|-------|-------------|

**Prepared for: Steven Boyd**

Kerrville Fire Dept.

Prepared by: Terry Leggett

04/24/2020



Mac Haik Ford | 7201 IH-35 North Georgetown Texas | 78626

## 2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40 | Quote ID: W5G

# Warranty

## Standard Warranty

### *Basic*

|                |              |              |           |
|----------------|--------------|--------------|-----------|
| Distance ..... | 36,000 miles | Months ..... | 36 months |
|----------------|--------------|--------------|-----------|

### *Powertrain*

|                |              |              |           |
|----------------|--------------|--------------|-----------|
| Distance ..... | 60,000 miles | Months ..... | 60 months |
|----------------|--------------|--------------|-----------|

### *Corrosion Perforation*

|                |                 |              |           |
|----------------|-----------------|--------------|-----------|
| Distance ..... | Unlimited miles | Months ..... | 60 months |
|----------------|-----------------|--------------|-----------|

### *Roadside Assistance*

|                |              |              |           |
|----------------|--------------|--------------|-----------|
| Distance ..... | 60,000 miles | Months ..... | 60 months |
|----------------|--------------|--------------|-----------|

Prepared for: Steven Boyd

Kerrville Fire Dept.

Prepared by: Terry Leggett

04/24/2020

Mac Haik Ford | 7201 IH-35 North Georgetown Texas | 78626



## 2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40 | Quote ID: W5G

### Pricing Summary - Single Vehicle

|                            | MSRP                          | INVOICE            |
|----------------------------|-------------------------------|--------------------|
| <i>Vehicle Pricing</i>     |                               |                    |
| Base Vehicle Price         | \$47,345.00                   | \$44,978.00        |
| Options & Colors           | \$4,570.00                    | \$4,159.00         |
| Upfitting                  | \$10,900.00                   | \$8,500.00         |
| Fuel Charge                | \$0.00                        | \$0.00             |
| Destination Charge         | \$1,695.00                    | \$1,695.00         |
| <b>Subtotal</b>            | <b>\$64,510.00</b>            | <b>\$59,332.00</b> |
| <i>Pre-Tax Adjustments</i> |                               |                    |
| Code                       | Description                   |                    |
| GPC                        | Government Pricing Concession | -\$4,800.00        |
| <b>Total</b>               | <b>\$59,710.00</b>            | <b>\$54,532.00</b> |

---

Customer Signature

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Acceptance Date

Prepared for: Steven Boyd

Kerrville Fire Dept.

Prepared by: Terry Leggett

04/24/2020



Mac Haik Ford | 7201 IH-35 North Georgetown Texas | 78626

## 2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40 | Quote ID: W5G

### Major Equipment

(Based on selected options, shown at right)

7.3L V-8 OHV w/SMPI 350hp

TorqShift 10 speed automatic w/OD

- \* 4-wheel ABS
- \* Traction control
- \* Battery with run down protection
- \* Air conditioning
- \* AM/FM stereo with seek-scan, external memory control
- \* Daytime running
- \* Variable intermittent wipers
- \* Dual front airbags
- \* SecuriLock immobilizer
- \* Message Center
- \* Reclining front bucket seats
- \* Vinyl seats
- \* Audio control on steering wheel
- \* Rear axle capacity: 14706 lbs.
- \* Rear spring rating: 15000 lbs.
- \* Frame Yield Strength 50000 psi
- \* Axle to end of frame: 47.2"

- Exterior: Race Red
- Interior: Medium Earth Gray
- \* Brake assistance
- \* LT 225/70R19.5 G BSW AT S-rated tires
- \* Firm suspension
- \* Tinted glass
- \* Bluetooth streaming audio
- \* Dual power remote heated mirrors
- \* 19.5 x 6 steel wheels
- \* Driver and front passenger seat mounted side airbags
- \* Tachometer
- \* Underseat ducts
- \* 60-40 folding rear split-bench
- \* Side steps
- \* Front axle capacity: 7500 lbs.
- \* Front spring rating: 7500 lbs.
- \* Frame section modulus: 17.2 cu.in.
- \* Cab to axle: 60"
- \* Transmission PTO Provision

### Fuel Economy

### As Configured Vehicle

|  | MSRP        |
|--|-------------|
| STANDARD VEHICLE PRICE .....                             | \$47,345.00 |
| Order Code 660A .....                                    | N/C         |
| Monotone Paint Application .....                         | STD         |
| 179" Wheelbase .....                                     | STD         |
| 50-State Emissions System .....                          | STD         |
| GVWR: 19,500 lb Payload Plus Upgrade Package ..          | \$1,155.00  |
| Limited Slip w/4.88 Axle Ratio .....                     | \$360.00    |
| Tires: 225/70Rx19.5G BSW Traction (TGK) .....            | \$215.00    |
| Spare Tire, Wheel & Jack .....                           | \$350.00    |
| Vinyl 40/Mini-Console/40 Front Seat .....                | \$355.00    |
| Power Equipment Group .....                              | \$1,125.00  |
| Extra Heavy-Duty Front End Suspension - 7,500 GAWR ..... | \$285.00    |
| Transmission Power Take-Off Provision .....              | \$280.00    |
| Platform Running Boards .....                            | \$445.00    |
| Initial Order Date: 08/14/2019 .....                     | N/C         |
| Race Red .....   | N/C         |
| Medium Earth Gray .....                                  | N/C         |
| Engine: 7.3L 2V DEVCT NA PFI V8 Gas .....                | Included    |

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Steven Boyd

Kerrville Fire Dept.

Prepared by: Terry Leggett

04/24/2020



Mac Haik Ford | 7201 IH-35 North Georgetown Texas | 78626

## 2020 F-550 Chassis 4x4 SD Crew Cab 179" WB DRW XL (W5H)

Price Level: 40 | Quote ID: W5G

### Major Equipment

#### **City**

N/A



#### **Hwy**

N/A

### As Configured Vehicle

MSRP

|  |          |
|--|----------|
| Transmission: TorqShift 10-Speed Automatic       | Included |
| Wheels: 19.5" x 6" Argent Painted Steel          | Included |
| Radio: AM/FM Stereo w/MP3 Player                 | Included |
| SYNC Communications & Entertainment System       | Included |
| 6-Ton Hydraulic Jack                             | Included |
| Accessory Delay                                  | Included |
| Advanced Security Pack                           | Included |
| Folding Trailer Tow Mirrors w/Power Heated Glass | Included |
| MyKey  | Included |
| Power Front & Rear Side Windows                  | Included |
| Power Locks                                      | Included |
| Remote Keyless Entry                             | Included |

**SUBTOTAL** ..... \$51,915.00

Destination Charge ..... \$1,695.00

**TOTAL** ..... **\$53,610.00**

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.





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

---

**SUBJECT:** Construction contract with Balcones Ridge Construction, LLC for the Bluebell Road Waterline Replacement project in an amount of \$234,175.00.

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** Jun 16, 2020

**SUBMITTED BY:** Kyle Burow

**EXHIBITS:** [20200623\\_Bid\\_Bluebell Water Main Replacement\\_Received Bids.pdf](#)

---

| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b>             |
|------------------------------|---|-------------------------|------------------------------------|
| \$234,175.00                 | \$333,000.00                                | \$350,000.00            | 71-7100-5500;<br>Project #71-20005 |

**PAYMENT TO BE MADE TO:** Balcones Ridge Construction, LLC

---

|                             |     |
|-----------------------------|-----|
| <b>Kerrville 2050 Item?</b> | No  |
| <b>Key Priority Area</b>    | N/A |
| <b>Guiding Principle</b>    | N/A |
| <b>Action Item</b>          | N/A |

**SUMMARY STATEMENT:**

In January 2020, the City consulted Freeland Turk Engineering Group to assist staff with waterline maintenance with the removal and replacement of an existing 6" cast iron pipe located in Bluebell Rd. between Jackson Rd. and Bluebonnet Dr. This section of water main has been a known problem area with numerous water main break and repairs by City crews. The scope of the project will consist of the installation of approximately 1,375 linear feet of 8" PVC water main on Bluebell Road, to include replacement of existing domestic services and fire hydrants. The alignment of the new water main is proposed to be in the street along the north curb line and an additive alternate bid for mill and overlay of the full roadway paving was incorporated into the bid documents.

The project was placed for advertisement, the bid opening was held online and eleven bids were received, with Balcones Ridge Construction, LLC as the apparent low bid.

Staff, along with Freeland Turk Engineering Group evaluated the contractor and recommend awarding the base bid and alternate #1 for a total contract amount of \$234,175.00 to Balcones Ridge Construction, LLC.

**RECOMMENDED ACTION:**

Authorize the City Manager to finalize and execute a construction contract.

**Project Name : Bluebell Road Water Main Replacement Project**

**Engineering Number: PW#20-004**

**Bid Opening: June 9, 2020**

| General Contractors               | Bid Security | Addendum #1 | Base Bid     | Alternate 1  |
|-----------------------------------|--------------|-------------|--------------|--------------|
| Balcones Ridge Construction LLC   | x            | x           | \$140,525.00 | \$93,650.00  |
| M&C Fonceca Construction Co. Inc. | x            | x           | \$206,137.50 | \$80,350.00  |
| QroMex Construction Co. Inc.      | x            | x           | \$255,200.00 | \$138,975.00 |
| TRC Construction Inc.             | x            | x           | \$267,903.92 | \$100,859.73 |
| RGB Resources LLC                 | x            | x           | \$274,051.00 | \$64,040.00  |
| Nelson Lewis Inc.                 | x            | x           | \$295,175.00 | \$103,040.00 |
| Atlas Construction Corp           | x            | x           | \$299,350.00 | \$71,691.00  |
| Lupe Rubio Construction Co., Inc. | x            | x           | \$320,354.60 | \$130,986.76 |
| G&G Contractors                   | x            | x           | \$369,495.00 | \$112,876.50 |
| Force Asset Management, LLC       | x            | x           | \$416,700.69 | \$67,086.00  |
| M5 Utilities, LLC                 | x            | x           | \$438,569.28 | \$88,583.02  |
|                                   |              |             |              |              |
|                                   |              |             |              |              |
|                                   |              |             |              |              |



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

---

**SUBJECT:** Briefing and possible action as to the City's ongoing preparedness and response to COVID-19 (Coronavirus).

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** May 13, 2020

**SUBMITTED BY:** Shelley McElhannon

**EXHIBITS:**

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| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b> |
|------------------------------|---|-------------------------|------------------------|
| N/A                          | N/A   | N/A                     | N/A                    |

**PAYMENT TO BE MADE TO:** N/A

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|                             |     |
|-----------------------------|-----|
| <b>Kerrville 2050 Item?</b> | No  |
| <b>Key Priority Area</b>    | N/A |
| <b>Guiding Principle</b>    | N/A |
| <b>Action Item</b>          | N/A |

**SUMMARY STATEMENT:**

On-going responsiveness to changing conditions and situations.

**RECOMMENDED ACTION:**

Actions for the preparedness and response to COVID-19 (Coronavirus) circumstances.



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

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**SUBJECT:** Financial update for the month ended May 31, 2020

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** Jun 16, 2020

**SUBMITTED BY:** Amy Dozier

**EXHIBITS:** [20200623\\_Presentation\\_May Financial Presentation.pdf](#)

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| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b> |
|------------------------------|---|-------------------------|------------------------|
| N/A                          | N/A   | N/A                     | N/A                    |

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**PAYMENT TO BE MADE TO:** N/A

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|                             |     |
|-----------------------------|-----|
| <b>Kerrville 2050 Item?</b> | No  |
| <b>Key Priority Area</b>    | N/A |
| <b>Guiding Principle</b>    | N/A |
| <b>Action Item</b>          | N/A |

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**SUMMARY STATEMENT:**

See attached presentation regarding financial results through May 31, 2020 and an update on the financial impacts of COVID-19.

**RECOMMENDED ACTION:**

No action required; information only.



# **Financial update for the month ended May 31, 2020**

**City Council Meeting  
June 23, 2020**



# Updated FY2020 Projection

|                    | <u>Original Budget</u> | April<br>Projection | June<br>Projection | Difference<br>from Budget | Difference<br>from April<br>Projection |
|--------------------|------------------------|---------------------|--------------------|---------------------------|--|
| <b>Revenues:</b>   |                        |                     |                    |                           |  |
| Property Tax       | 9,922,412              | 9,906,826           | 9,936,165          | 13,753                    | 29,339                                 |
| Sales Tax          | 7,470,865              | 6,588,607           | 7,160,209          | (310,656)                 | 571,602                                |
| EMS                | 2,825,400              | 2,358,217           | 2,226,641          | (598,759)                 | (131,576)                              |
| Municipal Court    | 592,600                | 186,915             | 233,012            | (359,588)                 | 46,097                                 |
| Recreation Revenue | 664,728                | 389,634             | 479,001            | (185,727)                 | 89,367                                 |
| All Other          | 7,286,073              | 7,077,162           | 7,193,109          | (92,964)                  | 115,947                                |
| <b>TOTAL</b>       | <b>28,762,077</b>      | <b>26,507,361</b>   | <b>27,228,137</b>  | <b>(1,533,940)</b>        | <b>720,776</b>                         |

**Revised sales tax assumptions – Less than budget by:**

**Actual May (March sales): 8%**

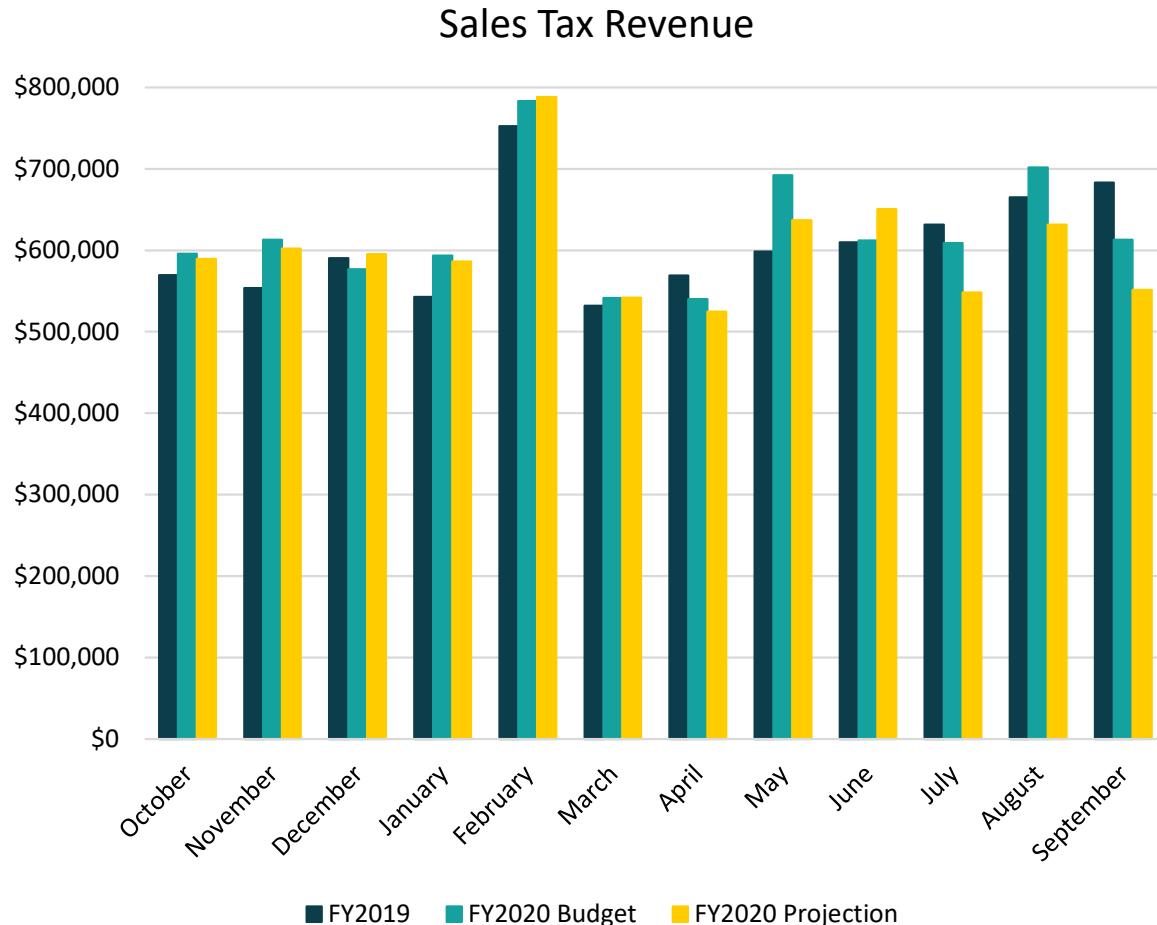
**Actual June (April sales): BETTER THAN BUDGET BY 6%**

**July (May sales): 10%**

**Aug (June sales): 10%**

**Sept (July sales): 10%**

# Sales Tax Assumptions



**Sales tax reductions of:**

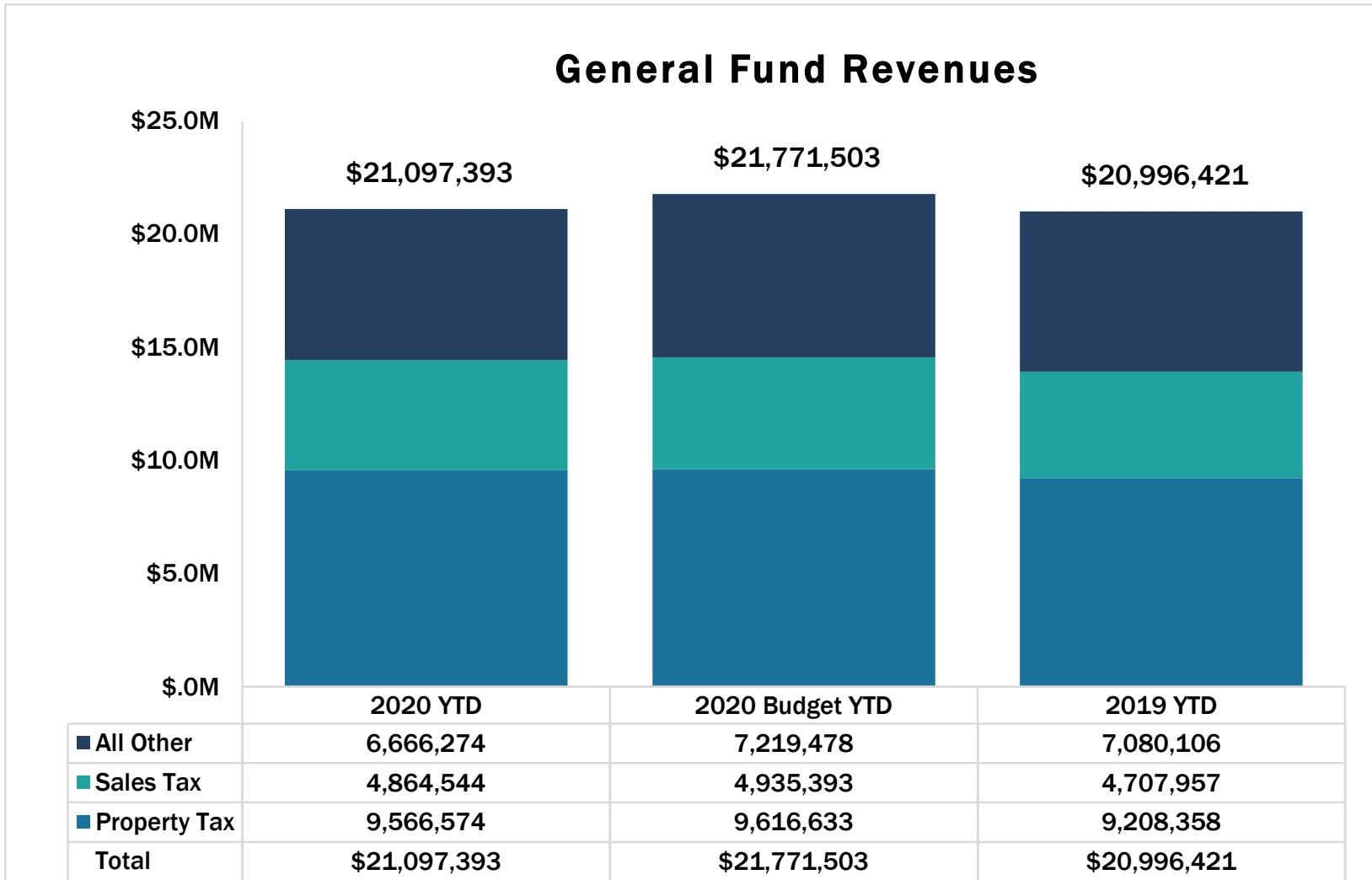
- May actual (March sales): 8%**
- June actual (April sales): UP 6%**
- July (May sales): 10%**
- August (June sales): 10%**
- September (July sales): 10%**

|              | FY2020<br>Projection vs.<br>FY2019 Actual | FY2020<br>Projection vs.<br>FY2020 Budget |
|--------------|---|---|
| April - Sept | -8.0%                                     | -8.2%                                     |
| Full Year    | -1.9%                                     | -4.2%                                     |

# General Fund Summary

| Fund                | Total             | Year to Date     | Year to Date     | Better /         | Year to Date     | Change           |
|---------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
|                     | FY2020            | FY2020           | FY2020           | (Worse)          | FY2019           | from             |
|                     | Budget            | Budget           | Actual           | than Budget      | Actual           | FY2019           |
| <b>General Fund</b> |                   |                  |                  |                  |                  |                  |
| Revenues            |                   |                  |                  |                  |                  |                  |
| Property Tax        | \$ 9,922,412      | \$ 9,616,633     | \$ 9,566,574     | \$ (50,058)      | \$ 9,208,358     | \$ 358,216       |
| Sales Tax           | 7,470,865         | 4,935,393        | 4,864,544        | (70,849)         | 4,707,957        | 156,587          |
| Other Revenue       | <u>11,368,800</u> | <u>7,219,478</u> | <u>6,666,274</u> | <u>(553,204)</u> | <u>7,080,106</u> | <u>(413,832)</u> |
| Total Revenue       | 28,762,077        | 21,771,503       | 21,097,393       | (674,110)        | 20,996,421       | 100,972          |
| Expenditures        | 28,762,077        | 17,763,854       | 17,002,828       | 761,026          | 16,624,274       | 378,554          |
| Net                 | \$ -              | \$ 4,007,650     | \$ 4,094,565     | \$ 86,915        | \$ 4,372,147     | \$ (277,583)     |

# General Fund Revenues



# General Fund Revenues

## EMS Revenue

- YTD - \$141K lower than budget
- FY2020 average charge has increased, but YTD billable incidents are down 13%

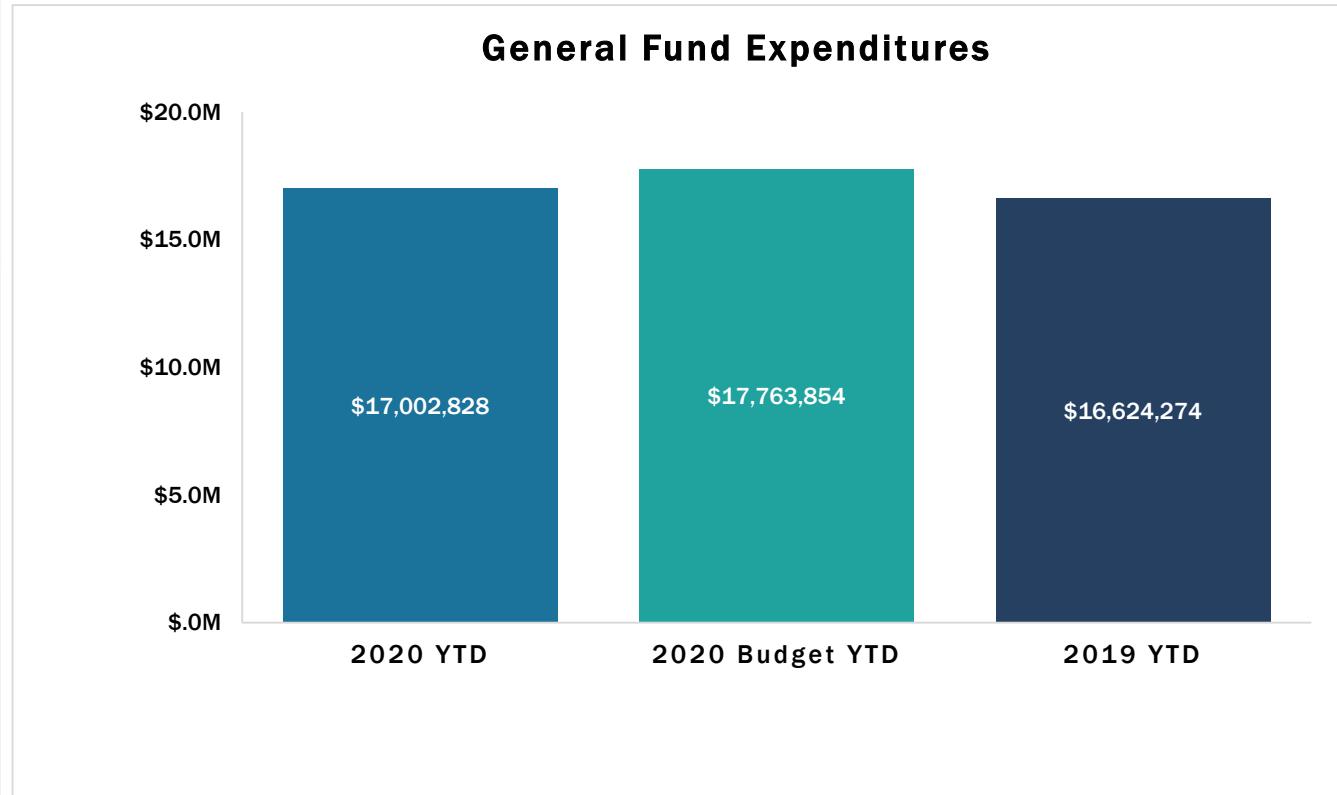
## Recreation Revenue

- YTD - \$140K lower than budget
- May 2020 – revenue down 90.4% compared to May 2019
- June 1-15, 2020 revenue equals revenue from all June 2019

## Municipal Court

- YTD - \$217K lower than budget
- May 2020 – revenue down 76.7% compared to May 2019

# General Fund Expenditures

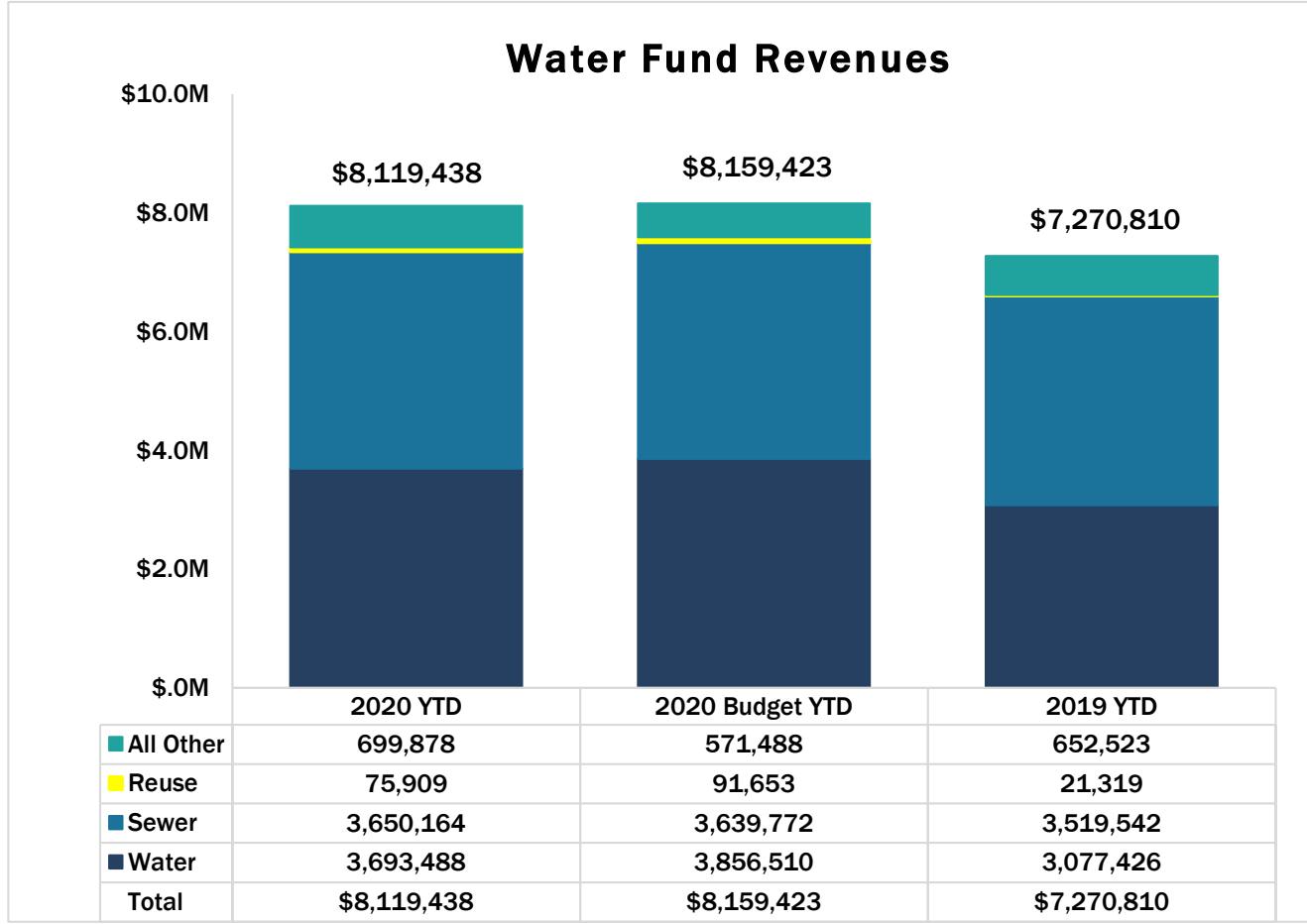


- **Vacancies in Parks, Police, Fire, Engineering, IT**
- **Reduced supplies and equipment – especially in Police & KSC**
- **No travel, reduced training**
- **Paving expense is \$142K lower than FY2019**

# Water Fund Summary

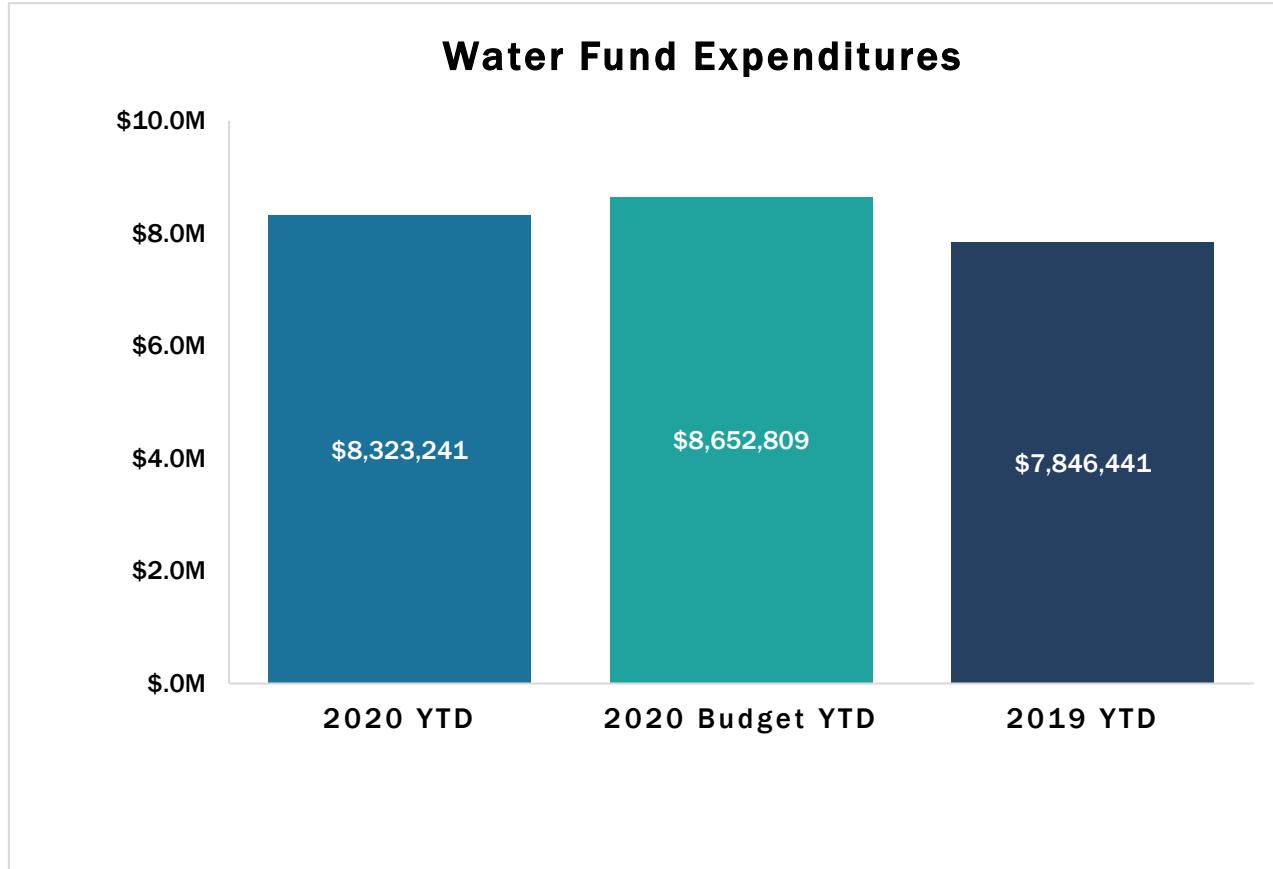
| Fund                 | Total             | Year to Date        | Year to Date        | Better /          | Year to Date        | Change            |
|----------------------|-------------------|---------------------|---------------------|-------------------|---------------------|-------------------|
|                      | FY2020            | FY2020              | FY2020              | (Worse)           | FY2019              | from              |
|                      | Budget            | Budget              | Actual              | than Budget       | Actual              | FY2019            |
| <b>Water Fund</b>    |                   |                     |                     |                   |                     |                   |
| Revenues             |                   |                     |                     |                   |                     |                   |
| Water Sales          | \$ 6,487,507      | \$ 3,856,510        | \$ 3,693,488        | \$ (163,022)      | \$ 3,077,426        | \$ 616,062        |
| Sewer Sales          | 5,525,753         | 3,639,772           | 3,650,164           | 10,392            | 3,519,542           | 130,622           |
| Reuse Sales          | 154,181           | 91,653              | 75,909              | (15,744)          | 21,319              | 54,590            |
| Other Revenue        | 868,153           | 571,488             | 699,878             | 128,389           | 652,523             | 47,355            |
| <b>Total Revenue</b> | <b>13,035,594</b> | <b>8,159,423</b>    | <b>8,119,438</b>    | <b>(39,985)</b>   | <b>7,270,810</b>    | <b>848,628</b>    |
| Expenditures         | 13,035,594        | 8,652,809           | 8,323,241           | 329,567           | 7,846,441           | 476,801           |
| <b>Net</b>           | <b>\$ -</b>       | <b>\$ (493,386)</b> | <b>\$ (203,803)</b> | <b>\$ 289,582</b> | <b>\$ (575,631)</b> | <b>\$ 371,827</b> |

# Water Fund Revenues



- **Commercial consumption increased in May with business reopenings, but was still 11% less than “historical average” year**
- **May irrigation consumption was 40% less than “historical average”**
- **8 days of rain in May totaling 6.3 inches**

# Water Fund Expenditures



- **Vacancies in Wastewater Collections, Water Distribution**
- **Reduced maintenance, supplies expense**
- **No contingency spending for large repairs this year**

# Other Funds Summary

| Fund                             | Total      | Year to Date | Year to Date | Better /    | Year to Date | Change       |
|----------------------------------|------------|--------------|--------------|-------------|--------------|--------------|
|                                  | FY2020     | FY2020       | FY2020       | (Worse)     | FY2019       | from         |
|                                  | Budget     | Budget       | Actual       | than Budget | Actual       | FY2019       |
| <b>Development Services Fund</b> |            |              |              |             |              |              |
| Revenues                         |            |              |              |             |              |              |
| Permits & Fees                   | \$ 688,870 | \$ 505,913   | \$ 691,961   | \$ 186,048  | \$ 309,870   | \$ 382,091   |
| Transfer In                      | 237,422    | 158,281      | 158,281      | -           | 472,458      | (314,177)    |
| Total Revenue                    | 926,292    | 664,194      | 850,242      | 186,048     | 782,329      | 67,914       |
| Expenditures                     | 926,292    | 618,371      | 579,725      | 38,646      | 885,465      | (305,739)    |
| Net                              | -          | 45,823       | 270,517      | 224,693     | (103,136)    | 373,653      |
| <b>Golf Fund</b>                 |            |              |              |             |              |              |
| Revenues                         |            |              |              |             |              |              |
| Recreation                       | 917,537    | 567,436      | 456,582      | (110,854)   | 496,619      | (40,038)     |
| Transfer In                      | 80,000     | 46,667       | 46,667       | -           | 46,667       | -            |
| Total Revenue                    | 997,537    | 614,103      | 503,248      | (110,854)   | 543,286      | (40,038)     |
| Expenditures                     | 997,537    | 602,540      | 592,459      | 10,081      | 582,921      | 9,538        |
| Net                              | -          | 11,563       | (89,210)     | (100,773)   | (39,635)     | (49,575)     |
| <b>Hotel Occupancy Tax Fund</b>  |            |              |              |             |              |              |
| Revenues                         | 1,458,500  | 886,797      | 712,638      | (174,159)   | 893,430      | (180,792)    |
| Expenditures                     | 1,458,500  | 1,036,533    | 893,248      | 143,285     | 864,958      | 28,291       |
| Net                              | \$ -       | \$ (149,736) | \$ (180,610) | \$ (30,874) | \$ 28,472    | \$ (209,082) |



# Fund Analysis

## Development Services Fund

- **As of May 31<sup>st</sup>, Development Services has met their permits and fees revenue budget for the entire year!**
- **Planning vacancy earlier in the year, lower software costs**

## Golf Fund

- **May green fees 11.2% lower than May 2019**
- **Father's Day promotion in June**

## Hotel Occupancy Tax Fund

- **May revenue represents April stays**
- **May occupancy tax down 83.4% compared to May 2019**
- **Hotel closure update**



# **Council Questions or Comments?**





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

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**SUBJECT:** Ordinance No. 2020-13. An Ordinance amending Ordinance No. 2018-19 which created Tax Increment Reinvestment Zone Number One, City of Kerrville, Texas, by increasing the number of Board of Directors for the Zone; containing a cumulative clause; containing a savings and severability clause; and providing other matters relating to this subject.

**AGENDA DATE OF:** June 23, 2020      **DATE SUBMITTED:** Jun 16, 2020

**SUBMITTED BY:** Shelley McElhannon

**EXHIBITS:** [20200623\\_Ordinance\\_2020-13 TIRZ membership increase amending Ord 2018-19.pdf](#)

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| <b>Expenditure Required:</b> | <b>Remaining Budget Balance in Account:</b> | <b>Amount Budgeted:</b> | <b>Account Number:</b> |
|------------------------------|---|-------------------------|------------------------|
| N/A                          | N/A   | N/A                     | N/A                    |

**PAYMENT TO BE MADE TO:** N/A

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|                             |   |
|-----------------------------|---|
| <b>Kerrville 2050 Item?</b> | Yes   |
| <b>Key Priority Area</b>    | D - Downtown Revitalization   |
| <b>Guiding Principle</b>    | D7. Encourage reinvestment in Downtown businesses by identifying and addressing regulatory hurdles and providing incentives to attract development consistent with the community's vision |

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**Action Item**

**SUMMARY STATEMENT:**

Increasing Board of Directors membership to seven members. Removing the language City Council will designate the Vice Chair of the Board among its appointments. Amending Ordinance No. 2018-19 and related Ordinance No. 2020-04.

**RECOMMENDED ACTION:**

Approve Ordinance No. 2020-13 as presented.

**CITY OF KERRVILLE, TEXAS  
ORDINANCE NO. 2020-13**

**AN ORDINANCE AMENDING ORDINANCE NO. 2018-19 WHICH CREATED TAX INCREMENT REINVESTMENT ZONE NUMBER ONE, CITY OF KERRVILLE, TEXAS, BY INCREASING THE NUMBER OF BOARD OF DIRECTORS FOR THE ZONE; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; AND PROVIDING OTHER MATTERS RELATING TO THIS SUBJECT**

**WHEREAS**, City Council, pursuant to Chapter 311 of the Texas Tax Code as amended (known as the Tax Increment Financing Act and herein referred to as the "Act") and its adoption of Ordinance No. 2018-19, previously designated a geographic area within the City as a tax increment reinvestment zone ("TIRZ"); and

**WHEREAS**, Ordinance No. 2018-19 designated the TIRZ as "Reinvestment Zone Number One, City of Kerrville, Texas" hereinafter referred to as the "Zone"; and

**WHEREAS**, Ordinance No. 2018-19 also created a board of directors ("Board") for the Zone consisting of five (5) members; and

**WHEREAS**, City Council now believes it beneficial to amend Ordinance No. 2018-19 to increase the number of Board members; and

**WHEREAS**, City Council finds it to be in the public interest to amend Ordinance No. 2018-19 as provided herein;

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

**SECTION ONE.** Section Four of Ordinance No. 2018-19, as amended by Ordinance No. 2020-04, is amended by adding the language that is underlined (added) and deleting the language that is stricken (~~deleted~~) as follows:

**"SECTION FOUR. BOARD OF DIRECTORS.** A board of directors for the Zone ("Board") is hereby created. The Board shall consist of ~~five~~ seven (~~5~~<sup>7</sup>) members appointed by City Council, where such members may include one or more Councilmembers. At the time of its appointments and at any other time, City Council shall designate the Chair ~~and Vice Chair~~ of the Board from among its appointments. The terms of the members are staggered, such that Council will

appoint 3 members to terms expiring September 30 of one year. Council will then appoint the remaining ~~2~~ 4 members to terms expiring September 30 of the following year. During the early history of the Board and where an appointment is made to fill an unexpired term and, based upon a goal of maintaining staggered terms, Council may appoint a person to a term that is less than two years. However, no such appointee shall serve a term longer than two years. Thereafter, All members shall serve until their successors are appointed and qualified, but regardless, each term will exist as a two-year term beginning October 1 and terminating September 30, two years thereafter. Additionally, each taxing unit that levies taxes within the Zone and chooses to contribute all or part of the tax increment produced by the unit into the tax increment fund may appoint one member of the Board. The number of directors on the Board shall be increased by one for each taxing unit that appoints a director to the Board; provided, that the maximum number of directors shall not exceed fifteen (15). The Board shall make recommendations to City Council concerning the administration, management, and operation of the Zone. The Board shall prepare and adopt a project plan and a reinvestment zone financing plan for the Zone and submit such plans to City Council for its approval. The Board shall perform all duties imposed upon it by Chapter 311 of the Texas Tax Code and all other applicable laws. Notwithstanding anything to the contrary herein, the Board, pursuant to Section 311.010 of the Act, is not authorized to (i) issue bonds; (ii) impose taxes or fees; (iii) exercise the power of eminent domain, or (iv) give final approval to the Zone's project plan and financing plan. (For purposes of clarification, City Council is not authorizing the Board to initiate any zoning changes, authorize any changes in land use or modify the procedure to obtain the same, all of which must continue to comply with the ordinances, codes and procedures of the City of Kerrville.)"

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

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

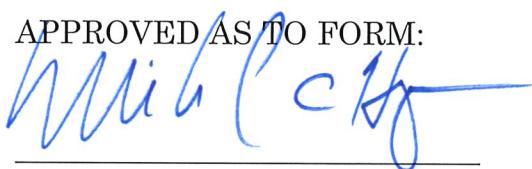
**PASSED AND APPROVED ON FIRST READING**, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2020.

**PASSED AND APPROVED ON SECOND AND FINAL READING**, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2020.

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Bill Blackburn, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:

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Shelley McElhannon, City Secretary