

AGENDA FOR THE KERRVILLE CITY COUNCIL MEETING

TUESDAY, OCTOBER 25, 2022, 6:00 P.M.

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



CITY COUNCIL MEETING AGENDA
OCTOBER 25, 2022, 6:00 PM
CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS



***Council Meeting Procedures, City Council and City Staff Safety Measures, and
Citizen Participation Guidelines***

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. Taking this into account, standard safety protocols will be observed by City Council, City staff, and citizens/visitors attending the meeting. Masks are voluntary and highly encouraged. Visitor seating will be designated.

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

Citizens wishing to speak during a meeting shall submit a completed "speaker request form" to the City Secretary before the item is introduced, but are encouraged to submit the form before the meetings begin. Each speaker is limited to four minutes.

Thank you for your participation!

CALL TO ORDER: By Mayor Judy Eychner.

INVOCATION AND PLEDGE OF ALLEGIANCE: Led by Councilmember Roman Garcia.

1 ANNOUNCEMENTS OF COMMUNITY INTEREST: *Announcement of items of community interest, including expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognitions of city officials, employees, or other citizens; reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by city officials or employees; and announcements involving imminent threats to the public health and safety of the city. No action will be taken.*

2 PRESENTATIONS:

2.A. Kerrville Kindness Award presented to Bike Trail Builders at Kerrville-Schreiner Park.

3 VISITORS/CITIZENS FORUM: *Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must fill out the speaker request form and give it to the City Secretary. The speaker request form must be submitted to the City Secretary before the item is called or read into record. City Council may not discuss or take any action on an item but may place the issue on a future agenda. Each speaker is limited to four minutes.*

4 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:*

4.A. Resolution No. 49-2022. A Resolution amending and restating the Employee Benefits Trust for the City of Kerrville, Texas; such trust created and maintained pursuant to Chapter 222, Texas Insurance Code.

Attachment: [20221025_Reso 49-2022 Amending EBT Declaration of Trust.pdf](#)

4.B. Resolution No. 71-2022. A Resolution authorizing the acceptance of grant funding from the Office of the Governor - Criminal Justice Division and its BG-Rifle-Resistant Body Armor Grant Program for funding to purchase Rifle Resistant Body Armor for the Kerrville Police Department.

Attachments: [20221025_Reso 71-2022 Grant Funding KPD Rifle resistant body armor.pdf](#)
[20221025_Letter_Governor Grant award KPD.pdf](#)

4.C. Amendment to Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas, for site, building, and infrastructure improvements for business enterprises at the Kerrville-Kerr County Airport.

Attachment: [20221025_EIC Project Funding agreement amendment Airport infrastructure improvements.pdf](#)

- 4.D. Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas; for the installation of a Fitness Court within Louise Hays Park.

Attachments: [20221025_EIC Project Funding agreement Fitness Court LHP.pdf](#)
[20221025_Presentation_Fitness_Court.pdf](#)

- 4.E. Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for work regarding the conversion of above-ground utility lines to underground and streetscape improvements to the parking garage.

Attachment: [20221025_EIC Project Funding agreement utility lines streetscape improvements Parking Garage.pdf](#)

- 4.F. City Council workshop minutes, October 11, 2022.

Attachment: [20221025_Minutes_CC workshop 10-11-22 4pm.pdf](#)

- 4.G. City Council meeting minutes, October 11, 2022.

Attachment: [20221025_Minutes CC meeting 10-11-22 6pm.pdf](#)

- 4.H. City Council workshop minutes, October 18, 2022.

Attachment: [20221025_Minutes_CC workshop 10-18-22 930am.pdf](#)

END OF CONSENT AGENDA.

5 CONSIDERATION AND POSSIBLE ACTION:

- 5.A. Resolution No. 70-2022. A Resolution authorizing the waiver of Parade and Parks fees for the Kerr County Veterans Day Parade Committee pursuant to events it plans to hold on November 12, 2022 in and around the City's Louise Hays Park.

Attachments: [20221025_Reso 70-2022 Waiver of fees Veterans Day Parade 11-12-22.pdf](#)
[20221025_Letter_Kerr County Veterans Day Committee Fee Waiver Request.pdf](#)

- 5.B. Resolution No. 69-2022. A Resolution supporting the Guadalupe-Blanco River Authority and its actions toward the development of a Habitat Conservation Plan; said plan being developed in response to the potential listing of freshwater mussels within portions of the Guadalupe River as Endangered Species by the U.S. Fish and Wildlife Service.

Attachment: [20221025_Reso 69-2022 Partner wGBRA to develop HCP.pdf](#)

- 5.C. Resolution No. 67-2022. A Resolution adopting the City's Tree Preservation Policy.

Attachment: [20221025_Reso 67-2022 Tree Preservation Policy.pdf](#)

- 5.D. Special District Policy as to Municipal Utility Districts.

Attachment: [20221025_Policy_Municipal Utility District draft v1.pdf](#)

6 ORDINANCES, FIRST READING:

- 6.A. Ordinance No. 2022-31. An Ordinance amending the City's Fiscal Year 2022 Budget to account for the receipt of additional revenue, the disbursement of such revenue, and to make other amendments as provided.

Attachments: [20221025_Ord 2022-31 Amending FY2022 budget.pdf](#)
[20221025_Presentation_FY22 Year-End budget amendment.pdf](#)

7 INFORMATION & DISCUSSION:

- 7.A. Financial Report for month ending September 30, 2022.

Attachment: [20221025_Presentation_Financial update 9-30-22.pdf](#)

- 8 EXECUTIVE SESSION:** City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above 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. City Council also reserves the right to meet in executive session on the following issue(s):

8.A. Workforce Housing development projects. (551.071, 551.087)

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

10 **ITEMS FOR FUTURE AGENDAS:** *City Council may suggest items or topics for future agendas.*

ADJOURN.



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

SUBJECT: Kerrville Kindness Award presented to Bike Trail Builders at
Kerrville-Schreiner Park.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Sep 27, 2022

SUBMITTED BY: Ashlea Boyle

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

A citizen or entity who has impacted the City of Kerrville in a positive way. Recipient: Bike Trail Builders at the Kerrville-Schreiner Park.

RECOMMENDED ACTION:

Present award.



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

SUBJECT: Resolution No. 49-2022. A Resolution amending and restating the Employee Benefits Trust for the City of Kerrville, Texas; such trust created and maintained pursuant to Chapter 222, Texas Insurance Code.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 11, 2022

SUBMITTED BY: Mike Hayes

EXHIBITS: [20221025_Reso 49-2022 Amending EBT Declaration of Trust.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

The City provides or offers employee benefits to its employees. Such benefits include health, dental, and vision insurance, among other benefits. Pursuant to state law (Ch. 222, Insurance Code), the state normally taxes the premiums and revenues associated with the benefits. However, state law also authorizes cities to opt out of this tax where it maintains these funds under the ownership and control of a trust. City Council, pursuant to Resolution No. 61-2008, previously created this state-authorized trust. This trust was later amended by Council through its adoption of Resolution No. 39-2011. Councilmember Garcia asked Council to consider amending the trust to appoint the City Secretary as the Secretary for the trust, which is how the trust has operated since its inception. The attached trust document, to be adopted via Resolution No. 49-2022, makes this amendment. On page 10 of the attached trust document, the language references the history of the trust and clarifies that by adopting this trust document, Council intends that this trust document replaces and is substituted for all previous trust documents relating to this trust.

RECOMMENDED ACTION:

Approve Resolution No. 49-2022.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 49-2022**

**A RESOLUTION AMENDING AND RESTATING THE EMPLOYEE
BENEFITS TRUST FOR THE CITY OF KERRVILLE, TEXAS; SUCH
TRUST CREATED AND MAINTAINED PURSUANT TO CHAPTER 222,
TEXAS INSURANCE CODE**

WHEREAS, the City provides or offers various employee benefits to its employees, including health and dental insurance, life insurance, and disability benefits; and

WHEREAS, state law (Chapter 222, Texas Insurance Code) imposes a tax upon the City's receipt of gross premiums and revenues associated with such benefits; and

WHEREAS, state law also authorizes the City to exempt the premiums and revenues from state tax provided that the City establishes and maintains the funds under the ownership and control of a single, nonprofit trust; and

WHEREAS, City Council, pursuant to Resolution No. 61-2008, created an Employee Benefits Trust (the "Trust") for the administration of employee benefits; and

WHEREAS, Resolution No. 39-2011, adopted by City Council, later amended the Trust pursuant to guidance issued by the Texas Comptroller's Office; and

WHEREAS, to provide clarification as to the title of the person who serves as Secretary for the Trust, the Trust is proposed to be amended to account for such clarification; and

WHEREAS, City Council finds it to be in the public interest to amend the Trust for the reason provided above;

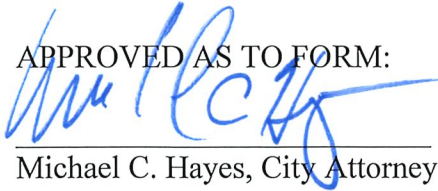
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

The City Council amends the Employee Benefits Trust as provided above. The Declaration of Trust, as amended, is attached as **Exhibit A** (the "Trust"). This amendment acts as a restatement of the Trust, meaning that the amended Trust now replaces and is substituted for all previous versions of the Trust.

PASSED AND APPROVED ON this the _____ day of _____, A.D., 2022.

Judy Eychner, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

DECLARATION OF TRUST

I. CREATION OF TRUST

The City of Kerrville ("City"), as settlor or creator of the trust, designates the members of the City of Kerrville City Council to be Trustees and declares that the City holds in trust the funds described in **Schedule A** attached hereto and incorporated herein by reference, which is the property of the City, and all substitutions and additions to such funds, for the purpose of providing or offering, whether now or possibly in the future, life, disability, sick, accident, and other health benefits to the City's officers, employees, and qualified retirees and their dependents.

II. PURPOSE

This is a nonprofit trust created for the purpose of providing or offering, whether now or possibly in the future, City officers, employees, and qualified retirees and their dependents with life, disability, sickness, accident, and other health benefits either directly or through the purchase of insurance and to perform operations in furtherance thereof.

III. DURATION

The Trust shall continue until terminated by operation of law or by majority vote of the Trustees.

IV.
TRUSTEES: COMPOSITION, OFFICERS, COMPENSATION, AND
MEETINGS

A. COMPOSITION. The Trustees are the members of the City Council, and the term of each Trustee is cotemporaneous with his or her term of office as a Member of the City Council. Whenever a Trustee ceases to be a member of the City Council, the person succeeding him or her in office will automatically be appointed to serve as a successor Trustee of the Trust.

B. OFFICERS. The Mayor shall serve as Chair and shall preside at meetings of the Trustees and shall have all such other powers as are conferred herein or by majority vote of the Trustees at a duly called meeting at which a quorum is present. The Mayor Pro Tem shall serve as Vice Chair and shall preside at meetings of the Trustees whenever the Chair is absent. The City Secretary shall serve as Secretary. The Secretary will oversee the preparation of meeting agendas, giving notice of meetings to the Trustees, and the minutes of the meetings of the Trustees.

C. COMPENSATION. The Trustees shall be reimbursed for all reasonable and necessary expenses incurred by them in the performance of their duties and will otherwise receive no compensation for their service as Trustees. Any approved reimbursement(s) will be made by the City.

D. MEETINGS. A meeting of the Trustees may be called by the Chair or on written request to the Chair by two or more Trustees. Trustees shall have at least three days written notice of any meeting. For purposes of this section, electronic mail notice is written notice.

V.
RIGHTS, POWERS, AND DUTIES OF TRUSTEES; QUORUM AND VOTING

A. RIGHTS, POWERS, AND DUTIES. In addition to all other powers and duties conferred on them by this Trust document and imposed or authorized by law, the Trustees shall have the following powers and duties:

1. The Trustees shall carry out all of the duties necessary for the proper operation and administration of the Trust on behalf of the covered persons and shall have all the powers necessary and desirable for the effective administration of the affairs of the Trust.
2. The Trustees have the general power to make and enter into all contracts and agreements necessary or convenient to carry out any of the powers granted by this Trust document or by law or to effectuate the purpose of the Trust. All such contracts, leases, and agreements or any other legal documents herein authorized shall be approved by the Trustees by majority vote at a duly called meeting at which a quorum is present and signed by the Chair on behalf of the Trust. The Trustees may also designate another Trustee to sign such documents.
3. The Trustees shall use the Trust's funds to accomplish the purpose of the Trust, as described in Paragraph II herein, and to operate and administer the Trust solely in the interest of the covered City officers, employees, and qualified retirees and dependents thereof and for the exclusive purpose of providing or offering benefits to such persons

and defraying the reasonable expenses of administration of the Trust. To this end, the Trustees may purchase life, disability, or accident and health insurance to provide or offer coverage for participating City officers, employees, and qualified retirees and their dependents. The Trustees may also adopt a health benefits plan that covers eligible City officers, employees, and qualified retirees, and their dependents.

4. The Trustees may accept contributions to the Trust funds from any source including contributions from covered persons receiving benefits from the Trust.
5. The Trustees shall be authorized to contract with any qualified organization to perform any of the functions necessary for providing or offering life, disability, sick, accident, and other health benefits, including but not limited to excess loss insurance, stop loss insurance, claims administration and administrative services. When required by law or desired by the Trustees, the Trustees shall seek sealed competitive bids or sealed competitive proposals with respect to contracts required to carry out the operations of the Trust and to effect the purpose of the Trust.
6. The Trustees shall arrange for the investing of the funds of the Trust so as to keep the same invested according to law and at the best interest rates obtainable for the benefit of the covered persons. The

Trustees may hire money managers and shall adopt an investment policy for its own use and that of its agents in making investments.

The Trustees shall select a depository for the Trust's funds and provide for the proper security of any and all investments. The Trustees shall designate signatories for the Trust's depository accounts.

7. The City may purchase insurance for the Trustees and any other fiduciaries appointed by the Trustees and for the Trust itself to cover liability or losses occurring by reason of the act or omission of any one or more of the Trustees or any other fiduciary appointed by them. Any insurance purchased by the Trustees must give the insurer recourse against the Trustees or other fiduciaries concerned for breach of any fiduciary obligation or fiduciary duty owed to the Trust.
8. The Trustees shall arrange for proper accounting and reporting procedures for the Trust's funds and shall also provide for an annual audit of the Trust's financial affairs by a certified public accountant.
9. The Trustees may retain legal counsel to represent the Trust and the Trustees in all legal proceedings as well as to advise the Trust and the Trustees on all matters pertaining to the operation and administration of the Trust.
10. The Trustees have the authority to terminate the Trust at any time.

11. Upon termination of the Trust, the Trustees shall provide for the payment of Trust obligations, debts, losses, and other liabilities and shall provide for the disposition of the remaining Trust funds in accordance with Paragraph IX herein.

B. QUORUM AND VOTING. A majority of the Trustees shall constitute a quorum for the transaction of business at any meeting of the Trustees and the vote of a majority of the Trustees present shall be required for approval of any action at such meeting. The vote of such majority of the Trustees at such meeting shall constitute action of the Trustees as a group.

VI. BENEFICIARIES

The beneficiaries of the Trust are the City officers, employees, and qualified retirees and their dependents who are covered by a life, disability, sick, accident, or other health benefits plan purchased or adopted by the Trust (also called "covered persons" herein). Beneficiaries may make contributions to the Trust for use by the Trustees in fulfilling the purposes of the Trust. No beneficiary shall have any claim against the funds or any other property of the Trust. The rights and interests of the beneficiaries are limited to the insurance or health benefits specified in any policy purchased or plan adopted by the Trustees.

VII. TRUST FUNDS

The Trust funds consist of the funds described in **Schedule A** hereto as provided by the Settlor to institute this Trust, future contributions by the Settlor,

beneficiary contributions, investment income, and any other money or property which shall come into the hands of the Trustees in connection with the administration of the Trust. The Trustees may use the Trust's funds as follows:

1. to pay all expenses which the Trustees consider necessary in establishing the Trust and in administering the Trust and all reasonable expenses incurred by the Trustees in the performance of their duties, as defined to be those allowed under Section 222.002 (c)(5)(A) [Texas Insurance Code] and or permitted by the State Comptroller of the State of Texas in its role as the administrator of this legislation;
2. to pay premiums on any insurance policies purchased by the Trust as allowed under Section 222.002 (c)(5)(A) [Texas Insurance Code];
3. to make authorized investments; and
4. to pay claims under any health benefits plan adopted by the Trustees.

VIII. LIABILITY OF TRUSTEES AND OFFICERS

The Trustees shall use ordinary care and reasonable diligence in the exercise of their powers and the performance of their duties hereunder; and they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through investment of the Trust funds or failure to invest. No Trustee shall be liable for any action taken or omitted by any other Trustee. No Trustee shall be required to give a bond or other security to guarantee the faithful performance of his or her duties hereunder. To the

fullest extent permitted by law: (a) the City shall indemnify each Trustee who was, is, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding ("Proceeding"), any appeal therein, or any inquiry or investigation preliminary thereto, by reason of the fact that the Trustee is or was a Trustee; (b) the City shall pay or reimburse a Trustee for expenses incurred (i) in advance of the final disposition of a Proceeding to which such Trustee was, is or is threatened to be made a party; and (ii) in connection with such Trustee's appearance as a witness or other participation in any Proceeding.

IX. AMENDMENT, REVOCATION AND TERMINATION

This Declaration of Trust and the Trust created herein shall terminate when and if required by operation of law. The Trustees shall have the power to amend, modify, terminate or revoke, in whole or in part, this Declaration of Trust and the Trust created herein by majority vote at a duly called meeting at which a quorum is present. Notwithstanding the foregoing, the Trustees shall have no power to amend Paragraph II of this Declaration of Trust. Beneficiaries of the Trust shall have no right to amend this Declaration of Trust, and their approval shall not be a condition or requirement for an authorized amendment by the Trustees.

Upon termination of the Trust, the Trustees shall pay all obligations, debts, losses, and other liabilities of the Trust. Thereafter, the Trustees shall first use the remaining trust funds to pay covered claims of persons covered under the City's health benefits plan that may be in effect at the time of termination of the Trust and,

then, either apply any remaining balance of the funds for the benefit of those covered persons in such manner as the Trustees determine shall best carry out to purposes of this Trust or pay such balance over to such covered persons on a per capita basis. Notwithstanding the foregoing, the Trustees, upon termination of the Trust and payment of all Trust obligations may, by vote of a majority of the Trustees, transfer the remaining funds or any portion thereof to the trustees of any trust or trusts established by the City for a substantially similar purpose to be applied for uses substantially similar to those set forth in Paragraph II herein.

X. GOVERNING LAW

This Declaration of Trust and the Trust created herein shall be construed and governed by the laws of the State of Texas in force from time to time.

XI. MISCELLANEOUS

Whenever the context so admits and such treatment is necessary to interpret this Declaration of Trust in accordance with its apparent intent, the use herein of the singular shall include the plural, and vice versa, and the use of the feminine, masculine, or neuter gender shall be deemed to include the other genders.

The captions or headings above the various Paragraphs of this Declaration of Trust have been included only to facilitate the location of the subjects covered by each Paragraph but shall not be used in construing this Declaration of Trust.

If any clause or provision of this Declaration of Trust proves to be or is adjudged invalid or void for any reason, such invalid or void clause, provision, or portion shall not

affect the whole, but the balance of the provisions hereof shall remain operative and shall be carried into effect insofar as is legally possible.

The Trust, previously created in 2008 and subsequently amended, is amended as included in Paragraph IV, subsection B herein, to clarify who acts as the Secretary of the Trust. This Trust document, to include the amendment, replaces and is substituted for all previous Trust documents.

IN WITNESS WHEREOF, the undersigned parties have executed this Declaration of Trust, consisting of twelve (12) pages and **Schedule A** attached hereto, on the dates of their respective acknowledgments below. By joining in the execution of this Declaration of Trust, the Trustees acknowledge receipt of the property described in **Schedule A**, signify acceptance of the Trust created hereunder, and covenant that the Trust will be executed with all due fidelity. This Trust is effective as of the last date of signature below.

IN WITNESS WHEREOF, the undersigned parties declare that no funds since the inception of said Employee Benefits Trust, were used or diverted for any purpose than those allowed by Section 222.02 of the Texas Insurance Code.

Mayor Judy Eychner, Settlor

Roman Garcia, Trustee

Kim Clarkson, Trustee

Joe Herring, Jr., Trustee

Brenda Hughes, Trustee

THE STATE OF TEXAS §
 §
COUNTY OF KERR §

This instrument was acknowledged before me on _____, 2022, by
Judy Eychner, Mayor of the City of Kerrville on behalf of Settlor.

Notary Public, State of Texas
Print Name: Natalie McElhannon
My Commission Expires:

THE STATE OF TEXAS §
 §
COUNTY OF KERR §

This instrument was acknowledged before me on _____, 2022, by
Roman Garcia, Trustee.

Notary Public, State of Texas
Print Name: Natalie McElhannon
My Commission Expires:

THE STATE OF TEXAS §
 §
COUNTY OF KERR §

This instrument was acknowledged before me on _____, 2022, by
Kim Clarkson, Trustee.

Notary Public, State of Texas
Print Name: Natalie McElhannon
My Commission Expires:

THE STATE OF TEXAS §
 §
COUNTY OF KERR §

This instrument was acknowledged before me on _____, 2022, by
Joe Herring, Jr., Trustee.

Notary Public, State of Texas
Print Name: Natalie McElhannon
My Commission Expires:

THE STATE OF TEXAS §
 §
COUNTY OF KERR §

This instrument was acknowledged before me on _____, 2022, by
Brenda Hughes, Trustee.

Notary Public, State of Texas
Print Name: Natalie McElhannon
My Commission Expires:

SCHEDULE A

The following is a list of the assets initially transferred by the City of Kerrville, Settlor, to the Trust:

City of Kerrville's first month (October 2008) contributions for Employee, and Dependent Medical/Pharmacy Benefits, Dental Benefits, Life Insurance Benefits, and Long Term Disability Benefits.

City of Kerrville Employee and Dependents first month (October 2008) of Plan Year's payroll deductions or contributions for Medical/Pharmacy Benefits, Dental Benefits, Life Insurance Benefits, and Long Term Disability Insurance Benefits.



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

SUBJECT: Resolution No. 71-2022. A Resolution authorizing the acceptance of grant funding from the Office of the Governor - Criminal Justice Division and its BG-Rifle-Resistant Body Armor Grant Program for funding to purchase Rifle Resistant Body Armor for the Kerrville Police Department.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 06, 2022

SUBMITTED BY: Chris McCall

EXHIBITS: [20221025_Reso 71-2022 Grant Funding KPD Rifle resistant body armor.pdf](#)
 [20221025_Letter_Governor Grant award KPD.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$26,639.75 (total will be reimbursed with grant funds)	\$0	\$0	85-8513-1430

PAYMENT TO BE MADE TO: GT Distributors, Inc

Kerrville 2050 Item?	Yes
Key Priority Area	F - Public Facilities and Services
Guiding Principle	F2. Place the highest priority on public safety (police, fire, EMS).
Action Item	N/A

SUMMARY STATEMENT:

The Kerrville Police Department applied for and has received notified of an award of \$26,639.75 in grant funding from the Office of the Governor to replace Rifle Resistant Body Armor. This is a reimbursement grant. The funding will be utilized to replace existing expired rifle rated body armor. There are no matching funds required for this grant.

Staff recommends acceptance of \$26,639.75 in grant funding from the Office of the Governor for the replacement of rifle resistant body armor for the Kerrville Police Department.

RECOMMENDED ACTION:

Approve Resolution No. 71-2022.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 71-2022**

**A RESOLUTION AUTHORIZING THE ACCEPTANCE OF
GRANT FUNDING FROM THE OFFICE OF THE GOVERNOR-
CRIMINAL JUSTICE DIVISION AND ITS BG-RIFLE-
RESISTANT BODY ARMOR GRANT PROGRAM FOR FUNDING
TO PURCHASE RIFLE RESISTANT BODY ARMOR FOR THE
KERRVILLE POLICE DEPARTMENT**

WHEREAS, the City, through its Police Department ("KPD"), seeks authorization from City Council to accept grant funding from the Office of the Governor-Criminal Justice Division and its BG-Rifle-Resistant Body Armor Grant Program for funding to purchase rifle resistant body armor for KPD, such funding in an amount not to exceed \$26,639.75; and

WHEREAS, KPD will use the grant funding for the purchase of rifle resistant body armor to protect law enforcement officers at risk of being shot with rifles, thereby enhancing officer safety; and

WHEREAS, City Council finds it to be in the public interest to authorize the City to accept grant funding from the Office of the Governor-Criminal Justice Division for the purpose expressed above;

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

SECTION ONE. City Council authorizes the acceptance of grant funding from the Office of the Governor-Criminal Justice Division for funding in an amount not to exceed \$26,639.75, for the purpose of purchasing rifle resistant body armor for KPD.

SECTION TWO. Pursuant to the grant, the City agrees to return grant funds to the Office of the Governor, in the event of loss or misuse of any grant funds.

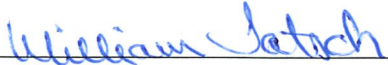
SECTION THREE. The City designates the City Manager or designee as the City's authorized official who is given the authority to reject, alter, or terminate the grant on behalf of the City and take all other action in furtherance of the grant process.

PASSED AND APPROVED ON this the _____ day of _____ A.D.,
2022.

Judy Eychner, Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, Asst. City Attorney

Shelley McElhannon, City Secretary



GOVERNOR GREG ABBOTT

Dear Grantee:

Congratulations on your award! To activate your agency's grant, the Authorized Official must log on to eGrants at <https://eGrants.gov.texas.gov> and go to the 'My Home' tab. In the 'Pending Applications' section, locate the application with a 'Current Status' of "Pending AO Acceptance of Award". Click on the grant number and proceed to the 'Accept Award' tab. From this tab, click on the 'Accept' button. Grants must be accepted within 45 calendar days of the date the award was issued.

Be sure to review the Grantee Conditions and Responsibilities Memo for a quick overview of general items every grantee should be aware of. You can also find more detailed information on the eGrants website including helpful resources, links, and tools needed to properly administer Public Safety Office grants. The Guide to Grants, also on the website, contains answers to questions frequently asked by grantees.

If you have any questions regarding this award, feel free to contact your grant manager, whose name is referenced in the Statement of Grant Award or you may always contact our office via the eGrants Help Desk at eGrants@gov.texas.gov.

We look forward to working with you to ensure the success of your program.

A handwritten signature in cursive script that reads "Aimee Snoddy".

Aimee Snoddy
Executive Director
Public Safety Office

Statement of Grant Award (SOGA)

The Statement of Grant Award is the official notice of award from the Office of the Governor (OOG). This Grant Agreement and all terms, conditions, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and all other State of Texas agencies and any other agencies, departments, divisions, governmental entities, public corporations, and other entities which shall be successors to each of the Parties or which shall succeed to or become obligated to perform or become bound by any of the covenants, agreements or obligations hereunder of each of the Parties hereto.

The approved project narrative and budget for this award are reflected in eGrants on the 'Narrative' and 'Budget/Details' tabs. By accepting the Grant Award in eGrants, the Grantee agrees to strictly comply with the requirements and obligations of this Grant Agreement including any and all applicable federal and state statutes, regulations, policies, guidelines and requirements. In instances where conflicting requirements apply to a Grantee, the more restrictive requirement applies.

The Grant Agreement includes the Statement of Grant Award; the OOG Grantee Conditions and Responsibilities; the Grant Application in eGrants; and the other identified documents in the Grant Application and Grant Award, including but not limited to: 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Chapter 783 of the Texas Government Code, Title 34, Part 1, Chapter 20, Subchapter E, Division 4 of the Texas Administrative Code, and the Uniform Grant Management Standards (UGMS) developed by the Comptroller of Public Accounts; the state Funding Announcement or Solicitation under which the grant application was made, and for federal funding, the Funding Announcement or Solicitation under which the OOG was awarded funds; and any applicable documents referenced in the documents listed above. For grants awarded from the U.S. Department of Justice, the current applicable version of the Department of Justice Grants Financial Guide and any applicable provisions in Title 28 of the CFR apply. For grants awarded from the Federal Emergency Management Agency (FEMA), all Information Bulletins and Policies published by the FEMA Grants Program Directorate apply. The OOG reserves the right to add additional responsibilities and requirements, with or without advance notice to the Grantee.

By clicking on the 'Accept' button within the 'Accept Award' tab, the Grantee accepts the responsibility for the grant project, agrees and certifies compliance with the requirements outlined in the Grant Agreement, including all provisions incorporated herein, and agrees with the following conditions of grant funding. The grantee's funds will not be released until the grantee has satisfied the requirements of the following Condition(s) of Funding and Other Fund-Specific Requirement(s), if any, cited below:

Grant Number:	4489701	Award Amount:	\$26,639.75
Date Awarded:	10/6/2022	Grantee Cash Match:	\$0.00
Grant Period:	09/01/2022 - 08/31/2023	Grantee In Kind Match:	\$0.00
Liquidation Date:	11/29/2023	Grantee GPI:	\$0.00
Program Fund:	BG-Rifle-Resistant Body Armor Grant Program (BAGP)	Total Project Cost:	\$26,639.75
Grantee Name:	Kerrville, City of		
Project Title:	Rifle Resistant Body Armor Replacement		
Grant Manager:	Tammy Golden		
Unique Entity Identifier (UEI):	FUELCWMZPJ5		

CFDA:	N/A
Federal Awarding Agency:	N/A - State Funds
Federal Award Date:	N/A - State Funds
Federal/State Award ID Number:	2023-BG-ST-0025
Total Federal Award/State Funds Appropriated:	\$10,000,000.00
Pass Thru Entity Name:	Texas Office of the Governor – Criminal Justice Division (CJD)
Is the Award R&D:	No
Federal/State Award Description:	To equip law enforcement officers at risk of shootings with rifle-resistant body armor.



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

SUBJECT: Amendment to Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas, for site, building, and infrastructure improvements for business enterprises at the Kerrville-Kerr County Airport.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 17, 2022

SUBMITTED BY: Michael Hornes

EXHIBITS: [20221025_EIC Project Funding agreement amendment Airport infrastructure improvements.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
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PAYMENT TO BE MADE TO:

Kerrville 2050 Item?	Yes
Key Priority Area	E - Economic Development
Guiding Principle	E4. Balance, broaden and diversify the City's tax base, shifting the tax burden away from residential property owners
Action Item	E4.3 - Promote additional hangar space at the Airport to increase property tax revenues from personal property taxes

SUMMARY STATEMENT:

EIC met on September 19, 2022 to consider approving an extension and reduction in the current agreement with the City of Kerrville for work done at the Kerrville-Kerr County Airport (KERV). The funding agreement for airport infrastructure improvements between the EIC and the City of Kerrville at (KERV) is set to expire on November 12th of this year. Mary Rohrer, the airport Executive Director, discussed their amendment requests to the contract and gave a status update on both projects listed within the funding agreement. There were two projects envisioned in the agreement, at the time. These two projects were envisioned to enhance a grant from TXDoT to build 10 'T-hangers' at the airport. The Box Hanger site work project, funded at \$100,000 and the Horseshoe building project, funded at \$275,000. Each project required a matching contribution from Kerr County, and the

County agreed to do so. The Box Hanger site work project would add to the work being done to construct the T-Hangers and promote new or expanded efforts to create more jobs and/or increase personal property tax in the area .The agreement was signed just a few months prior to the start of the COVID-19 pandemic. That coupled with the scarcity of materials and inflationary pressures put on goods and services and TXDoT's shifting airport planning efforts statewide have all played a part in delaying all projects at the airport. The TXDoT grant to construct the T-Hangers is finally in the works and the airport is requesting an extension to the Box Hanger "site work" portion of the project. The airport is not requesting an extension of the Horseshoe Building renovations at this time.

As you will see the airport funding agreement has been reduced from \$375,000 to \$133,000 and extended for an additional 12 months, until November 12, 2023. EIC approved the amendment at their September 19, 2022 meeting.

RECOMMENDED ACTION:

Approve the amendment to the Project Funding Agreement between the City of Kerrville, Texas Economic Improvement Corporation and the City of Kerrville, Texas for site, building, and infrastructure improvements for business enterprises at the Kerrville-Kerr County Airport.

**AMENDMENT TO PROJECT FUNDING
AGREEMENT BETWEEN THE CITY OF
KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT
CORPORATION AND THE CITY OF KERRVILLE,
TEXAS, FOR SITE, BUILDING, AND
INFRASTRUCTURE IMPROVEMENTS FOR
BUSINESS ENTERPRISES AT THE KERRVILLE-
KERR COUNTY AIRPORT**

This *Amendment to the Project Funding Agreement between the City of Kerrville, Economic Improvement Corporation ("EIC") and the City of Kerrville, Texas* ("Amendment") is entered into as of the Effective Date by and between the **CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION ("EIC")**; and the **CITY OF KERRVILLE, TEXAS ("City")** each acting by and through their duly authorized officers. EIC and City are sometimes collectively referred to herein as "Parties" and individually as "Party".

WITNESSETH:

WHEREAS, the Parties entered into a Project Funding Agreement dated November 12, 2019 (the "Agreement") related to several infrastructure projects at the Kerrville-Kerr County Airport ("Airport"); and

WHEREAS, over the past few years, the Kerrville/Kerr County Joint Airport Board ("JAB") has overseen several infrastructure projects at the Airport, to include the construction of "box hangars" and improvements to the "Horseshoe Building" (the "Project"); and

WHEREAS, the JAB seeks to reduce the scope of the defined "Project" under the Agreement, reduce the previously awarded funds from the EIC, as well as to extend the term of Agreement; and

WHEREAS, the Parties find that it will be in the public interest to amend the Agreement as provided herein; and

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, EIC and the City agree that the Agreement is amended as follows:

1. Section 1 "Project Defined" of the Agreement is amended by replacing the summary and cost itemization which was attached to the Agreement, with the revised and updated document attached as **Exhibit A**.

2. Section 2 "Agreement to fund Portion of Project" of the Agreement is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

"2. **Agreement to Fund Portion of Project:** Upon evidence that Kerr County has authorized the payment of equal matching funds to the Project, the EIC shall provide City up to and not to exceed \$~~375,000.00~~ 133,000.00 in 4B Revenues for the Project, where said amount is divided between the categories and estimated costs specified in **Exhibit A**. City is authorized to transfer this funding over into the appropriate City project account and to make payments for the herein described purposes directly from funds allocated for the Project. ~~Prior to the City's payment of any costs to the JAB related to "Phase 2" of the "Horseshoe Building" portion of the Project, the City must have received evidence from the JAB as to a tenant relationship that the JAB has entered into with a business enterprise, for purposes including the creation or retention of primary jobs, as those terms are used as part of authorized projects pursuant to the Act.~~"

3. Section 4 "Project Timeline/Termination" of the Agreement is amended with deleted language indicated by red, strikethrough (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

"4. **Project Timeline/Termination:** The City estimates that construction activities for the Project will begin on or before October 2020. This Agreement shall terminate as of the date the City provides all of the Project funding authorized pursuant to this Agreement or the expiration of ~~thirty-six (36)~~ forty-eight (48) months from the Effective Date."


4. Except as amended herein, the provisions of the Agreement remain in full force and effect. Should a conflict exist between the terms amended herein and the Agreement, the terms provided herein shall control.

SIGNED AND AGREED ON THIS _____ DAY OF _____, 2022.

CITY OF KERRVILLE, TEXAS

By: _____
E.A. Hoppe, City Manager

CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT
CORPORATION

By:  _____
Greg Richards, President
DANNY ALMOND, VICE-PRESIDENT

Attest:

By: _____


Kesha Franchina, Recording Secretary

Approved As To Form:

By: _____

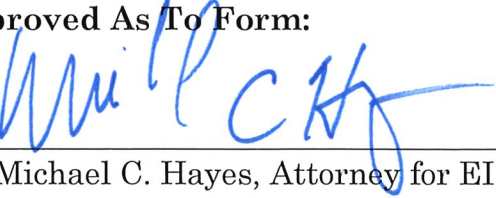

Michael C. Hayes, Attorney for EIC

Exhibit A



TO: Michael Hornes, Assistant City Manager
FROM: Mary Rohrer, Airport Manager
Kerrville Kerr County Airport
RE: EIC Agreement 2019-84
DATE: October 11, 2022

Listed below are the airport's funding requests to be considered by the Economic Improvement Corporation:

1. Build site infrastructure for future box hangars	\$100,000
2. Horseshoe Building- asbestos abatement, engineering, and, demolition (which has been already spent)	\$ 33,000
<u>Total Request</u>	<u>\$133,000</u>



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

SUBJECT: Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas; for the installation of a Fitness Court within Louise Hays Park.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 17, 2022

SUBMITTED BY: Ashlea Boyle

EXHIBITS: [20221025_EIC Project Funding agreement Fitness Court LHP.pdf](#)
[20221025_Presentation_Fitness_Court.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
100,000	0	0	70-7000-5100

PAYMENT TO BE MADE TO:

Kerrville 2050 Item?	Yes
Key Priority Area	P - Parks / Open Space / River Corridor
Guiding Principle	P5. Focus on enhancing/investing in existing parks, their purpose or repurpose and improving accessibility before acquiring land for new parks
Action Item	P5.1 - Plan for more recreational amenities along the river

SUMMARY STATEMENT:

Texas-based health insurance provider Blue Cross and Blue Shield of Texas (BCBSTX) and National Fitness Campaign (NFC) have launched a statewide sponsorship to expand free access to high-quality workouts by bringing outdoor Fitness Courts® to cities across Texas. This initiative was created to fight obesity and improve the quality of life for communities. Fitness Courts® throughout Texas will be constructed in easily accessible public spaces with the goal of building 20 new Fitness Courts® in the next eighteen months.

NFC's award-winning initiative is planning to welcome its 500th Healthy Community in 2022. The City of Kerrville was 1 of 20 Texas cities recently awarded a \$50,000 grant from BCBSTX to help fund the Fitness Court. In addition to the BCBS Grant application, staff

also approached H-E-B, who generously donated \$10,000 towards the project.

The total cost of the project is estimated to cost \$187,350. After the BCBS grant and HEB donation, there is a \$127,350 gap in funding. Staff is recommending using \$27,350 from the Parkland Dedication fund and requesting that the Economic Improvement Corporation (EIC) fund the remaining \$100,000. At the same time staff was applying for these grants, a private citizen approached the Parks and Recreation Department indicating they were interested in donating up to \$25,000 towards the creation of a fitness court. We are hopeful that an agreement can be reached to obtain this generous donation, which could reduce the funding request to EIC to \$75,000. However, until that donation is confirmed, staff recommends an EIC funding request of an amount not to exceed \$100,000.

The Fitness Court is consistent with several community plans such as the K2050 Comprehensive Plan, the Parks and Recreation Master Plan, the Parks and Recreation Department's goal to encourage the Kerrville community to "get outdoors, be active, and play", and Peterson Regional Medical Center's community health and fitness goals pursuant to the Community Health Needs Assessment.

At its meeting on September 13, 2022, the Kerrville City Council authorized staff to submit an application to the EIC in an amount not to exceed \$100,000 for a fitness court quality of life project in Louise Hays Park.

At its meeting on September 19, 2022, staff presented the application to the EIC, and was directed to prepare a funding agreement and hold a public hearing at its October meeting.

At its meeting on October 17, 2022, the EIC unanimously approved the funding application and held the required public hearing.

The last step in the approval process is the final consideration and approval of the Kerrville City Council. The draft funding agreement is attached.

RECOMMENDED ACTION:

Approval of the agreement.

**PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF
KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT
CORPORATION AND THE CITY OF KERRVILLE, TEXAS; FOR
THE INSTALLATION OF A FITNESS COURT WITHIN LOUISE
HAYS PARK**

THIS PROJECT FUNDING AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2022 ("Effective Date"), by and between the **City of Kerrville, Texas Economic Improvement Corporation** ("EIC"), a Texas non-profit corporation established pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code; otherwise known as the Development Corporation Act of 1979 ("the Act"); and the **City of Kerrville, Texas** ("City"), a Texas home-rule municipality. EIC and City may be collectively referred to herein as "Parties" and individually as "Party".

WITNESSETH:

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

WHEREAS, EIC was formed to administer the sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for projects defined by the Act, including:

land, buildings, *equipment, facilities, and improvements* found by the EIC to be required or suitable for use for *professional and amateur sports, including children's sports, athletic, entertainment, tourist, convention, and public park purposes and events*, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, *parks and park facilities, open space improvements*, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities, *and other related improvements* that enhance any of the items described by Section 505.152 of the Act (emphasis supplied); and

WHEREAS, Texas-based health insurance provider Blue Cross and Blue Shield of Texas ("BCBSTX") and National Fitness Campaign ("NFC") have launched a statewide sponsorship to expand free access to high-quality workouts by bringing outdoor Fitness Courts® to cities across Texas; and

WHEREAS, BCBSTX and NFC created this program to fight obesity and

improve the quality of life for communities; and

WHEREAS, Fitness Courts® throughout Texas will be constructed in easily accessible public spaces with the goal of building 20 new Fitness Courts® in the next eighteen months; and

WHEREAS, the City was 1 of only 20 Texas cities which were recently awarded a \$50,000 grant from BCBSTX to help fund the construction and installation of the Fitness Court® within the City's Louise Hays Park (the "Project"); and

WHEREAS, in light of this grant, the City sought additional funding from H-E-B, who generously donated \$10,000 towards the Project; and

WHEREAS, the City estimates the total cost of the Project to be \$187,350; and

WHEREAS, after adding the grant and donation together, a \$127,350 funding gap exists; and

WHEREAS, in order to overcome this gap, the City is recommending using \$27,350 from its Parkland Dedication; and

WHEREAS, at one point, a citizen offered to donate up to \$25,000 to the Project, and should this donation occur, the City would reduce the EIC's award in an equivalent amount; and

WHEREAS, the City seeks grant funding from the EIC in the amount of \$100,000.00, for the remaining portion of the cost for the Project; and

WHEREAS, once the City receives all funding required to complete the Project, City will then proceed with the Project; and

WHEREAS, EIC finds that the Project as described generally above constitutes a "project" as defined by the Act; and

WHEREAS, more specifically, EIC finds that the Project includes equipment, facilities, and improvements required or suitable for use for athletic, tourist, and public park purposes and events, including parks and park facilities and open space improvements; and

WHEREAS, EIC finds that it will be in the public interest to enter into this Agreement with City to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to City for costs related to the Project; and

WHEREAS, on October 17, 2022, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, the EIC held a public hearing pursuant

to Section 501.072 of the Act related to the proposed expenditure of 4B Revenues for the Project;

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

1. **“Project” Defined:** When used in this Agreement, the phrase “Project” means the project summary and approximate cost itemization, to date, as specified in **Exhibit A**, attached hereto, and included herein for all purposes. City will manage the funding it receives and the bidding, management, and construction of the Project. City will not proceed with the Project until it receives all funds it believes are necessary to complete the Project, as estimated at \$187,350. City shall not substantively alter the description of the Project in any respect without the prior approval of the EIC. In addition, City shall provide periodic reports to the EIC with respect to the Project, its design, timing, and costs. Where the bidding process determines that the cost of the Project will exceed the City’s estimated cost of the Project (\$187,350), the City is under no obligation to proceed but may choose to suspend its performance until discussing this issue with the Parties and/or terminate this Agreement.
2. **Agreement to Fund Project:** EIC agrees to provide City an amount up to and not to exceed \$100,000.00 in 4B Revenues for the Project. EIC will provide the funding only after City confirms that it has received all funding necessary for the Project.
3. **Payments Authorized:** City is authorized to make payments for the Project directly from the EIC’s General Capital Projects Fund.
4. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 3, above, are limited to the payment of “costs” as defined in the Act.
5. **City’s Receipt of Funding:** Prior to bidding, City must receive all funding necessary to complete the Project. Should City fail to receive this amount on or before January 1, 2023, City shall report this event to EIC and the EIC and/or City may terminate this Agreement.
6. **Project’s Timeline:** The City estimates that construction activities will begin on or before January 1, 2023. Should such activities not occur by these dates, EIC may elect to terminate this Agreement.
7. **Severability:** The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a

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

8. **Amendment:** This Agreement may be amended only by written amendment signed by the Parties.
9. **Notices:** All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC

President

City of Kerrville, Texas, Economic Improvement Corporation

City Hall, 701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

For City

City Manager, City of Kerrville

City Hall, 701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

10. **Applicable Law:** This Agreement is governed by and construed in accordance with the laws of the State of Texas. The Agreement is entered into and fully performable within Kerr County, Texas. Accordingly, venue for any cause of action arising pursuant to this Agreement is proper only in Kerr County, Texas.
11. **Interpretation:** Each Party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the Parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party.


12. **No Joint Venture:** Nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between any or all of the Parties.
13. **Parties in Interest:** Nothing in this Agreement shall entitle any Party other than EIC or City to any claim, cause of action, remedy, or right of any term of this Agreement.
14. **Survival of Terms:** All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.
15. **Term.** The term of this Agreement (the "Term") shall commence on the Effective Date and shall terminate on the earlier of: (i) May 1, 2024, or when the requirements set forth in this Agreement are completed; (ii) when terminated by mutual agreement of the Parties; or, (iii) at City's discretion, upon City returning all Grant Funding to EIC that it has received under this Agreement. Upon termination of this Agreement as specified herein, all rights, duties, and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.
16. **Entire Agreement:** This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in the year and as of the date indicated.

CITY OF KERRVILLE, TEXAS

CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION

By: _____
Judy Eychner, Mayor

By: 
Greg Richards, President
DANIEL ALMONDO, VICE-PRESIDENT

ATTEST:

ATTEST: 
Kesha Franchina, Secretary for the EIC

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:


Michael C. Hayes, City Attorney



NATIONAL FITNESS CAMPAIGN

2022 Blue Cross and Blue Shield of Texas Statewide Campaign Briefing



BlueCross BlueShield
of Texas



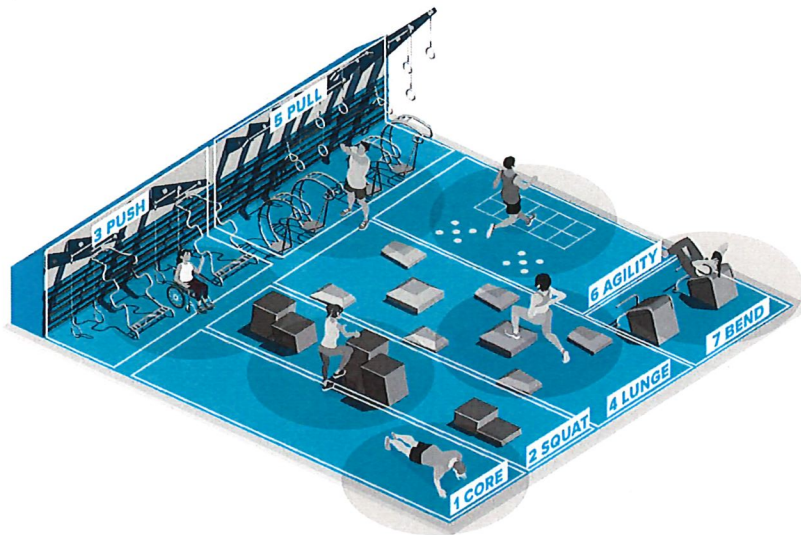
WHO WE ARE

National Fitness Campaign is a San Francisco based wellness consulting firm.



WHAT WE DO

NFC develops partnerships with cities, schools and sponsors to build healthy communities.



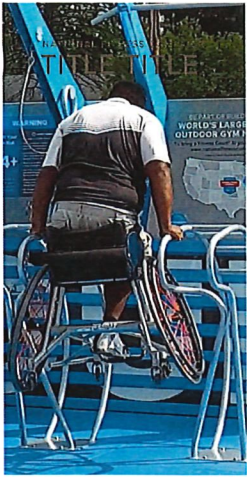
FITNESS COURT®

FUNCTIONAL TRAINING SYSTEM
THOUSANDS OF EXERCISES

SCIENTIFICALLY DESIGNED

7 MOVEMENT FULL BODY WORKOUTS





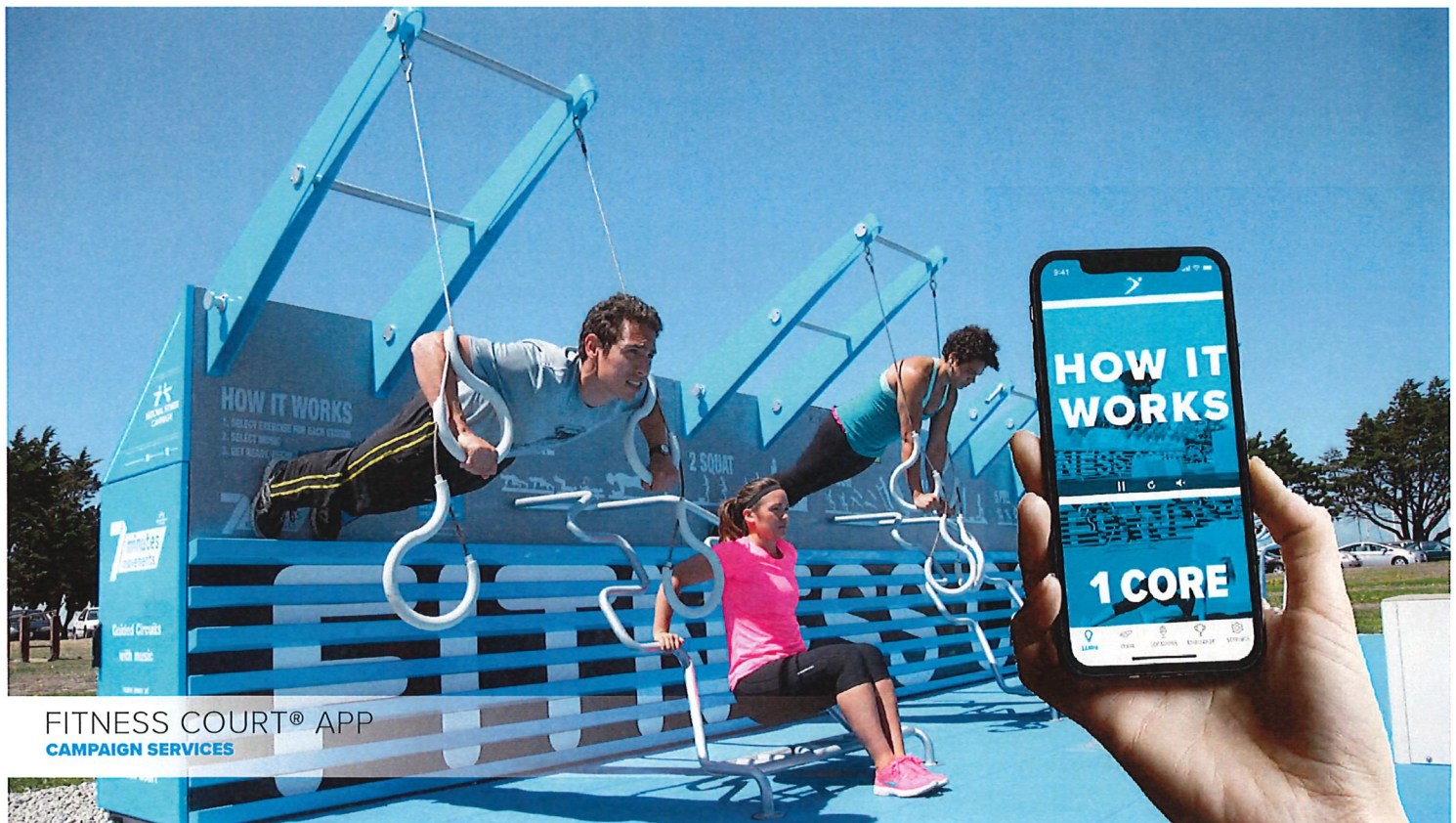
 **FITNESS COURT®**



ADULTS OF ALL AGES AND ABILITY

I am glad to see movements to improve balance.

- Carol Claybaker, Senior Resident of Janesville, WI



FITNESS COURT® APP
CAMPAIGN SERVICES

NATIONAL FITNESS CAMPAIGN

FITNESS COURT® PUBLIC ART

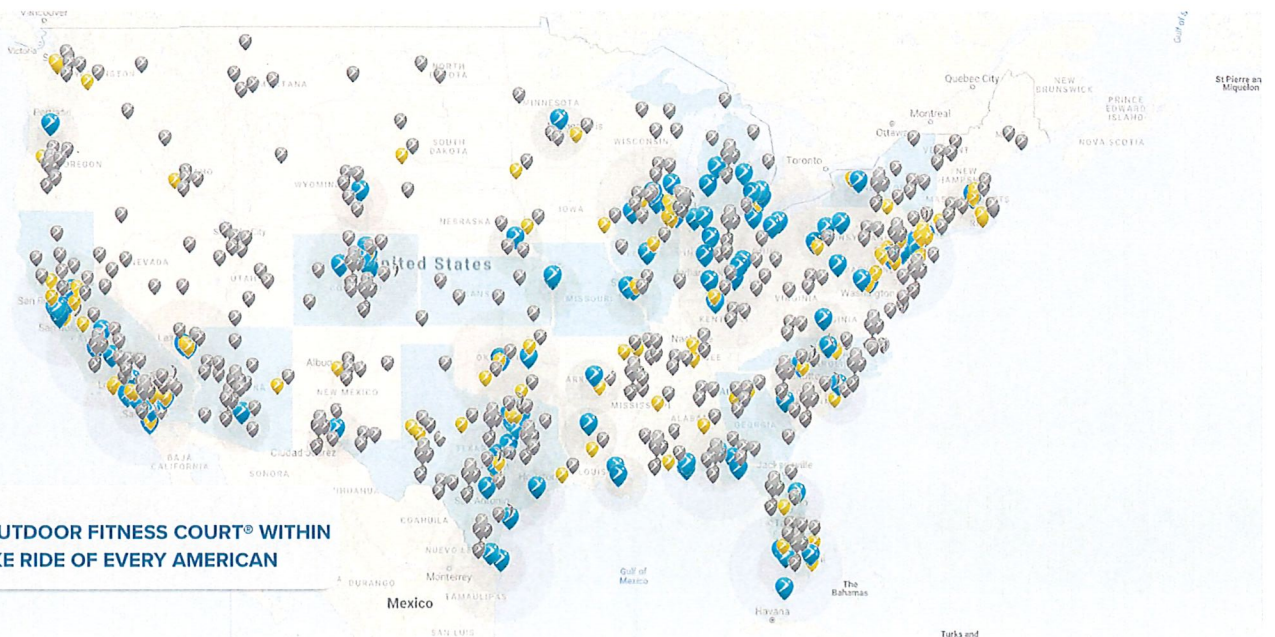
Each Fitness Court® is a one-of-a-kind work of art.



NATIONAL FITNESS CAMPAIGN

NFC 2022 NATIONWIDE STATUS

10,000+ Fitness Courts® coming to America by 2030



2022 TEXAS STATEWIDE CAMPAIGN



PRESENTED BY BLUE CROSS AND BLUE SHIELD OF TEXAS

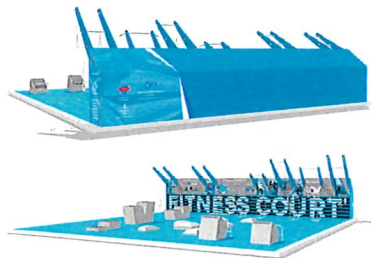
LIMITED FUNDING FOR UP TO 20 COMMUNITIES IN 2022



NATIONAL FITNESS CAMPAIGN
TEXAS STATE SPONSOR



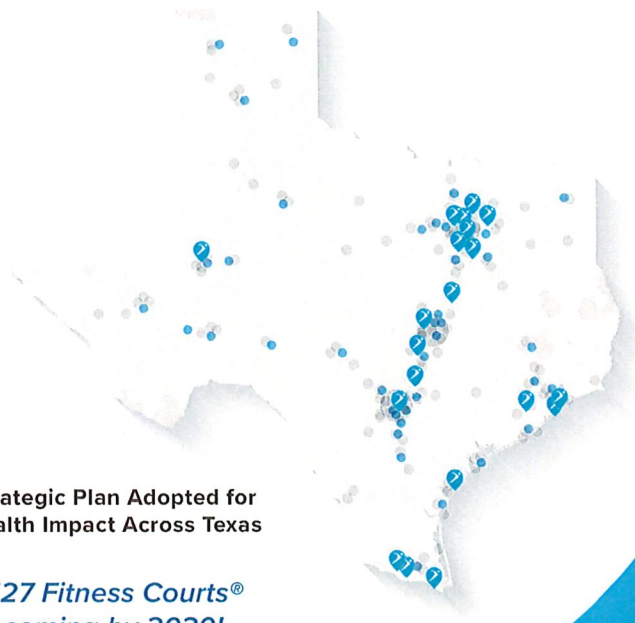
**BlueCross BlueShield
of Texas**



**\$1,000,000 in Funding
Now Available for
Qualified Site Partners**

**Strategic Plan Adopted for
Health Impact Across Texas**

**527 Fitness Courts®
coming by 2030!**





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

SUBJECT: Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for work regarding the conversion of above-ground utility lines to underground and streetscape improvements to the parking garage.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 18, 2022

SUBMITTED BY: Michael Hornes

EXHIBITS: [20221025_EIC Project Funding agreement utility lines streetscape improvements Parking Garage.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$400,000			

PAYMENT TO BE MADE TO:

Kerrville 2050 Item?	Yes
Key Priority Area	D - Downtown Revitalization
Guiding Principle	D4. Encourage and program Downtown public events and create more gathering places that promote and enhance Downtown as an arts, culture and music center
Action Item	D4.6 - Enhance the access, functionality and safety of the Downtown parking garage

SUMMARY STATEMENT:

The City was successful in leveraging Downtown Community Development Block Grant funds to help fund infrastructure and mobility improvements at the intersection of Clay Street and Water Street. In light of this upcoming activity, KPUB has been investigating the possibility of converting the existing overhead utility lines in the area to underground service, enhancing the aesthetic of downtown, upgrading the electrical service for future demand (HHHC), and complimenting the other improvements. KPUB has developed estimates of the cost to do this work which are summarized in the attached funding request letter to EIC. This project will remove the overhead electric and telecommunications utilities starting on Clay Street starting approximately 60 feet South of Main Street and along

Water Street from Sidney Baker to the A.C. Schreiner House. As outlined in the letter, KPUB is asking that EIC fund half of the cost of this underground utility conversion. The total cost of the project is \$450,575. KPUB's request is that EIC pay for \$225,287. In conjunction with burying the underground power lines, a streetscape project along the Water street section of the City's Downtown parking garage is also planned, as much of the vegetation in the right-of-way will not survive the construction. The work will also include hardscape improvements for parking garage safety. Preliminary cost estimates for this project are between \$130,000-180,000. Staff recommended a total funding request to EIC of \$400,000, which will fund the upgraded electrical utility infrastructure and the landscape and streetscape efforts for the Downtown Parking Garage along Water Street. EIC agreed to the funding request at the October 17, 2022 meeting. EIC's motion was to approve the project pending the approval by KPUB. The KPUB Board unanimously approved the project at their October 19, 2022 Board meeting.

RECOMMENDED ACTION:

Approve Project Funding Agreement as presented.

PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION AND THE CITY OF KERRVILLE, TEXAS FOR WORK REGARDING THE CONVERSION OF ABOVE-GROUND UTILITY LINES TO UNDERGROUND AND STREETScape IMPROVEMENTS TO THE PARKING GARAGE

THIS PROJECT FUNDING AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2022 ("Effective Date"), by and between the **City of Kerrville, Texas Economic Improvement Corporation** ("Corporation"), a Type B Economic Development Corporation established pursuant to Chapters 501, 502, and 505 of the Texas Local Government Code, as amended (*i.e.*, the Development Corporation Act, hereafter referred to as "the Act"); and the **City of Kerrville, Texas** ("City"), a Texas home-rule municipality. EIC and City are sometimes collectively referred to herein as "Parties" and individually as "Party".

WITNESSETH:

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

WHEREAS, in May 1995, the citizens of Kerrville, Texas, voted to form the EIC to administer a sales and use tax collected for "Projects", as defined by the Act, including:

Projects related to a) expenditures that are found by the EIC to be required or suitable for *infrastructure necessary to promote or develop new or expanded business enterprises*, limited to streets and roads, water and sewer utilities, *electric utilities*, or gas utilities, drainage, *site improvements*, and *related improvements*; and b) *recreational or community facilities* to include land, buildings, equipment, facilities, and *improvements required or suitable for use for tourist and public park purposes, including parks and park facilities, open space improvements*, and related concession and automobile parking facilities, related area transportation facilities, and *related roads, streets, and other related improvements* that enhance any of these items as provided for by Sections 501.103 and 505.152 of the Act (emphasis supplied); and

WHEREAS, the City is in the preliminary stages of beginning work to rehabilitate the A.C. Schreiner House, located at 529 Water Street, such work to

transform the home and its surrounding property into the Heart of the Hills Heritage Center ("HHHC"); and

WHEREAS, in addition, the City was recently awarded Community Development Block Grant (CDBG) funds to help pay for infrastructure and mobility improvements at the intersection of Clay and Water Streets; and

WHEREAS, pursuant to this work, the Kerrville Public Utility Board ("KPUB"), which will need to upgrade electrical service in this area to meet the increased demand from HHHC and other users, began investigating the possibility of converting existing overhead utility lines in the area to underground service as a way of enhancing the aesthetics of downtown; and

WHEREAS, KPUB's proposed scope of work will remove the overhead electric and telecommunications utilities in this part of downtown; and

WHEREAS, KPUB has developed cost estimates for its work and is seeking EIC funding to fund one-half (1/2) the cost of the underground utility conversion; and

WHEREAS, in conjunction with the work to be performed by KPUB, the City seeks to undertake a streetscape project along the Water Street boundary of the City's parking garage, as much of the vegetation and irrigation within the right-of-way will not survive the construction; and

WHEREAS, the City estimates that the streetscape work will be between \$130,000 and \$180,000; and

WHEREAS, the City, which will oversee KPUB's work and the streetscape work, seeks EIC funding in the amount of \$400,000, which the City estimates will cover both the costs for the underground utility conversion and the streetscape work (collectively referred to herein as the "Project"); and

WHEREAS, the Project will support and reinforce the goals of the Kerrville Comprehensive Plan ("*Kerrville 2050*") to include preserving, protecting, and enhancing the visual identity of the downtown area as well as improving the physical, economic, social characteristics of this area to create a unique destination for residents and visitors of Kerrville, thereby helping to make this area the activity center and focal point of the community; and

WHEREAS, the EIC finds that the Project as described generally above constitutes a "project" as defined by the Act; and

WHEREAS, the EIC finds that the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises as well as recreational and community facilities; and

WHEREAS, finding that providing funds to contribute toward the planning, development, and construction of the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises and recreational and community facilities, EIC has determined that this Agreement complies with the Act and is in keeping with the mission of EIC and City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures; and

WHEREAS, the EIC finds that it will be in the public interest to enter into this Agreement with City to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to City for costs related to the Project; and

WHEREAS, on October 17, 2022, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, the EIC held a public hearing pursuant to Section 501.072 of the Act related to the proposed expenditure of 4B Revenues for the Project;

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

1. **"Project" Defined:** When used in this Agreement, the term "Project" means the project summary and cost itemization specified in **Exhibit A** attached hereto and included herein for all purposes, plus expenses that arise as contingencies during the Project. City will manage the funding it receives from EIC and the bidding and construction of the Project. City shall not substantively alter the description of the Project in any respect without the prior approval of the EIC.
2. **Agreement to Fund Project:** Subject to the final approval of KPUB to fund its preliminary agreed upon portion of its utility work, the EIC agrees to provide City an amount up to and not to exceed \$400,000 in 4B Revenues for the Project ("Grant Funding").
3. **Payments Authorized:** City is authorized to make payments for the Project directly from the EIC's General Capital Projects Fund.
4. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 2, above, are limited to the payment of "costs" as defined in the Act.
5. **Project Timeline:** The City estimates that construction activities for the Project will begin on or before February 1, 2023.
6. **Severability:** The provisions of this Agreement are severable and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable

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

7. **Amendment:** This Agreement may be amended only by written amendment signed by the Parties.
8. **Notices:** All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC

President

City of Kerrville, Texas, Economic Improvement Corporation

City Hall, 701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

For City

City Manager, City of Kerrville

City Hall, 701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

9. **Applicable Law:** This Agreement is governed by and construed in accordance with the laws of the State of Texas. The Agreement is entered into and fully performable within Kerr County, Texas. Accordingly, venue for any cause of action arising pursuant to this Agreement is proper only in Kerr County, Texas.
10. **Interpretation:** Each Party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the Parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party.

11. **No Joint Venture:** Nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between any or all of the Parties.
12. **Parties in Interest:** Nothing in this Agreement shall entitle any Party other than EIC or City to any claim, cause of action, remedy, or right of any term of this Agreement.
13. **Survival of Terms:** All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.
14. **Term.** The term of this Agreement (the "Term") shall commence on the Effective Date and shall terminate on the earlier of: (i) June 30, 2023, or when the requirements set forth in this Agreement are completed; (ii) when terminated by mutual agreement of the Parties; or, (iii) at City's discretion, upon City returning all Grant Funding to EIC that it has received under this Agreement. Upon termination of this Agreement as specified herein, all rights, duties, and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.
15. **Entire Agreement:** This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in the year and as of the date indicated.


CITY OF KERRVILLE, TEXAS

By: _____
Judy Eychner, Mayor

ATTEST:

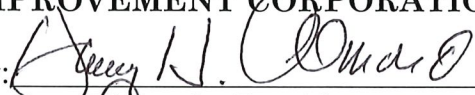
Shelley McElhannon, City Secretary

APPROVED AS TO FORM:




Michael C. Hayes, City Attorney

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

By: 

Greg Richards, President
DANNY ALMOND, VICE-PRESIDENT

ATTEST:



Kesha Franchina, Secretary for the EIC



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

SUBJECT: City Council workshop minutes, October 11, 2022.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 07, 2022

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20221025_Minutes_CC workshop 10-11-22 4pm.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

City Council workshop minutes held October 11, 2022 at 4:00 p.m., City Hall Council Chambers.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL WORKSHOP MINUTES
CITY HALL COUNCIL CHAMBERS**

**OCTOBER 11, 2022 4:00 PM
701 MAIN STREET, KERRVILLE, TEXAS**

CALL TO ORDER: On October 11, 2022 at 4:00 p.m., the City Council workshop was called to order by Mayor Judy Eychner at the City Hall Council Chambers, 701 Main Street.

COUNCILMEMBERS PRESENT:

Judy Eychner, Mayor
Kim Clarkson, Mayor Pro Tem, Council Place 2
Roman Garcia, Council Place 1
Joe Herring Jr, Council Place 3
Brenda Hughes, Council Place 4

COUNCILMEMBERS ABSENT:

None

CITY STAFF PRESENT:

E.A. Hoppe, City Manager
Mike Hayes, City Attorney
Michael Hornes, Asst City Manager
Kim Meisner, Asst City Manager
Shelley McElhannon, City Secretary

Stuart Barron, Exec Dir Public Works
Kyle Burow, Director Engineering
Guillermo Garcia, Exec Dir Innovation
Drew Paxton, Director Planning

VISITORS PRESENT:

Dr. Charles McCormick, President Schreiner University
Louis Amstoy, Media Roger Mathews, Media

1. **PUBLIC COMMENT:** None

2. **PRESENTATION AND COUNCIL DISCUSSION:**

2A. Schreiner University update, presented by Dr. Charles McCormick, President.

E.A. Hoppe introduced the item, and Dr. Charles McCormick provided information and responded to questions.

2B. Subdivision Code review, Dark Skies and Outdoor Lighting presentation, and Tree Preservation presentation.

E.A. Hoppe introduced the items. Drew Paxton and E.A. Hoppe provided information and responded to questions.

2C. Quarterly Community Improvement projects update to include: Westminster Street reconstruction, SH173/SH16 connection, Upper Lois Street drainage improvements, Library lighting and electrical, AC Schreiner House/Heart of the Hills Heritage Center, KUTS/Clay Street South, Water/Wastewater Master Plan, Guadalupe River utility crossing, Knapp force main and gravity main, Lois tank replacement, Ridgeland Subdivision, Downtown River Trail extension, TXDOT transportation alternatives, TXDOT traffic signal improvements, Public Safety Facility, Public Safety Facility water/wastewater relocation, KERV Airport improvements, Cailloux Theater improvements, Downtown Community Development Block Grant Program, Hazard Mitigation Grant Program, Killdeer Mountain Manufacturing, Peterson Medical Center Campus infrastructure improvements.

E.A. Hoppe introduced the item. Kyle Burow, E.A. Hoppe, and Stuart Barron provided information and responded to questions.

E.A. Hoppe advised Council that staff does not have an update for the Workforce Housing development projects. Executive Session was not convened.

3. **EXECUTIVE SESSION:** Not convened.

3A. Workforce Housing development projects (551.071, 551.087).

4. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION IF ANY:** N/A

ADJOURN. The workshop adjourned at 5:09 p.m.

APPROVED BY COUNCIL: _____ ATTEST:

Judy Eychner, Mayor

Shelley McElhannon, City Secretary



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

SUBJECT: City Council meeting minutes, October 11, 2022.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 07, 2022

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20221025_Minutes CC meeting 10-11-22 6pm.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

City Council meeting minutes held October 11, 2022 at 6:00 p.m., City Hall Council Chambers.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL MINUTES
REGULAR MEETING**

**KERRVILLE, TEXAS
OCTOBER 11, 2022 6:00 PM**

On October 11, 2022 at 6:00 p.m., Mayor Judy Eychner called the Kerrville City Council meeting to order in City Hall Council Chambers, 701 Main Street. Councilmember Brenda Hughes provided the invocation and led the Pledge of Allegiance.

COUNCILMEMBERS PRESENT:

Judy Eychner	Mayor
Kim Clarkson	Mayor Pro Tem, Councilmember Place 2
Roman Garcia	Councilmember Place 1
Joe Herring, Jr.	Councilmember Place 3
Brenda Hughes	Councilmember Place 4

COUNCILMEMBER ABSENT: None

CITY EXECUTIVE STAFF:

E.A. Hoppe, City Manager	Guillermo Garcia, Exec Dir Innovation
Mike Hayes, City Attorney	Eric Maloney, Fire Chief
Michael Hornes, Asst City Manager	Chris McCall, Police Chief
Kim Meisner, Asst City Manager	Drew Paxton, Planning Director
Shelley McElhannon, City Secretary	Charvy Tork, Director IT
Stuart Cunyus, Public Information Officer	Joshua Young, GIS

VISITORS PRESENT: A list of the citizen speakers present during the meeting is on file in the City Secretary's Office for the required retention period.

1. ANNOUNCEMENTS OF COMMUNITY INTEREST: Announcements of Community Interest provided by Stuart Cunyus. Upper Guadalupe River Authority (UGRA) Board President Diane McMahon, introduced the new UGRA General Manager Tara Bushnoe.

2. PRESENTATIONS:

2A. Kerrville Kindness Award presented to the Kerrville Public Utility Board (KPUB).

Mayor Eychner presented the Kerrville Kindness award to KPUB, for KPUB's assistance in the state of Florida due to Hurricane Ian. KPUB representatives in attendance: Tammy Riley, Dave Burley, Nathaniel Crabtree, Trey Owen, and Josh Whitworth.

2B. Proclamation recognizing October 2022 as Hill Country Night Sky month.

Mayor Eychner presented the Hill Country Night Sky month October 2022 Proclamation to representatives of Kerr County Friends of the Dark Skies, Bill Rector, Cathleen Brinkman, Bruce Barton, Kim Arvidsson, Greg Martin, and Jennifer Robinson.

2C. Proclamation recognizing October 2022 as Fire Prevention month.

Fire Chief Eric Maloney introduced the item, and Mayor Eychner presented the Fire Prevention month October 2022 Proclamation to Kerrville Fire Department personnel and Fire Chief Eric Maloney.

2D. Kerrville Fire Department's presentation of Citation of Merit.

Chief Maloney presented Lieutenant Monty Johnson the Kerrville Fire Department's Citation of Merit, due to exemplary leadership, dedication, and safety of our citizens.

Shelley McElhannon provided speaker protocol.

Mayor Eychner provided visitor and audience procedures of decorum.

3. VISITORS FORUM:

The following person(s) spoke:

- Thomas Jeffers
- Julee Reeves
- Jaclyn Hall
- Cheryl Fitch
- Nikki Caines
- Bruce Stracke

E.A. Hoppe provided clarification, correct, and factual information regarding the Library.

Councilmember Roman Garcia made a motion to place an item on the next regular meeting agenda for Discussion and Possible Action and the agenda item is titled The Butt-Holdsworth Memorial Library participation in banned book week, the Library's policies, the Library's association with the American Library Association, and personnel matters regarding the conduct of the Library Director, the City Manager, and the Assistant City Managers regarding the aforementioned matters. Mayor Eychner called for a second, with no Council second. The motion died for lack of a second.

4. CONSENT AGENDA:

Mayor Eychner requested to pull and table Consent Agenda item 4A. Councilmember Garcia requested to pull Consent Agenda item 4F.

4A. Resolution No. 49-2022. A Resolution amending the Employee Benefits Trust for the City of Kerrville, Texas; such trust created and maintained pursuant to Chapter 222, Texas Insurance Code.

Councilmember Kim Clarkson made a motion to table Resolution No. 49-2022, seconded by Councilmember Hughes.

Councilmember Garcia called a point of order citing Section 4.5. Mayor Eychner acknowledged and declined the point of order.

The motion passed 4-1, with Mayor Eychner, Councilmember Clarkson, Councilmember Joe Herring Jr., and Councilmember Hughes voting in favor, and Councilmember Garcia voting opposed.

Councilmember Clarkson made a motion to approve items 4B, 4C, 4D, 4E, and 4G, seconded by Councilmember Hughes. The motion passed 5-0.

4B. Ratify Fund Agreement with the Community Foundation of the Texas Hill Country for the establishment of the Kerrville Police Department Foundation Fund; and approve Fund Agreements with the Community Foundation of the Texas Hill Country for the establishment of the Kerrville Fire Department Fund and the Kerrville Parks Foundation Fund.

4C. Renewal of the Geographic Information System Enterprise License Agreement with Environmental Systems Research Institute, Inc. (ESRI).

4D. Execute a change order decreasing the awarded amount for the 2021 Street Reconstruction project.

4E. City Council workshop minutes, September 27, 2022.

4G. City Council workshop minutes October 04, 2022.

END OF CONSENT AGENDA.

4F. City Council meeting minutes, September 27, 2022.

Councilmember Garcia proposed that in future Council minutes, the minutes include Council comments, statements, clarification, or questions. Discussion ensued among Council, and Council was not in agreement.

Councilmember Garcia made a motion to approve the meeting minutes for September 27, 2022 with the amendment: Page 3 Section F "*by and sending a written notice*", seconded by Councilmember Joe Herring, Jr. The motion passed 5-0.

5. PUBLIC HEARING AND RESOLUTIONS:

5A. Resolution No. 59-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of an approximate 1.373 acres out of the Martinez Survey No. 124, Abstract No. 247; and more commonly known as 2101 Arcadia Loop S; said property is located within a Medium Density Residential Zoning District (R-2); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 59-2022 caption into record.

Drew Paxton provided information and responded to questions.

Tim Buck, representing the applicant, was available for questions.

The public hearing opened at 7:04 p.m.

The following person(s) spoke:

- George Baroody

The public hearing closed at 7:06 p.m.

Councilmember Hughes made a motion to approve Resolution No. 59-2022, seconded by Councilmember Herring. The motion passed 5-0.

5B. Resolution No. 60-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of part of Block 11, Lowry Addition; and more commonly known as 309 Guadalupe; said property is located within a Medium Density Residential Zoning District (R-2); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 60-2022 caption into record.

Drew Paxton provided information, Drew Paxton and Mike Hayes responded to questions.

Applicant Larry Howard was available for questions.

The public hearing opened at 7:11 p.m.

No person(s) spoke.

The public hearing closed at 7:11 p.m.

Councilmember Herring made a motion to adopt Resolution No. 60-2022, seconded by Councilmember Hughes. The motion passed 5-0.

5C. Resolution No. 61-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of Lot 6, of Block 1, Riverside Addition; and more commonly known as 337 Guadalupe; said property is located within a Medium Density Residential Zoning District (R-2); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 61-2022 caption into record.

Drew Paxton provided information and responded to questions.

Applicant Larry Howard was available for questions.

The public hearing opened 7:12 p.m.

No person(s) spoke.

The public hearing closed 7:12 p.m.

Councilmember Clarkson made a motion to approve Resolution No. 61-2022, seconded by Councilmember Hughes. The motion passed 5-0.

5D. Resolution No. 62-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of Lot 5, Colonial Manor Section 2 Addition; and more commonly known as 1425 Lois; said property is located within a Single-Family Residential Zoning District (R-1); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 62-2022 caption into record.

Drew Paxton provided information and responded to questions.

Matt Sletton, representing applicant, was available for questions.

The public hearing opened 7:15 p.m.

No person(s) spoke.

The public hearing closed 7:15 p.m.

Councilmember Hughes made a motion to approve Resolution No. 62-2022, seconded by Councilmember Herring. The motion passed 5-0.

5E. Resolution No. 63-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of Lot 27, of Block 33, Schreiner Addition; and more commonly known as 130 Loop 13; said property is located within a Single-Family Residential Zoning District (R-1); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 63-2022 caption into record.

Drew Paxton provided information and responded to questions.

Applicant Margaret Harrod provided information and was available for questions.

The public hearing opened 7:20 p.m.

No person(s) spoke.

The public hearing closed 7:21 p.m.

Councilmember Herring made a motion to adopt Resolution No. 63-2022, seconded by Councilmember Clarkson. The motion passed 5-0.

5F. Resolution No. 64-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of Lot 4-A, of Block 1, Fair Oaks Addition; and more commonly known as 1602 Quinlan Creek; said property is located within a Medium Density Residential Zoning District (R-2); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 64-2022 caption into record.

Drew Paxton provided information and responded to questions.

The public hearing opened 7:23 p.m.

The following person(s) spoke:

- George Baroody

The public hearing closed 7:25 p.m.

Councilmember Hughes made a motion to approve Resolution No. 64-2022 with the amendment that the Short-Term Rental be limited to the guest house. Mayor Eychner called for a second, with no Council second. The motion died for lack of a second.

Councilmember Herring made a motion to adopt Resolution No. 64-2022, seconded by Councilmember Clarkson. The motion passed 4-1 with Mayor Eychner, Councilmember Clarkson, Councilmember Garcia, and Councilmember Herring voting in favor, and Councilmember Hughes voting opposed.

5G. Resolution No. 65-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of Lot 10, of Block A, Motley Hills Addition; and more commonly known as 1701 Deer Trail; said property is located within a Single-Family Residential Zoning District (R-1); and making said permit subject to conditions and restrictions. (This is an appeal by applicant to City Council).

Shelley McElhannon read Resolution No. 65-2022 caption into record.

Drew Paxton provided information and responded to questions.

Applicant Niki Parks provided information and was available for questions.

The public hearing opened 7:33 p.m.

No person(s) spoke.

The public hearing closed 7:33 p.m.

Councilmember Herring made a motion to adopt Resolution No. 65-2022, seconded by Councilmember Clarkson. The motion passed 5-0.

E.A. Hoppe provided information regarding Short-Term Rental Unit timelines and application deadlines.

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Resolution No. 66-2022. A Resolution authorizing and approving the creation of the Kerrville Public Facility Corporation pursuant to chapter 303 of the Texas Local Government Code to act on behalf of the City of Kerrville, Texas; approving the Certificate of Formation and Bylaws related thereto; and resolving other matters in connection therewith.

Shelley McElhannon read Resolution No. 66-2022 caption into record.

Michael Hornes, E.A. Hoppe, and Attorney Summer Greathouse with Bracewell LLP provided information and responded to questions.

The following person(s) spoke:

- Brad Barnett
- George Baroody
- Cory Edmondson

Councilmember Herring made a motion to adopt Resolution No. 66-2022, seconded by Councilmember Hughes. The motion passed 4-1 with Mayor Eychner, Councilmember Clarkson, Councilmember Herring, and Councilmember Hughes voting in favor, and Councilmember Garcia voting opposed.

6B. Special District Policies as to Public Improvement Districts and Municipal Utility Districts.

Shelley McElhannon read item 6B caption into record.

Michael Hornes, Mike Hayes, and E.A. Hoppe provided information and responded to questions.

Councilmember Hughes made a motion to approve the Public Improvement District policy, seconded by Councilmember Herring. The motion passed 4-1, with Mayor Eychner, Councilmember Clarkson, Councilmember Herring, and Councilmember Hughes voting in favor, and Councilmember Garcia voting opposed.

Councilmember Garcia made a motion to table the Municipal Utility District policy until the next regular Council meeting, seconded by Councilmember Clarkson. The motion to table passed 5-0.

6C. Resolution No. 58-2022. A Resolution canceling the regular meetings of the City Council scheduled for November 22, 2022 and December 27, 2022.

Shelley McElhannon read Resolution No. 58-2022 caption into record.

Mike Hayes provided information.

Councilmember Garcia made a motion to approve Resolution No. 58-2022, seconded by Councilmember Herring. The motion passed 5-0.

Executive Session was not called nor convened.

7. EXECUTIVE SESSION: N/A

7A. Workforce Housing development projects (551.071, 551.087).

The following person(s) spoke:

- George Baroody (declined when called)

8. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY: N/A

9. ITEM(S) FOR FUTURE AGENDAS:

The following person spoke:

- Jess Fields – Education and Parental Choice, and requested item on a future agenda. Councilmember Garcia sponsored the item, seconded by Councilmember Hughes. The item failed as a future agenda item 2-3 with Councilmember Garcia and Councilmember Hughes voting in favor, and Mayor Eychner, Councilmember Clarkson, and Councilmember Herring voting opposed.

ADJOURN. The meeting adjourned at 8:31 p.m.

APPROVED BY COUNCIL: _____

APPROVED:

ATTEST:

Judy Eychner, Mayor

Shelley McElhannon, City Secretary



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

SUBJECT: City Council workshop minutes, October 18, 2022.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 07, 2022

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20221025_Minutes_CC workshop 10-18-22 930am.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

City Council meeting workshop held October 18, 2022 at 9:30 a.m., City Hall Council Chambers.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL WORKSHOP MINUTES
CITY HALL COUNCIL CHAMBERS**

**OCTOBER 18, 2022 9:30 AM
KERRVILLE, TEXAS**

CALL TO ORDER: On October 18, 2022 at 9:30 a.m., the City Council workshop was called to order by Mayor Judy Eychner at the City Hall Council Chambers, 701 Main Street.

COUNCILMEMBERS PRESENT:

Judy Eychner, Mayor
Kim Clarkson, Mayor Pro Tem, Councilmember Place 2
Roman Garcia, Councilmember Place 1
Joe Herring, Jr., Councilmember Place 3
Brenda Hughes, Councilmember Place 4

COUNCILMEMBER ABSENT:

None

CITY STAFF PRESENT:

E.A. Hoppe, City Manager
Shelley McElhannon, City Secretary

Michael Hornes, Assistant City Manager
Kim Meisner, Assistant City Manager

VISITORS PRESENT:

No citizens or visitors were present.

1. PUBLIC COMMENT:

No citizens or visitors spoke.

Councilmember Roman Garcia made a motion that the City Council adjourn into closed executive session under 551.074 (personnel/officer), and Councilmember Brenda Hughes seconded. The motion passed 5-0.

Mayor Eychner recessed the workshop, and convened the closed executive session at 9:30 a.m. in the Upstairs Conference Room.

2. EXECUTIVE SESSION:

2A. City Manager annual evaluation (551.074).

The closed executive session adjourned, and Council returned to workshop open session at 11:19 a.m. No action was taken during executive session.

3. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION IF ANY:

Councilmember Hughes moved to authorize the Mayor to execute a personnel action form for the City Manager based on the discussions held by the City Council during Executive Session today, seconded by Councilmember Kim Clarkson. The motion passed 5-0.

ADJOURN. The workshop adjourned at 11:19 a.m.

APPROVED BY COUNCIL: _____ ATTEST:

Judy Eychner, Mayor

Shelley McElhannon, City Secretary



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

SUBJECT: Resolution No. 70-2022. A Resolution authorizing the waiver of Parade and Parks fees for the Kerr County Veterans Day Parade Committee pursuant to events it plans to hold on November 12, 2022 in and around the City's Louise Hays Park.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 18, 2022

SUBMITTED BY: Ashlea Boyle

EXHIBITS: [20221025_Reso 70-2022 Waiver of fees Veterans Day Parade 11-12-22.pdf](#)
[20221025_Letter_Kerr County Veterans Day Committee Fee Waiver Request.pdf](#)

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

PAYMENT TO BE MADE TO:

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

The Kerr County Veterans Day Parade Committee plans to hold a parade and event in Louise Hays Park on Saturday, November 12, 2022. As this is both a parade and a special event utilizing Louise Hays Park, it requires multiple permits such as the parade permit from the Kerrville Police Department, special event permit and rental fees from the Parks and Recreation Department, and corresponding health permits for food vendors from the Development Services Department.

The associated permit and rental fees are as follows:

Parks and Recreation Department:

1) Special Event Application - \$50

2) Centennial Stage with electricity - \$200 + \$200 deposit

3) Tables (20) - \$100 + \$100 deposit

4) Chairs (60) - \$120 + \$100 deposit

Police Department Fees

1) Parade Permit Application - \$50

Development Services Fees - \$45 each

1) One-time event permit per vendor that does not have an annual permit. This is contingent on the number of participating food vendors. To date, two food vendors are planned that do not have annual permits. Approximately \$90+.

The total fees equal approximately \$1,010 which includes the \$400 refundable park rental deposits. Net loss to revenue would be \$610. The City requires the payment of fees for various uses of City parks and recreational facilities, and other permits / fees relating to other departments, which fees are adopted each year by the City Council as part of the City's fee schedule.

RECOMMENDED ACTION:

Approve Resolution No. 70-2022.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 70-2022**

**A RESOLUTION AUTHORIZING THE WAIVER OF PARADE
AND PARKS FEES FOR THE KERR COUNTY VETERANS DAY
PARADE COMMITTEE PURSUANT TO EVENTS IT PLANS TO
HOLD ON NOVEMBER 12, 2022 IN AND AROUND THE CITY'S
LOUISE HAYS PARK**

WHEREAS, the Kerr County Veterans Day Parade Committee (the "Committee") plans to hold a parade and public gathering in Louise Hays Park on Saturday, November 12, 2022; and

WHEREAS, as the events include both a parade and gathering which will utilize Louise Hays Park, multiple permits are required such as a parade permit from the Kerrville Police Department, special event permit, rental fees from the Parks and Recreation Department, and corresponding health permits for food vendors from the Development Services Department; and

WHEREAS, the Committee is requesting that City Council waive all applicable City fees for this event; and

WHEREAS, City Council determines that waiving the applicable City fees is in the public interest;

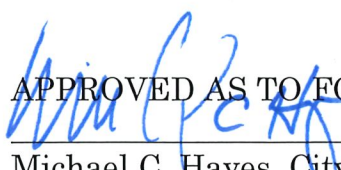
**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF
THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:**

SECTION ONE. The above findings are found to be true and correct.

SECTION TWO. City Council authorizes the waiver of all applicable fees for the Committee and its holding of a parade and public gathering to commemorate Veterans Day, to be held in and around the City's Louise Hays Park on Saturday, November 12, 2022.

**PASSED AND APPROVED ON this the ____ day of _____ A.D.,
2022.**

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Judy Eychner, Mayor

ATTEST:

Shelley McElhannon, City Secretary

Kerr County Veterans Day Parade

11 October 2022

769 Oakland Hills Ln
Kerrville, TX 78028

Dear Ashlea and Tina
c/o Kerrville Parks and Recreation Department

The Kerr County Veterans Day Parade Committee is pleased to announce our plans to host Kerr County Veterans Celebration Day in Louise Hays Park, Saturday 12 November 2022. The celebration is scheduled to start at 9:00 and conclude at 12:00pm so as not to interfere with the VA Car show at 2:00pm. We are anticipating 200 participants to attend with a local WWII Veteran to be the Grand Marshal. The festivities included in our parade are a formal parade, three local high school marching bands, food trucks and live music at Centennial Stage provided by The Turning Point Band.

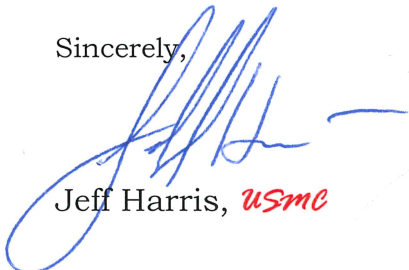
Please accept this letter as our formal request, to waive all City of Kerrville and Parks & Recreation fees for the Veterans Day Celebration Event.

We respectfully request the following fees to be waived:

- The Special Event Permit Fee
- The Parade Permit Fee
- The Costs for Use of the Centennial Stage with Power
- The Use of the twenty (20) Tables and Sixty (60) chairs owned by Parks & Recreation to be donated, we will set them up in the park
- Food Truck Permitting/Health Certificates to be waived, as the ones that are participating have been utilized in other city events and have their own certificates.
- Any Other Fees associated with the Celebration of Our Veterans not noted above

Thank you for considering our request to waive the fees for the Celebration of our Kerr County Veterans. If you have any questions, please do not hesitate to contact me directly.

Sincerely,



Jeff Harris, *USMC*



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

SUBJECT: Resolution No. 69-2022. A Resolution supporting the Guadalupe-Blanco River Authority and its actions toward the development of a Habitat Conservation Plan; said plan being developed in response to the potential listing of freshwater mussels within portions of the Guadalupe River as Endangered Species by the U.S. Fish and Wildlife Service.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 14, 2022

SUBMITTED BY: Stuart Barron

EXHIBITS: [20221025_Reso 69-2022 Partner wGBRA to develop HCP.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	W - Water / Waste-Water / Drainage
Guiding Principle	W4. Preserve natural riparian areas
Action Item	W4.6 - Develop standard maintenance protocols for riparian areas, including the option of leaving the areas in a natural condition

SUMMARY STATEMENT:

Guadalupe-Blanco River Authority (GBRA) is developing a Habitat Conservation Plan (HCP) regarding potentially endangered species such as the Guadalupe Orb, and Guadalupe Fatmucket. Other species such as the Golden Cheeked Warbler may also be included.

The Guadalupe Orb and Guadalupe Fatmucket are found in the Guadalupe River within Kerr County. The two mussels species are potentially being added to the endangered species list within the next few months. In an effort to protect the City from a potential future violation of the Endangered Species Act, the City should learn how to limit activities that could do harm to either of the two mussels. GBRA has started this process by developing

a HCP. The plan will contemplate various activities that could affect the Mussels or their habitat. The plan will lay out solutions for activities that may cause harm to the species. Being an active member in a HCP is the best option for the City to limit exposure to potential violations of the endangered species act and possible lawsuits related to this matter.

RECOMMENDED ACTION:

Approve Resolution No. 69-2022.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 69-2022**

**A RESOLUTION SUPPORTING THE GUADALUPE-BLANCO
RIVER AUTHORITY AND ITS ACTIONS TOWARD THE
DEVELOPMENT OF A HABITAT CONSERVATION PLAN; SAID
PLAN BEING DEVELOPED IN RESPONSE TO THE
POTENTIAL LISTING OF FRESHWATER MUSSELS WITHIN
PORTIONS OF THE GUADALUPE RIVER AS ENDANGERED
SPECIES BY THE U.S. FISH AND WILDLIFE SERVICE**

WHEREAS, beginning in 2015, the U.S. Fish and Wildlife Service ("USFWS") provided notice to the public and stakeholders along the Guadalupe River that it had begun the process, pursuant to the federal Endangered Species Act ("ESA"), of determining whether to list several species of freshwater mussels as endangered or threatened; and

WHEREAS, under the ESA, the USFWS is authorized to "list" endangered species and critical habitats, to assess potential "takes" of such species, and to approve permits and plans (e.g., Incidental Take Permits and Habitat Conservation Plans ("HCP") proposed by the regulated community as to how they proposed to respond to and address such "listings" and/or takes; and

WHEREAS, based upon this notice, the City began monitoring the USFWS's actions and prepared to 1) oppose or at least comment on the potential listing; and 2) address possible or alleged impacts to the City and its water supply, recreational activities, and other uses of the river if there were such a designation; and

WHEREAS, the City's general practice with these types of issues is to find whether a coalition exists either with other public entities, such as the Upper Guadalupe River Authority ("UGRA") and the Guadalupe-Blanco River Authority ("GBRA"), or private landowners and other interested parties as a way of finding widespread support for the City's position and a way to share costs and other work necessary to participate fully in response to any potential USFWS findings; and

WHEREAS, one public entity that has very similar interests to the City is the GBRA, which is a water conservation and reclamation district pursuant to Texas law; and

WHEREAS, GBRA has, in part, begun developing a multispecies HCP for the entire Guadalupe River watershed, received federal grant funds to help pay for the estimated cost of developing an HCP, and sought the participation of other Guadalupe River stakeholders to participate in its work; and

WHEREAS, representatives from GBRA recently made a presentation to City Council regarding the USFWS's noticed intent, the mussel species and critical habitat involved, and GBRA's plans and strategies to address these issues; and

WHEREAS, City staff believes that it would be beneficial for the City to partner with GBRA as to its work toward creating an HCP; and

WHEREAS, City Council believes it to be in the City's and the public's interest to formally participate with GBRA and its efforts to develop an HCP;

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

SECTION ONE. City Council supports GBRA and its efforts toward the creation of an HCP and other actions to address the potential listing of mussels as an endangered species on portions of the Guadalupe River as critical habitat.

SECTION TWO. City Council authorizes the City Manager and the City Attorney to advise GBRA of the action authorized by this Resolution and to participate in GBRA's process toward the development of the Guadalupe River HCP.

SECTION THREE. The City Manager and City Attorney shall keep Council apprised of its work and the development of the HCP, with the understanding that Council may need to take future action with respect to these issues.

PASSED AND APPROVED ON this the _____ day of _____, A.D., 2022.

Judy Eychner, Mayor

APPROVED AS TO FORM:

ATTEST:



Michael C. Hayes, City Attorney

Shelley McElhannon, City Secretary



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

SUBJECT: Resolution No. 67-2022. A Resolution adopting the City's Tree Preservation Policy.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 14, 2022

SUBMITTED BY: Drew Paxton

EXHIBITS: [20221025_Reso 67-2022 Tree Preservation Policy.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	\$0	\$0	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	C - Community / Neighborhood Character and Place Making
Guiding Principle	C4. Promote design that is in keeping with Kerrville, its natural beauty, history, culture and diversity using art, landscaping and other aesthetic features, including "random order" (sameness that doesn't seem forced); encourage design that promotes interaction, a sense of community and gatherings
Action Item	C4.3 - Consider a tree preservation ordinance

SUMMARY STATEMENT:

As Kerrville continues to grow and develop, the preservation of desirable trees is and will continue to be an important factor for future developments. The goals for the tree preservation guidelines are to provide a consistent, community-adopted set of guidelines, provide a document to reference in partnerships and other incentive agreements, and assist in educating the community on accepted and recommended practices. These guidelines encourage the protection and preservation of desirable native and adapted trees within the city. They encourage the protection of healthy trees and provide guidance for the replacement or replanting of trees that are removed during construction, development, or redevelopment.

The Kerrville 2050 Implementation Plan encouraged consideration of a tree preservation

ordinance. The Code Review Committee (CRC) reviewed a set of guidelines in 2019, however, they took no action on it at the time. In February 2022, the Council had a workshop including recommendations for tree preservation guidelines. In March, the CRC recommended a set of guidelines for the Council's consideration.

RECOMMENDED ACTION:

Approve Resolution No. 67-2022.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 67-2022**

**A RESOLUTION ADOPTING THE CITY'S TREE
PRESERVATION POLICY**

WHEREAS, the City of Kerrville ("City") is located within the scenic Texas hill country with its abundance of wildlife, scenic views, and natural beauty; and

WHEREAS, the City recognizes the value that trees add to the community as beautiful iconic backdrops to the scenery, shady respites from the Texas heat, and ecological benefits that improve air quality while providing food and shelter for wildlife; and

WHEREAS, pursuant to the City's Comprehensive Plan (*Kerrville 2050*), Kerrville citizens and community members "voiced" the collective opinion that the areas trees, particularly those considered significant specimen or heritage trees, should be protected and celebrated; and

WHEREAS, in addition, *Kerrville 2050* specifically provided that the trees that dot the landscape of Kerrville and the surrounding Hill Country are an important community asset; they contribute to the beauty of the surrounding landscape, reduce pollution and runoff, and enhance property values; and that trees can be cut down and cleared quickly, but they cannot be easily replaced; and

WHEREAS, with these views in mind, *Kerrville 2050* stated that a tree preservation strategy and a planting plan for City-owned property and public spaces should be considered; and

WHEREAS, *Kerrville 2050* also provided that the City should consider tree preservation in order to encourage limited tree removal as a way to ensure that tree removal is done thoughtfully and responsibly, thereby protecting property values and the natural beauty of the community; and

WHEREAS, the City's Code Review Committee, which was created by City Council, has reviewed the issue of tree preservation and has reviewed guidelines that it believes would be beneficial for the City to adopt; and

WHEREAS, City Council believes it to be in the public interest and beneficial for the community to adopt the City's *Tree Preservation Policy* in an effort to encourage the protection of heritage trees;

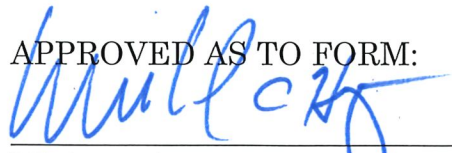
**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF
THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:**

The *Tree Preservation Policy*, which is attached as **Exhibit A**, is adopted.

PASSED AND APPROVED ON this the _____ day of _____ A.D.,
2022.

Judy Eychner, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

**CITY OF KERRVILLE, TX
TREE PRESERVATION POLICY**

Sec. 1 - Title.

These guidelines shall be known and may be cited as the City of Kerrville, Texas ("City") Tree Preservation Policy ("Policy").

Sec. 2 - Purpose.

The terms and provisions of these guidelines are intended to accomplish the following public purposes:

- (1) Establish guidelines encouraging the protection and preservation of native and adapted trees within the City.
- (2) Encourage the protection of healthy trees and provide guidance for the replacement or replanting of trees that are removed during construction, development, or redevelopment.
- (3) Provide guidance for the preservation and protection of larger native trees, which provide a valuable amenity to the environment.
- (4) Encourage protection and preservation of trees that provide shade, windbreaks, oxygen, and the cooling of air, thereby reducing the requirements for air conditioning, heating, and the use of energy.
- (5) Encourage protection and preservation of trees, thereby reducing the effects of soil erosion and the need for additional drainage facilities.
- (6) Discourage the clearcutting of land.
- (7) Encourage the preservation of the rural atmosphere and natural environment that define the community's character and that make it unique and desirable, as described in the City's Comprehensive Plan (*Kerrville 2050*).
- (8) Encourage the protection and preservation of trees to help mitigate the effects of development.
- (9) Discourage the unwarranted removal of specimen and heritage trees within the City.
- (10) Encourage the protection and preservation of existing native or locally adapted trees, as listed, and encourage planting of new trees to provide environmental benefits that help to protect and preserve watersheds within the City by reducing the amount of pollutants, runoff, and sediment entering creeks within such

watersheds.

Sec. 3 - Definitions.

The following terms when used in this Policy shall have the meanings ascribed to them below:

Caliper. The diameter of a tree.

Director. The person(s) designated by the City Manager to administer the provisions of this Policy.

Heritage tree. A tree of notable historic interest and/or cultural value to the City because of its location or historical significance and designated by City Council. Groups such as the Kerr County Historical Commission and Riverside Nature Center may serve as a resource.

Platted lot. A parcel of land defined by a unique block and lot number, by a tract and lot number, or by a subdivision name and lot number and is recorded with Kerr County.

Specimen tree. Any existing living tree of a species or type, except Chinaberry, Hackberry, Ashe Juniper (Mountain Cedar), Chinese Tallow, and Mesquite, possessing the characteristics described in section 7 below.

Replacement tree. A tree of a recommended species cited in section 7(2) below, that is planted to replace an existing tree that is removed.

Remove or removal. To eliminate, or the elimination of, a tree by any means from a site or an act that causes, or may be reasonably expected to cause, a tree to die. Such acts include: uprooting, severing the main trunk, damaging the bark and/or root system, excessive pruning, etc.

Sec. 4 - Discouraged activities.

It is discouraged for any person to do, or cause, direct, or allow another person to do, any of the following:

- (1) Remove any specimen or heritage tree without a real necessity to do so;
- (2) Prune any tree in a manner inconsistent with section 6 below; or
- (3) Clear cut any property, thereby removing all trees.

Sec. 5 - Applicability.

These guidelines are applicable to properties within the City.

Sec. 6 - Tree pruning recommendations.

- (1) General. No specimen or heritage tree should be pruned in such a manner that would reasonably lead to the death of the tree, and all pruning should be by approved arboricultural techniques designed to preserve and protect the pruned trees.
- (2) Tree topping. Severely cutting back any type of tree's limbs to stubs larger than three inches (3") in diameter within the tree's crown to such a degree so as to remove the normal canopy and disfigure the tree is strongly discouraged.
- (3) Lion Tailing. Lion's tailing is a form of over-pruning or the "gutting" of a tree by removing a large number of the inner branches. The limbs of the tree look like a lion's tail after pruning. The limbs will appear "long and slender" with a "puff" of foliage at the end, like the tuft on the end of a lion's tail.
- (4) Branch and root pruning of wounded trees. Broken branches and exposed tree roots two inches (2") in diameter or greater of specimen, heritage and replacement trees should be cut cleanly. In the case of oak species, in order to prevent infection by oak wilt spores, it is strongly recommended that wounds be painted with an acceptable wound dressing within thirty (30) minutes following cutting.

Sec. 7 - Tree classifications.

- (1) Existing trees are generally classified as follows:

Tree Type	Single-Trunk Caliper	Multi-Trunk Caliper*	Minimum Height
Specimen	18" caliper width or greater	N/A	any height
Heritage	any caliper size	any caliper size	any height

* Multi-trunk caliper is generally calculated by taking the caliper of the largest trunk and adding 1/2 of the caliper values of each of the other trunks. Caliper width for existing trees is generally measured at forty-eight inches (48") above natural grade.

- (2) Replacement trees should be sized in accordance with the caliper sizes established by the Texas Association of Nurserymen Grades and Standards, and

are strongly recommended to have a minimum caliper of four inches (4") and a minimum height of nine feet (9') at the time of planting. Replacement trees are strongly recommended to be of the following native and locally adapted species:

Common Name	Scientific Name
Live Oak	<i>Quercus virginiana</i>
Monterrey Oak	<i>Quercus polymorpha</i>
Chinkapin Oak	<i>Quercus muehlenbergii</i>
Burr Oak	<i>Quercus macrocarpa</i>
Lacey Oak	<i>Quercus laceyi</i>
Texas Red Oak	<i>Quercus texana</i>
Cedar Elm	<i>Ulmus crassifolia</i>
Arizona Cypress	<i>Cupressus arizonica</i>
Montezuma Cypress	<i>Taxodium mucronatum</i>
Bald Cypress	<i>Taxodium distichum</i>
Pecan	<i>Carya illinoensis</i>
Uvalde Big Tooth Maple	<i>Acer grandidentatum</i>
Anacua	<i>Ehretia anacua</i>
Texas Mountain Laurel	<i>Sophora secundiflora</i>

Sec. 8 - Tree removal and mitigation recommendations.

- (1) No specimen or heritage tree should be removed unless absolutely necessary.
- (2) Removal of specimen and heritage trees are strongly recommended to be mitigated by planting, replanting, relocating, or leaving in place replacement tree(s) having at least a total caliper width equal to the total caliper width removed (*i.e.*, at a 1" to 1" ratio), in accordance with the following guidelines:
 - (a) No more than 35% of the total replacement trees should be of the same species.

- (b) At least 50% of the replacement trees should exceed six inches (6") in caliper width.
- (c) Replacement trees should be dispersed throughout the site, particularly within front yard areas and within publicly visible parking lots, as much as possible. No replacement trees shall be planted in utility easement or right-of-way areas unless authorized in writing by the City and/or by the utility agency who owns or controls such areas.

Sec. 9 - Tree protection recommendations.

The following tree protection measures are strongly recommended:

- (1) Prior to construction or land development, minimum four foot (4') tall plastic (or equivalent) safety fencing should be installed around the entire dripline of specimen, heritage, and replacement trees.
- (2) The cleaning of equipment or materials or the disposal of any waste material, including paints, oil, solvents, asphalt, concrete, and mortar is strongly discouraged under the canopy or within the dripline of any specimen, heritage, or replacement tree (or group thereof).
- (3) No attachments or wires of any kind, other than those of a protective nature, should be attached to any tree.
- (4) With grade changes of six inches (6") or greater, a retaining wall or tree well of rock, brick, landscape timbers, or other approved materials should be constructed around the tree no closer than the dripline of the tree. The top of the retaining wall or tree well should be constructed at the new grade.
- (5) No construction or construction related activity should occur under the dripline of any specimen, heritage, or replacement tree (or group thereof). If a foundation, street or alley pavement, utility line, on-site sewerage facility, pool, tennis court, patio, sidewalk, drive, or parking lot must be constructed within the dripline of said trees, it should be constructed, under the supervision of a certified arborist, no closer than five feet (5') from the trunk of such trees. A driveway or parking lot that must be constructed within the dripline of any specimen, heritage, or replacement tree (or group thereof) should be constructed of pervious materials.
- (6) Any trees removed during land development, construction, or construction-related activities shall be completely removed from the site unless such are chipped to be used as landscaping mulch on the site.
- (7) The location of all proposed buildings and improvements should be oriented to allow for the maximum preservation of specimen and heritage trees.

- (8) Site plans should, to the extent practicable, accommodate existing trees by providing islands in parking lots and grading and landscaping surrounding structures.



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

SUBJECT: Special District Policy as to Municipal Utility Districts.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 18, 2022

SUBMITTED BY: Michael Hornes

EXHIBITS: [20221025_Policy_Municipal Utility District draft v1.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
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PAYMENT TO BE MADE TO:

Kerrville 2050 Item?	Yes
Key Priority Area	H - Housing
Guiding Principle	H1. Provide a diverse range of housing options to meet the needs and desires of all age groups, income levels, and lifestyles
Action Item	H1.3 - Explore financial incentives and/or infrastructure funding for developers of residential subdivisions supporting new single family homes under \$200,000

SUMMARY STATEMENT:

The City of Kerrville finds that the purpose of a Special District Policy is to assist in closing the financial gap when a development is seeking to exceed minimum City standards, provide a robust program of amenities, and/or where substantial off-site infrastructure improvements are required that would serve the development and surrounding properties. Draft MUD policy was presented at the October 11, 2022 City Council meeting. After discussion, staff was directed to make revisions to the policy. The attached document outlines the suggested policy for a Municipal Utility District (MUD) based on that discussion.

RECOMMENDED ACTION:

Adopt a Municipal Utility District Policy.

City of Kerrville Municipal Utility District Policy

I. Overview

This policy establishes how the City Council will exercise its authority relating to the creation, operation, and dissolution of municipal utility districts (MUD). The City of Kerrville ("City") finds that the purpose of a Municipal Utility District (MUD) is to assist in closing the financial gap when a development is seeking to exceed minimum City standards, provide a robust program of amenities, and/or where substantial off-site infrastructure improvements are required that would serve the MUD and surrounding properties.

The following policies are to be used in guiding the consideration and action on requests for creation and operation of all proposed MUDs, including any amendments. In-City MUDs are not the preferred method of Special District Financing (See Public Improvement District Policy).

II. Purpose and Intent

Municipal utility districts may, at times, play a significant role in financing, constructing and operating water, wastewater, and drainage facilities for the development of land in the City and the City's extraterritorial jurisdiction. State law gives City Council authority over the creation, operation, and dissolution of municipal utility districts. This policy sets forth the requirements that the City will exercise over them.

III. Community Benefit

1. *Quality Development.* The development meets or exceeds the intent of the development, infrastructure, and design standards of City codes;
2. *Kerrville 2050.* The development provides extraordinary public benefits that advance the vision and goals of Kerrville 2050, such as the extension, financial contribution, and/or enhancement of master planned infrastructure; diversity of housing, and enhanced parks, trails, open space, and recreational amenities that are available to the public;
3. *Enhance Public Service and Safety.* The development enhances public services and optimizes service delivery through its design, dedication of sites, connectivity, and other features.
4. *City Exclusive Provider.* The development further promotes the City as the exclusive provider of water and waste water services;
5. *Fiscally Responsible.* The development is financially feasible, doesn't impair the City's ability to provide municipal services, and would not impose a financial burden on the citizens of Kerrville in the event of annexation;
6. *Finance Plan.* The developer(s) contributes financially to cover a portion of infrastructure expenses without reimbursement by the MUD or the City and as reflected in conditions placed on the issuance of bonds by the district;
7. *Annexation.* The development will follow annexation regulations consistent with Subdivision Code.

City of Kerrville Municipal Utility District Policy

IV. Creation of In-City MUDs Services and Improvements

State law requires the consent of City Council for the creation of an In-City MUD. All City ordinances and codes, including applicable permits, fees and inspections shall be in effect within the district, except as stated below. Before the City Council consents to creation of an In-City District, the following issues should be considered:

A. Prerequisites for Creation

- a. Whether the area has already been developed with sufficient infrastructure to accommodate future or existing water, wastewater, drainage and transportation needs.
- b. Whether the proposed district includes land located outside the City's corporate limits.

If the answer to either of those statements is yes, the City will not grant consent for the creation of an In-City MUD.

B. Conditions for City Consent

- a. The acceleration of master planned public infrastructure improvements, including wastewater interceptors, treatment plants, and major thoroughfare improvements, that not only provide a benefit to the developed property, but also to surrounding properties.
- b. Conservation subdivision design that clusters development in low impact areas and maintains existing topography, scenic views, natural drainage flows, and wildlife habitat.
- c. Regional trail connections located across the development, as well as off-site, to fill in gaps in the City trail system.
- d. Require MUD to provide facilities to enhance public services and optimize locations for service delivery.
- e. Require donation of land to City, as applicable, for new fire station or other public safety facilities as determined by the City.
- f. Require roadway design to enhance access and reduce response times to properties located outside of the MUD.
- g. Require all utility facilities that service the MUD to be consistent with the Water and Waste Water Master Plans.
- h. Require of the MUD that the City be the water and waste water service provider where it is located within the city or its certificate of convenience and necessity area.
- i. Require the cost to relocate any existing utility infrastructure to be borne by the developer and/or MUD, not the City.

- j. Limit cost-sharing on MUD off-site improvements to only those circumstances where the necessity for the improvement is so great that limited City funds are appropriate for overall system wide improvements that benefit multiple properties (i.e., regional improvements that the City can afford to participate in).
- k. Address water and wastewater rates. Generally, rates for in-City MUD customers should be the same as the rates for other in-City customers, and the rates for ETJ MUDs customers should be the same as for other out of City customers.
- l. Require specific water conservation techniques that will be used to minimize demand levels including xeriscaping, low impact development ("LID"), rainwater harvesting, grey water reuse and other strategies in consultation with the City.
- m. Require all MUDs and their residents to comply with City water conservation and drought contingency plan-related ordinances.
- n. Require all City property and land to be exempted from all MUD taxes, assessments, charge, fees and fines of any kind.
- o. Establish a maximum tax rate no higher than the City's tax rate for in-city MUDs and no higher than double the City's tax rate for ETJ MUDs.
- p. Limit debt issuance to capital infrastructure and related costs; on and off-site water and wastewater infrastructure; stormwater infrastructure; roads, bridges, and related thoroughfare infrastructure; and parks, trails, and recreational facilities that are dedicated for public use.
- q. A table summarizing the overlapping tax rate of all existing taxing entities (City, county, school district, MUD, ESD, etc.) and the proposed MUD tax, demonstrating the total anticipated tax rate over the life of the MUD.
- r. Require higher development and design standards for residential and nonresidential land uses to promote a superior development with a diversity of housing consistent with Kerrville 2050. Examples include higher standards include:
 - Enhanced architectural standards; such as higher percentages of masonry on exterior walls and variations in floor plans; and
 - Improved materials for signage, such as masonry bases.
- s. Age restricted developments shall not exceed 10% of the net developable land area and 10% of the total housing units within the MUD.
- t. Require public school location(s) to be provided, if desired by the applicable school district. Location(s) of school sites should be in a central, walkable location within a residential neighborhood away from a collector or arterial roadway identified in the City's Thoroughfare Plan.
- u. Require a land use plan to be attached to the Consent Agreement, and require major amendments to a MUD land use plan be reviewed by the Planning & Zoning Commission and approved by City Council.
- v. Require financial contributions to regional park facilities, depending on the

location of the MUD or the creation new parks or series of parks open to the public within the MUD, the size and location approved by the City's Parks and Recreation Board and City Council..

- w. Require protection and perpetuation of unique features on a particular site that should be maintained as open space whether for environmental, conservation, or scenic views.
- x. May require completion of a Traffic Impact Analysis (TIA) and construction and/or funding of both on- and off-site improvements identified in the TIA, including roadways identified in the City's Thoroughfare Plan (TP)
- y. Require dedication of right-of-way, inclusion of bike lanes, sidewalks, and aesthetically pleasing streetscapes consistent with the Comprehensive Plan and City street design standards.

V. Creation of ETJ MUDs Services and Improvements

- A. All conditions for Consent required for an In-City MUD, are required for an ETJ MUD, except where state law does not allow.
- B. At the City's option, a "limited district" may be continued in existence after annexation to maintain amenities or services beyond what the City typically provides for properties similarly situated. In such cases an ETJ MUD shall enter into an agreement stating conditions on which the MUD will be converted to a limited district that will continue to exist following full purpose annexation. Concurrently with the MUD's confirmation election, the MUD shall hold election on the proposition to levy a tax per the Water Code to provide funds to operate the limited district following full purpose annexation by the City; the MUD shall have no right to issue bonds until proposition to levy a tax is approved, by the City.
- C. The MUD consent agreement may, at the City's discretion, include an agreement to contract with the City of Kerrville for fire, police, and solid waste services on terms acceptable to the City.

VI. Application Requirements

- A. Applications will be in accordance with Chapter 54 of Texas Water Code

VII. Bond Limitations and Financing Criteria

- A. Require a maximum bond issuance amount and schedule, including refunding bonds issued by the MUD, unless otherwise agreed to by the City, to comply with the following requirements, provided such requirements do not generally render the bonds unmarketable:
 - a. Maximum maturity of 25 years for any one series of bonds; and
 - b. The last bond issuance shall be not later than the date that is ten (10) years after the date of the first bond issuance.



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

SUBJECT: Ordinance No. 2022-31. An Ordinance amending the City's Fiscal Year 2022 Budget to account for the receipt of additional revenue, the disbursement of such revenue, and to make other amendments as provided.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 16, 2022

SUBMITTED BY: Julie Behrens

EXHIBITS: [20221025_Ord 2022-31 Amending FY2022 budget.pdf](#)
[20221025_Presentation_FY22 Year-End budget amendment.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
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PAYMENT TO BE MADE TO:

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Ordinance No. 2022-33, with Attachment A, will amend the FY2022 budget. Certain revenues will be increased, including Misc Revenue due to the receipt of \$127,543 in Federal Emergency Management Agency (FEMA) Public Assistance Funding from Winter Storm Uri - and both Emergency Medical Services (EMS) and Interest Revenues due to better than budget performance. Some End-of-Year expenditure budgets will be increased due to factors including inflationary impacts on departmental gas budgets, overages in Public Safety overtime and salaries created by staffing shortages, state mandated COVID pay, winter storm response, changes in pay scales to increase recruitment and retention, and higher than expected expenses for hiring new public safety employees.

RECOMMENDED ACTION:

Approve Ordinance No. 2022-31, on first reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2022-31**

**AN ORDINANCE AMENDING THE CITY'S FISCAL YEAR 2022
BUDGET TO ACCOUNT FOR THE RECEIPT OF ADDITIONAL
REVENUE, THE DISBURSEMENT OF SUCH REVENUE, AND TO
MAKE OTHER AMENDMENTS AS PROVIDED**

WHEREAS, Ordinance No. 2021-20, as approved by City Council upon second reading on September 14, 2021, adopted the Fiscal Year 2022 Budget for the City of Kerrville, Texas; and

WHEREAS, the City recently received \$127,543.00 in Federal Emergency Management Agency (FEMA) Public Assistance Funding pursuant to the City's request for reimbursement for damages it experienced due to Winter Storm Uri (Feb. 2021); and

WHEREAS, the City also experienced higher than anticipated revenue in both Emergency Medical Services (EMS) and interest revenue from its various account funds; and

WHEREAS, in addition, some budgeted expenditure amounts should be increased due to continuing inflationary impacts on departmental fuel budgets, overages in public safety positions for overtime created by staffing shortages, state-mandated COVID pay, winter storm responses, changes in pay scales to increase recruitment and retention, and higher than expected expenses required for hiring new public safety employees; and

WHEREAS, due to the higher than projected revenues and expenditures as described above, the City must amend its Fiscal Year 2022 Budget; and

WHEREAS, City Council finds that amending the City's Fiscal Year 2022 Budget is in the best interest of the citizens of the City of Kerrville;

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

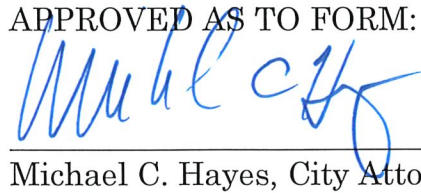
In accordance with Section 8.06 of the City Charter, the Official Budget for Fiscal Year 2022 is amended as set forth in **Attachment A**.

**PASSED AND APPROVED ON FIRST READING, this the ____ day of
_____, A.D., 2022.**

PASSED AND APPROVED ON SECOND AND FINAL READING, this
the ____ day of _____, A.D., 2022.

Judy Eychner, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

Attachment A
City of Kerrville
FY2022 Budget Amendment Year End Clean Up

Account #	Account Name	Description	Debit	Credit
1. GENERAL FUND				
REVENUE INCREASE				
01-6471	EMS - BASE RATE	BETTER THAN BUDGET REVENUES		458,658
01-6472	EMS - MILEAGE	BETTER THAN BUDGET REVENUES		180,000
01-6970	INTEREST REVENUE	BETTER THAN BUDGET REVENUES		49,000
01-6999	MISC REVENUE	FEMA REIMBURSEMENT FROM WINTER STORM URI (2021)		97,342
		TOTAL GENERAL FUND REVENUE BUDGET INCREASE		785,000
EXPENSE INCREASE				
01-0130-0001	EMS OVERTIME	STAFF SHORTAGES -- INCREASED TRAINING -STATE MANDATED COVID PAY	28,000	
01-0130-1300	EMS GAS	INFLATION	49,000	
01-0121-0001	FIRE OVERTIME	STAFF SHORTAGES -- INCREASED TRAINING -STATE MANDATED COVID PAY	274,000	
01-0121-0103	FIRE GROUP INSURANCE	CHANGES IN PERSONNEL INSURANCE NEEDS	59,000	
		STEP PLAN CHANGES - INCREASE SALARIES FOR RECRUITMENT / RETENTION- HIGHER THAN EXPECTED RECRUIT TRAINING COSTS	52,000	
01-0113-1300	POLICE GAS	INFLATION	46,000	
01-0113-0001	POLICE OVERTIME	STAFF SHORTAGES -- INCREASED TRAINING -STATE MANDATED COVID PAY	232,000	
		STEP PLAN CHANGES - INCREASE SALARIES FOR RECRUITMENT / RETENTION- HIGHER THAN EXPECTED RECRUIT TRAINING COSTS	45,000	
01-0113-0000	POLICE SALARIES	TOTAL GENERAL FUND EXPENDITURE BUDGET INCREASE	785,000	
2. WATER FUND				
REVENUE INCREASE				
02-6999	MISC REVENUE	FEMA REIMBURSEMENT FROM WINTER STORM URI (2021)		30,201
		TOTAL WATER FUND REVENUE BUDGET INCREASE		30,201

FY2022 YEAR-END BUDGET AMENDMENT

City Council Meeting
October 25, 2022

1

Summary

Increasing General Fund Revenues:

EMS: \$639K

- Better than budget revenue as previously discussed

Interest: \$49K

- Better than budget revenue due to change in economy / investment market increases

Misc. Revenue: \$97K

- Receipt of FEMA Public Assistance Funding related to City's request for reimbursement from Winter Storm Uri in FY2021

2

Summary

Increasing General Fund Expenses: \$785K

Personnel (Police & Fire)

- Increasing Public Safety Personnel line items by \$690K
- Expenses related to salary-related items, including over-time
- Shortfalls related to
 - Staffing shortages creating overtime
 - State-mandated COVID-19 pay
 - Increased training of new staff

Gas

- Increasing Gas line item by \$95K to cover portion of expense unable to be covered by other line items
- \$95K of the \$142K total fund overage related to Public Safety

Summary

Increasing Water Fund Revenues: \$30,201

Misc. Revenue: \$30K

- Receipt of FEMA Public Assistance Funding related to City's request for reimbursement from Winter Storm Uri in FY2021



Council Questions or Comments?





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

SUBJECT: Financial Report for month ending September 30, 2022.

AGENDA DATE OF: October 25, 2022 **DATE SUBMITTED:** Oct 07, 2022

SUBMITTED BY: Julie Behrens

EXHIBITS: [20221025_Presentation_Financial update 9-30-22.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
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PAYMENT TO BE MADE TO:

Kerrville 2050 Item? No

Key Priority Area

Guiding Principle

Action Item

SUMMARY STATEMENT:

Financial update as of September 30, 2022.

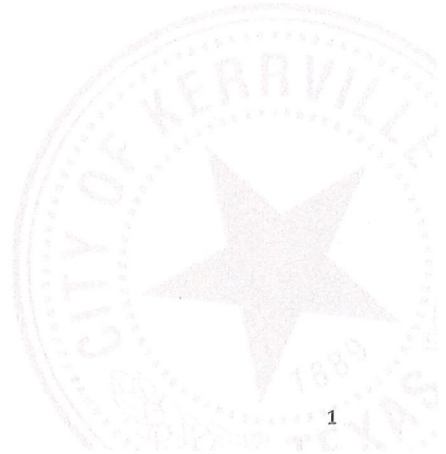
RECOMMENDED ACTION:

Report.



Financial Update for the month ended September 30, 2022

City Council Meeting
October 25, 2022



1



General Fund Summary

General Fund Revenues as of August 31, 2022

Property Tax:

Budget: \$10,720,382

Current Collections: \$10,888,083

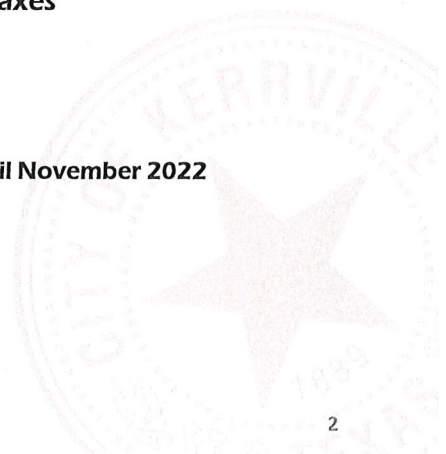
- Better than budget \$168K due to prior year taxes

Sales Tax:

Budget: \$9,339,787

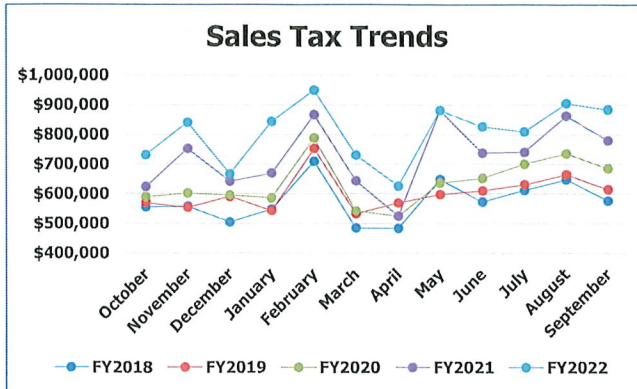
Current Collections: \$9,856,515

- 2 month lag – final numbers not available until November 2022
- Estimated numbers utilized for year-end



2

General Fund Summary



Sales Tax

- Average YTD increase of 12% over FY2021 through August 2022
 - September 2% over prior year
 - October 21% over prior year
 - 5 of last 12 months increases over 10%
 - 3 of last 12 months increases over 20%

General Fund Summary

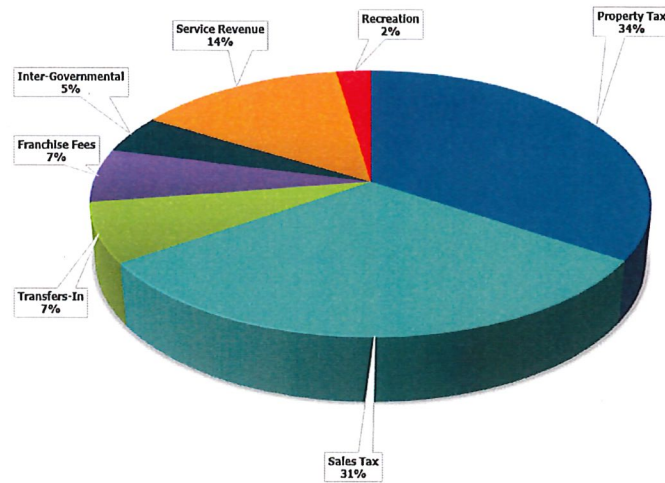
Overview of Revenues as of September 30, 2022

General Fund	FY2022 Budget	Y-T-D FY2022 Budget Estimate	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Taxes						
Property Tax	\$ 10,720,382	\$ 10,720,382	\$10,888,083	\$ 167,701	\$10,348,729	\$ 539,354
Sales Tax	9,339,787	9,339,787	9,856,515	516,728	8,725,896	1,130,619
Franchise Fees	1,959,200	1,959,200	2,084,312	125,112	1,663,747	420,565
Total Taxes	\$ 22,019,369	\$ 22,019,369	\$22,828,910	\$ 809,541	\$20,738,372	\$ 2,090,538
Permits & Fees	40,495	37,675	111,154	73,479	24,000	87,154
Inter-Governmental	1,489,052	1,489,052	1,475,812	(13,240)	1,426,514	49,298
Service Revenue	3,997,854	3,997,854	4,462,033	464,179	3,818,505	643,528
Recreation	656,975	656,975	743,337	86,362	812,147	(68,810)
Fines & Forfeitures	476,550	476,550	395,395	(81,155)	377,349	18,046
Grants & Donations	29,500	29,500	49,686	20,186	92,019	(42,333)
Interest & Misc.	223,961	223,961	384,563	160,602	362,318	22,245
Transfers-In	2,276,116	2,276,116	2,276,116	-	2,387,357	(111,241)
Total General Fund Revenue:	\$ 31,209,872	\$ 31,207,052	\$32,727,006	\$ 1,519,954	\$30,038,581	\$ 2,688,425

- Final numbers not available until mid-November

General Fund Summary

Revenues By Category



General Fund Summary

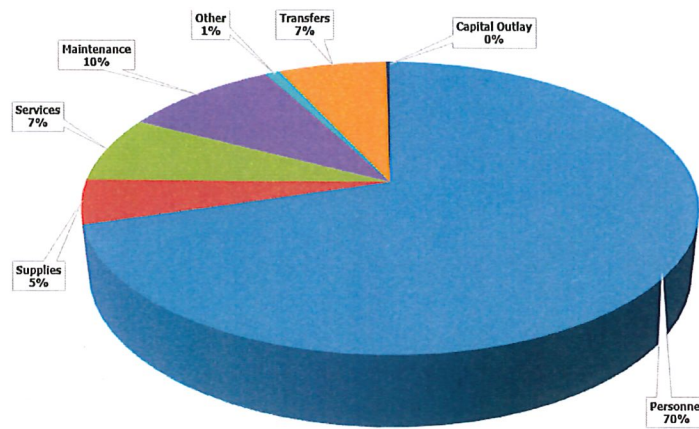
Overview of Expenses as of September 30, 2022

General Fund	FY2022 Budget	Y-T-D FY2022 Budget Estimate	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Expenses						
Personnel	\$ 22,335,107	\$ 22,335,107	\$22,804,207	\$ (469,100)	\$20,558,372	\$ 2,245,835
Supplies	1,547,876	1,547,876	1,573,224	(25,348)	1,466,961	106,263
Maintenance	3,611,457	3,611,457	3,110,158	501,299	2,916,416	193,742
Services	2,423,629	2,423,629	2,378,033	45,596	2,257,157	120,876
Other	524,313	524,313	294,491	229,822	280,698	13,793
Capital Outlay	95,139	95,139	71,813	23,326	165,033	(93,220)
Transfers-Out	2,204,114	2,204,114	2,186,614	17,500	328,647	1,857,967
Total General Fund Expenses:	\$ 32,741,635	\$ 32,741,635	\$32,418,540	\$ 323,095	\$27,973,284	\$ 4,445,256

- Behind YTD budget estimate: Personnel and Supplies
- **Gas: Originally budgeted at \$259,635. Actual expenditures: \$402,245**
 - Departments have covered a large portion of overages from reductions in other lines
- **Personnel shortfalls (specifically overtime) are related to Public Safety staffing shortages**
- Better than budget in maintenance – paving has been heavy, higher expenditures in September (final numbers in mid-November)
- Transfers-Out higher than FY2021 due to mid-year transfer of FY2021 surplus funds

General Fund Summary

Expenses By Category



- Personnel is budgeted at 70.5% of overall general fund expenses
- Supplies budgeted at 4.8%
- Services budgeted at 8.2%

Water Fund Summary

Water Fund Revenues

Water Sales:

Budget: \$6,665,813

Estimated FY2022 Sales: \$6,851,972 (includes October billing and November 1st estimate)

Currently \$186K ahead of FY2022 budget

Sewer Sales:

Budget: \$5,992,747

Estimated FY2022 Sales : \$6,161,219 (includes October billing and November 1st estimate)

Currently \$168K ahead of FY2022 budget

Water Fund Summary

Overview of Revenues as of September 30, 2022

Water Fund	Current FY2022 Budget	Year to Date FY2022 Budget	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Revenues						
Water Sales	\$ 6,665,813	\$ 6,665,813	\$ 6,851,972	\$ 186,159	\$ 6,067,301	\$ 784,671
Sewer Sales	5,992,747	5,992,747	6,161,219	168,472	5,953,981	207,238
Reuse Sales	155,021	155,021	194,112	39,091	142,949	51,163
Waste Disposal Fees	450,000	450,000	381,562	(68,438)	449,124	(67,562)
Other	442,180	442,180	554,301	112,121	554,301	-
Total Revenues	\$ 13,705,761	\$ 13,705,761	\$14,143,166	\$ 437,405	\$13,147,621	\$ 975,510

Notes:

- Total fund revenues better than FY2022
 - Better than budget water & sewer sales

Water Fund Summary

Overview of Expenses as of September 30, 2022

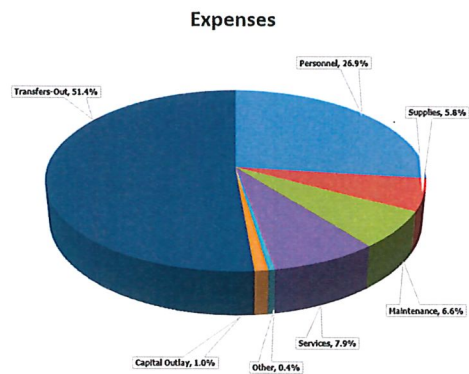
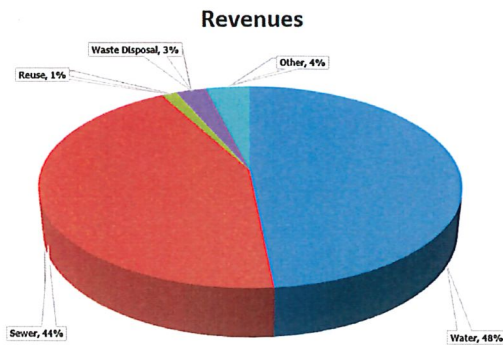
Water Fund	Current FY2022 Budget	Year to Date FY2022 Budget	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Expenses						
Personnel	\$ 3,655,737	\$ 3,655,737	\$ 3,636,627	\$ 19,111	\$ 3,456,654	\$ 179,972
Supplies	824,367	\$ 824,367	788,629	35,739	695,327	93,302
Maintenance	972,357	\$ 972,357	888,580	83,776	739,731	148,850
Services	1,088,446	\$ 1,088,446	1,068,291	20,156	978,819	89,472
Other	314,371	\$ 314,371	60,442	253,929	208,162	(147,720)
Capital Outlay	125,200	\$ 125,200	136,493	(11,293)	174,264	(37,771)
Transfers-Out	6,847,233	\$ 6,947,561	6,947,561	-	6,713,298	234,263
Total WF Expenses	\$ 13,827,711	\$ 13,928,039	\$13,526,622	\$ 401,417	\$12,966,254	\$ 560,367

Notes:

- Better than budget in most categories
 - Note: staff have moved some budget money from one line item to another to help cover shortfalls in areas such as supplies (gas & chemicals)
 - Gas 30% higher than original budget

Water Fund Summary

Revenues & Expenses as of September 30, 2022



Notes:

- Total fund revenues better than FY2022
 - Better than budget water & sewer sales
 - Water sales budgeted at 49.8%
 - Sewer budgeted at 43.7%

Water Fund Summary

Water Fund	Current FY2022 Budget	Year to Date FY2022 Budget	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Total Revenues	\$ 13,705,761	\$ 13,705,761	\$14,143,166	\$ 437,405	\$13,147,621	\$ 975,510
Total WF Expenses	\$ 13,827,711	\$ 13,928,039	\$13,526,622	\$ 401,417	\$12,966,254	\$ 560,367
Net of Revenue/Expenses			\$ 616,544			

- Estimated fund surplus of +/- \$600K at year-end
 - Large expenditure for water plant filtration charcoal (\$190K) budgeted in FY2022 but expensed in FY2023 – will require amendment to FY2023 budget

Source: ars.usda.gov

Golf Fund Overview

Overview as of September 30, 2022

Golf Fund	Current FY2022 Budget	YTD FY2022 Budget	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Revenues	\$ 1,015,083	\$ 1,015,083	\$ 1,158,509	\$ 143,426	\$ 1,188,139	\$ (29,630)
Expenses	1,057,517	1,057,517	982,727	74,790	857,168	125,559
Net	\$ (42,434)	\$ (42,434)	\$ 175,782	\$ 218,216	\$ 330,971	\$ (155,189)

Notes:

- **Golf continues to perform well ahead of FY2021**
- **Supply chain issues making expenses better than budget**
- **FY2022 will show Golf Fund financials in separate fund**
- **FY2023 Golf will be merged with General Fund for financial reporting**

13

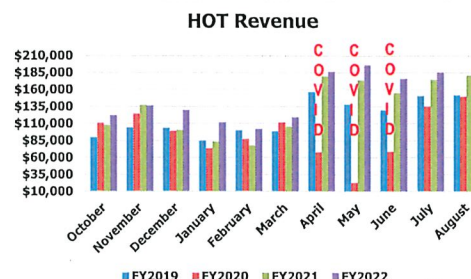
HOT Fund Summary

Overview as of September 30, 2022

Hotel Occupancy Tax Fund	Current FY2022 Budget	Year to Date FY2022 Budget	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Revenues	\$ 1,555,258	\$ 1,555,258	\$ 1,775,432	\$ 220,174	\$ 1,601,628	173,804
Expenses	1,605,258	1,605,258	1,432,399	172,859	1,237,738	194,661
Net	\$ (50,000)	\$ (50,000)	\$ 343,033	\$ 393,033	\$ 363,890	\$ (20,857)

Notes:

- **September revenues = August stays**
- **FY2022 \$220K better than budgeted revenues**
- **August revenues 2% behind last year**
- **September revenues 6% behind last year**
- **Expenditures less than budget**



14

Development Services Fund

Overview as of September 30, 2022

Development Services Fund	Current FY2022 Budget	Year to Date FY2022 Budget	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Revenues						
Permits & Fees	\$ 888,473	\$ 888,473	\$ 795,808	\$ (92,665)	\$ 488,872	\$ 306,936
Transfer In	147,895	147,895	147,895	-	272,260	(124,365)
Total Revenue	\$ 1,036,368	\$ 1,036,368	\$ 943,703	\$ (92,665)	\$ 761,132	\$ 182,571
Expenditures	1,061,068	1,061,068	1,027,649	33,419	1,012,763	(14,886)
Net	\$ (24,700)	\$ (24,700)	\$ (83,946)	\$ (59,245)	\$ (251,630)	\$ 167,685

Notes:

- Revenues from Permits & Fees behind estimated budget-to-date but \$306K ahead of last year
- Expenses better than budget
- FY2022 budgeted transfer less than FY2021 based on prior year revenues
 - Transfer increased in FY2023

15

Finance Calendar

- September 15 : Received bond funds
 - September 30: FY2022 Year-End
 - October 17: Final date for FY2022 invoices to be paid
 - October 25: FY2022 estimates presented at Council meeting
 - November 14-18: Audit Fieldwork
 - December: GFOA Budget Book Award Application
 - February 2023: ACFR Presentation to Council
- FY2024 Budget Process (formerly begins)

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Council Questions or Comments?

