



City Council Regular Meeting Agenda
October 8, 2024 at 6:00 PM
City Hall, 701 Main Street, Kerrville, Texas



Citizens may view and hear City Council meetings on Spectrum Channel 2 or by live-stream via the [City's website \(www.kerrvilletx.gov\)](http://www.kerrvilletx.gov). City Council meetings are recorded, and the recordings are posted on the City's website. 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 meeting begins. Each speaker is limited to four minutes.

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

Pursuant to Section 46.03, Penal Code (places weapons prohibited), a person may not carry a firearm or other weapon on this property.

Thank you for your participation!

CALL TO ORDER: Mayor Joe Herring, Jr.

INVOCATION AND PLEDGE OF ALLEGIANCE: Led by Councilmember Jeff Harris

1. **ANNOUNCEMENTS OF COMMUNITY INTEREST:** Items of community interest, including expressions of thanks, congratulations, condolences; holidays; recognitions; upcoming city sponsored events, or events scheduled which city officials will attend; safety and imminent threats to the public. No action will be taken.
2. **PRESENTATIONS:**
 - 2.A Proclamation: October 2024 as Fire Prevention month. *(Mayor Herring)*
 - 2.B Kerrville Kindness Award: Martin Greenwell and Lorena McCullough. *(Mayor Herring)*
 - 2.C Recognition of Commendation: Ray Gutierrez *(Mayor Herring)*
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, staff, or member of the public 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. 42-2024. A Resolution canceling the regular meetings of the City Council scheduled for November 26, 2024 and December 24, 2024. *(S McElhannon, City Secretary)*
Attachment: *Reso 42-2024 Cancel 2nd CC meeting Nov & Dec*
 - 4.B Agreement between the City of Kerrville, Texas, (Owner) and Viking Construction, LLC (Contractor) for the 2024 Slurry Seal Project in the amount of \$565,337.90. *(K Burow, Director of Engineering)*

Attachments: *Viking Construction agreement – 2024 Slurry Seal
Bids 2024 Slurry Seal Bid Summary
List of roads for Slurry Seal project*

- 4.C City Council workshop minutes September 24, 2024. (S McElhannon, City Secretary)
Attachment: *Minutes CC workshop 9/24/24*
- 4.D City Council meeting minutes September 24, 2024. (S McElhannon, City Secretary)
Attachment: *Minutes CC meeting 9/24/24*

END OF CONSENT AGENDA.

5. PUBLIC HEARING AND ORDINANCES, FIRST READING:

- 5.A Ordinance No. 2024-25. An Ordinance annexing a 13.08 tract of land into the Corporate Limits of the City of Kerrville, Texas; such property generally located adjacent to Cypress Creek Road and on the Southeast corner of the road and Loop 534; the property more specifically described in the Ordinance and being located within the extraterritorial jurisdiction of and adjacent to the City Limit; adopting a Service Agreement; establishing the zoning for the annexed property as a Multifamily Residential Zoning District (R-3); and providing other matters relating to this subject. (D Paxton, Director of Planning & Development)
Attachments: *Ord 2024-25 Annex Cypress Creek Rd property
Current zoning 534 Cypress Creek Road
Future Land Use 534 Cypress Creek Road*
- 5.B Ordinance No. 2024-26. An Ordinance amending Chapter 60 of the Code of Ordinances, City of Kerrville, Texas (Zoning Code) by changing the zoning of an approximate 7.83 acre tract of land and generally located on the Southeast corner of the intersection of Loop 534 and Cypress Creek Road (FM 1341); from an Agriculture Zoning District (AG) to a Multifamily Zoning District (R-3); and providing other matters relating to the subject. (D Paxton, Director of Planning & Development)
Attachments: *Ord 2024-26 Zone to R3 CypressCrk-534
Current zoning 534 Cypress Creek Road
Future Land Use 534 Cypress Creek Road*
- 5.C Ordinance No. 2024-27. An Ordinance amending Ordinance Nos. 2001-23 and 2016-05, which created and later amended, respectively, a Planned Development District (PDD) pursuant to the City's Zoning Code; by changing the zoning of Lot 1, Block 2, Kerrville Airport Commerce Park Phase 1, a Subdivision within the City of Kerrville, Texas; the property more commonly known as 101 Airport Commerce Parkway; from being part of the PDD to a Light Commercial (C-2) Zoning District; ordering publication; and providing other matters relating to the subject. (D Paxton, Director of Planning and Development)
Attachments: *Ord 2024-27 101 Airport Commerce Parkway – C2 zone
Current zoning 101 Airport Commerce Park
Future Land Use 101 Airport Commerce Park*

6. ORDINANCE(S), FIRST READING:

- 6.A Ordinance No. 2024-28. An Ordinance approving a project and financing plan for Tax Increment Reinvestment Zone Number Two, City of Kerrville, Texas; making findings related to such plan; providing for severability; and providing an effective date. (M Hornes, Assistant City Manager; J Behrens, Director of Finance)
Attachments: *Ord 2024-28 TIRZ 2 Windridge
TIRZ 2 Windridge presentation*

7. CONSIDERATION AND POSSIBLE ACTION:

- 7.A Economic Development Incentive Agreement between the City of Kerrville, TX and the Bluewood Hillside Heights, LP. (This item is eligible for Executive Session 551.071, 551.087). *(M Hornes, Assistant City Manager)*

Attachments: *Bluewood Economic Incentive Agreement
Reso 25-2024 Bluewood Apt Developers support
Budget_Bluewood Construction Final
Tax Rebate 10yr calculation*

- 7.B Amendment to Design-Build Agreement between the City of Kerrville, TX and Marksman General Contractors, LLC, for the project to redevelop the A.C. Schreiner House and Grounds, for a contract amount not to exceed \$5,250,000. *(M Hornes, Assistant City Manager)*

Attachments: *Design-Build agreement amendment – Marksman General Contractors for AC Schreiner House
Marksman GMP Attachment E – AC Schreiner house*

8. **BOARD APPOINTMENTS:**

- 8.A Board appointment to the Recovery Community Coalition. *(S McElhannon, City Secretary)*

9. **EXECUTIVE SESSION:** *City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above if items meet the qualifications of Chapter 551 of the Texas Government Code. City Council also reserves the right to meet in executive session on the following issues: 551.071 (consultation with attorney), and 551.087 (deliberation regarding economic development negotiations).*

- 9.A Economic Development Incentive Agreement between the City of Kerrville, TX and the Bluewood Hillside Heights, LP. (551.071, 551.087) *(M Hornes, Assistant City Manager)*

- 9.B Post Hole Ventures, LLC vs City of Kerrville, TX, Cause No. SA21CA0980XR, United States District Court for the Western District of Texas, San Antonio Division (551.071)

10. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.**

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

ADJOURN.



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

SUBJECT:

Resolution No. 42-2024. A Resolution canceling the regular meetings of the City Council scheduled for November 26, 2024 and December 24, 2024. (S McElhannon, City Secretary)

AGENDA DATE OF: 10/8/2024

DATE SUBMITTED: Enter a date.

SUBMITTED BY: Shelley McElhannon, City Secretary

EXHIBITS: Reso 42-2024 Canceling 2nd Council meeting Nov & Dec 2024

**Expenditure
Required:**
\$

**Current Balance in
Account:**
Enter \$ Amount.

Amount Budgeted:
Enter \$ Amount.

Account Number:
Enter Account #.

PAYMENT TO BE MADE TO: Click or tap here to enter text.

Kerrville 2050 Item?

Yes: ☐

No: ☒

Key Priority Area Various

Guiding Principle Various

Action Item Various

SUMMARY STATEMENT:

Section 2-31 of the Code of Ordinances (Ordinance No. 2007-04) for the City of Kerrville provides that City Council meetings are to be held the second and fourth Tuesdays of each month, and that City Council may, by majority vote at a regular meeting, change the days or times of meetings as circumstances may necessitate. Historically, the second meeting in November and December have often been cancelled due to Thanksgiving and Christmas holidays. A Resolution has been utilized for flexibility purposed.

RECOMMENDED ACTION:

Approve Resolution No. 42.2024.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 42-2024**

**A RESOLUTION CANCELING THE REGULAR MEETINGS OF
THE CITY COUNCIL SCHEDULED FOR NOVEMBER 26, 2024
AND DECEMBER 24, 2024**

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

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

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

The regular meetings of the City Council scheduled for November 26, 2024 (Tuesday before Thanksgiving Holiday), and December 24, 2024 (Tuesday before Christmas Holiday) are hereby canceled.


PASSED AND APPROVED ON this the ____ day of _____ A.D., 2024.

Joe Herring, Jr., Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney



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

SUBJECT: Agreement between the City of Kerrville, Texas, (Owner) and Viking Construction, LLC (Contractor) for the 2024 Slurry Seal Project in the amount of \$565,337.90. (*K Burow, Director of Engineering*)

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Kyle Burow, Director of Engineering

EXHIBITS: *Agreement Viking Construction – 2024 Slurry Seal*
Bids for 2024 Slurry Seal
List of roads for Slurry Seal project

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$565,337.90 | 2,155,000.00 | Enter \$ Amount. | 01-0161-2420 |

PAYMENT TO BE MADE TO: Viking Construction LLC

| | | |
|-----------------------------|---|-------------------------------------|
| Kerrville 2050 Item? | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/> |
| Key Priority Area | Mobility/Transportation | |

SUMMARY STATEMENT:

As part of the adopted FY2022 budget, 6S Engineering, Inc. was hired to update the Pavement Management Plan and reassess the current street conditions and maintenance practices. The 6S Engineering, Inc. team evaluated the current street condition assessment gathered for each street segment to analyze the deterioration estimates based on the effectiveness of the current street repair methods and degradation of street segments compared to the initial 2015 and 2019 reports, combined multiple street segments to minimize construction costs, and reevaluated the prioritization of streets. The reprioritization of all streets were analyzed based on PCI, Ride Condition Index (RCI), and Roadway Classification (i.e. Collector, Residential). Upon completion of the analysis, 6S Engineering, Inc. developed a maintenance plan to assist with future budgeting and maintenance methods adopted by City Council. To continue the progression of street maintenance, staff met with 6S Engineering, Inc. to discuss project scope to develop construction documents for the 2024 street maintenance projects based on the newly updated report.

In September 2024, the City executed a contract with Bennett Paving to perform the near-term level up and asphalt repairs followed by crack seal as the necessary reparatory work for the slurry seal project to be completed. The scope of this project is to provide slurry seal maintenance for approximately 18.1 lane miles of roadway for Year 1 of the updated Pavement Management Plan and complete the yearly street maintenance. The project was placed for advertisement, the bid opening was held with two bids received and Viking Construction, Inc. as the apparent low bid. Staff and 6S Engineering recommend awarding the project to Viking Construction, LLC for a total contract amount of \$565,337.90. The draft contract for construction is located in the City Secretary Office.

The scope of work will include the following streets:

ARROWHEAD Dr

B St N

BARKER ST N

C ST E

CAROL ANNE DR N

CEDAR DR N

CREEKSIDE DR W

CRESSWELL LN

CREST RIDGE N

D ST E

E ST

F ST

FULLER ST NE

GLOUCESTER CT N

H ST E

KITE DR E

LAURA BELLE DR N

LAUREL ST N

LAZY LN N

MCALLEN DR N

MORNINGSIDE DR N

MORROW ST N

OAK PARK DR E

OAKLAND HILLS LN E

PANORAMA DR N

QUAIL RUN N

ROANOKE LN

ROLLING GREEN DR E

SUMMIT CREST CIR N

SUMMIT CREST DR N

SUMMIT RIDGE DR N

TANGLEWOOD LN N

TIMBERWAY LN N

UVALDE ST N

VESPER DR N

WARBLER DR N

WHIPPOORWILL LN N

YORKTOWN

RECOMMENDED ACTION:

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

This Agreement is between CITY OF KERRVILLE, TEXAS, (Owner) and Viking Construction, LLC, (Contractor).

Owner and Contractor agree as follows:

ARTICLE 1 – WORK

- 1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is designated as follows:

**2024 Slurry Seal Project
COK Project # 24-011**

ARTICLE 2 – DESIGN PROFESSIONAL

- 2.01 The Design Professional for this Project is:

**6S Engineering, Inc.
P.O. Box 689
Pleasanton, TX 78064**

ARTICLE 3 – OWNER’S REPRESENTATIVE

- 3.01 The Owner’s Representative for this Project is:

**Kyle Burow, P.E.
Director of Engineering
City Hall, 701 Main Street
Kerrville, TX 78028**

ARTICLE 4 – CONTRACT TIMES

- 4.01 Contract Times

- A. The Work is required to be substantially complete within **90** days after the date when the Contract Times commence to run as provided in the General Conditions and complete and ready for final payment in accordance with the General Conditions within **30** days after the date of Substantial Completion.

- 4.02 Liquidated Damages

- A. Owner and Contractor recognize that the Contract Times specified for Substantial Completion and Final Completion are of the essence in the Contract. Owner and Contractor recognize that the Owner will suffer financial loss if the Work is not completed within the Contract Times specified in this Agreement as may be adjusted in accordance with the

General Conditions. Owner and Contractor also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed within the Contract Times. Accordingly, instead of requiring proof of the amount of these damages, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Contractor agrees to pay Owner \$1,000 for each day that expires after the time specified in this Agreement for Substantial Completion until the Work is substantially complete.
 2. Contractor agrees to pay Owner \$1,000 for each day that expires after the time specified in this Agreement for Final Completion until the Work is completed and ready for final payment in accordance with the General Conditions.
- B. Liquidated damages for failing to timely attain Substantial Completion and Final Completion are not additive and will not be imposed concurrently.
- C. Owner will determine whether the Work has been completed within the Contract Times. Assessment of liquidated damages by the Owner does not waive the Owner's right to assess or collect additional damages which the Owner may sustain by the failure of the Contractor to perform in accordance with the terms of the Contract.

CONTRACT PRICE

Owner will pay the Contractor the following amount for completion of the Work in accordance with the Contract Documents:

| | |
|--------------------------------|----------------------|
| Lump Sum Contract Price | \$ 565,337.90 |
|--------------------------------|----------------------|

Owner will pay Contractor for completion of the Work in accordance with the Contract Documents at the prices shown in this Agreement. The Contract Price has been computed in accordance with the General Conditions. Contractor acknowledges that for unit price items, estimated quantities are not guaranteed and are solely for the purpose of comparing Bids, and that final payment will be based on actual quantities determined in accordance with the Contract Documents.

ARTICLE 5 – PAYMENT PROCEDURES

- 5.01 Submit Applications for Payment in accordance with the General Conditions. Applications for Payment will be processed by the Owner's Representative per Section 01 29 00 "Application for Payment Procedures."
- 5.02 Owner will make progress payments on or about the first day of each month during performance of the Work. Payment is based on the total earned value of Work completed in the previous month in accordance with the Schedule of Values established as provided in the General Conditions.
- 5.03 Payment will be made for the total earned value of Work completed in the previous month after deducting:
 - A. Retainage calculated per this Agreement;
 - B. Set-offs determined in accordance with the General Conditions; and
 - C. The total amount of payments previously made.
- 5.04 Progress payments will be made in an amount equal to **95 percent** of the total earned value to date for completed Work and properly stored materials. The remaining 5 percent of the total earned value to date will be held as retainage. Owner may increase retainage to 15 percent if progress on the Project is considered to be unsatisfactory. Owner will deposit retainage in excess of 10 percent in an interest-bearing account. Interest earned by that account will be paid to the Contractor in accordance with Texas Government Code Chapter 2252.
- 5.05 Release or reduction in retainage is contingent upon the consent of surety to the reduction in retainage. Submit a Consent of Surety Company to Reduction of or Partial Release of Retainage form as provided by or approved by the Owner's Representative.
- 5.06 Owner will pay the remainder of the Contract Price as recommended by Owner's Representative in accordance with the General Conditions upon Final Completion and acceptance of the Work.

ARTICLE 6 – PAYMENT OF INTEREST

- 6.01 All moneys not paid when due as provided in the General Conditions will earn interest at the rate specified in Texas Government Code Chapter 2251. Interest accrual will cease upon payment by the Owner.
- 6.02 No interest payments will be paid to the Contractor for invoices not paid when due as provided in the General Conditions.

ARTICLE 7 – CONTRACTOR’S REPRESENTATIONS

7.01 The Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.
- B. Contractor has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied the following Site related reports and drawings as identified in the Supplementary Conditions:
 - 1. Geotechnical Data Reports regarding subsurface conditions at or adjacent to the Site;
 - 2. Drawings of physical conditions relating to existing surface or subsurface structures at the Site;
 - 3. Underground Facilities referenced in reports and drawings;
 - 4. Reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site; and
 - 5. Technical Data related to each of these reports and drawings.
- E. Contractor has considered the:
 - 1. Information known to Contractor;
 - 2. Information commonly known to contractors doing business in the locality of the Site;
 - 3. Information and observations obtained from visits to the Site; and
 - 4. The Contract Documents.
- F. Contractor has considered the items identified in Paragraphs 7.01.D and 7.01.E with respect to the effect of such information, observations, and documents on:
 - 1. The cost, progress, and performance of the Work;
 - 2. The means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and
 - 3. Contractor’s safety precautions and programs.

- G. Based on the information and observations referred to in the preceding paragraphs, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- H. Contractor is aware of the general nature of Work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- I. Contractor has correlated the information known to the Contractor, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.
- J. Contractor has given the Owner's Representative written notice of all conflicts, errors, ambiguities, or discrepancies that the Contractor has discovered in the Contract Documents, and the written resolution provided by the Owner's Representative is acceptable to the Contractor.
- K. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- L. Contractor's entry into this Agreement constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 8 – ACCOUNTING RECORDS

- 8.01 Accounting Record Availability: Contractor is to establish and maintain, in accordance with generally accepted accounting practices, full and detailed accounting records of materials incorporated into the Project, and labor, tools, materials, and equipment used for the Work, consistent with the requirements of the General Conditions and as necessary for proper financial management under this Agreement. Subject to prior written notice, provide Owner reasonable access during normal business hours to Contractor's records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and the Contractor's fee. Preserve all such documents for a period of 3 years after the final payment by the Owner.

ARTICLE 9 – OTHER REQUIREMENTS

9.01 Workers' Compensation Insurance

- A. By signing this Agreement, Contractor certifies that it provides workers' compensation insurance coverage for all employees employed on this Project pursuant to Texas Labor Code Section 406.096(a).
- B. As required by Section 406.096(b), Contractor must require each Subcontractor to certify in writing to the Contractor that the Subcontractor provides workers' compensation insurance coverage for all of the employees it employs on this Project. Contractor must provide these certifications to the Owner within 10 days of the Effective Date of the Agreement.

9.02 Prohibition Against Boycotting Israel. Contractor hereby verifies the following per Section 2270.02, Texas Government Code:

1. Contractor does not boycott Israel; and
2. Contractor will not boycott Israel during the term of the Agreement.

9.03 Contractor warrants, covenants, and represents that Contractor is not engaged in business with Iran, Sudan, or any company identified on the list referenced in Section 2252.152, Texas Government Code.

9.04 Prohibition Against Business with Iran, Sudan, or Foreign Terrorist Organization. Contractor warrants, covenants, and represents that Contractor is not engaged in business with Iran, Sudan, or any company identified on the list referenced in Section 2252.152, Texas Government Code.

9.05 Prohibition on Contracts with Companies Boycotting Energy Companies. Contractor hereby verifies the following per Section 2274.002, Texas Government Code:

1. Contractor does not boycott energy companies; and
2. Contractor will not boycott energy companies during the term of the Agreement.

9.06 Written Verification as to Firearm Entities. Contractor hereby verifies the following per Section 2274.002, Texas Government Code:

1. Contractor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
2. Contractor will not discriminate against a firearm entity or firearm trade association during the term of the Agreement.

- 9.07 Certificate of Interested Parties: Contractor must complete and submit a Certificate of Interested Parties (Form 1295) to the Owner with the signed Agreement as required by Texas Government Code Section 2252.908.

ARTICLE 10 – VENUE

- 10.01 Contractor agrees that venue lies exclusively in Kerr County, Texas for any legal action.

ARTICLE 11 – CONTRACT DOCUMENTS

11.01 Contract Documents

- A. Specifications Sections listed in Section 00 01 10 “Table of Contents” except as specifically excluded in Paragraph 11.02.

Addenda (Numbers 00 91 01).

- B. Appendices listed in Section 00 01 10 “Table of Contents.”

The following are also Contract Documents, which may be delivered or issued on or after the Effective Date of the Contract:

1. Notice to Proceed.
2. Contract Amendment(s).
3. Change Order(s).
4. Field Order(s).
5. Work Change Directive(s).

- C. There are no Contract Documents other than those listed above in this Paragraph. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

11.02 Bidding Requirements and Informational Documents

- A. The following Bidding Requirements are not Contract Documents:

1. 00 21 13 Instructions to Bidders
2. 00 41 13 Bid Form
3. 00 41 16 Bid Form Exhibit A
4. 00 43 13 Bid Bond
5. 00 45 13 Qualifications Statement

The Effective Date of the Contract is _____, 20_____.

OWNER, City of Kerrville, Texas

CONTRACTOR, Viking Construction, LLC

By: _____
Dalton Rice, City Manager

By: _____
Barry H. Dunn, Director and President

ATTEST:

APPROVED AS TO FORM:

Shelley McElhannon, City Secretary



William L. Tatsch, Asst. City Attorney

APPROVED AS TO CONTENT:

APPROVED AS TO FUNDING

Stuart Barron, Executive Director of
Public Works and Engineering

Julie Behrens, Director of Finance

APPROVED AS TO INSURANCE:

Kimberly Meismer, Asst. City Manager

END OF SECTION

2024 Kerrville Slurry Seal

Project Number: 24-011

Bid Opening: September 25, 2024

| General Contractors | Total Bid |
|--|---------------------|
| Viking Construction <i>Submitted: 9/25/2024 2:21:00 PM</i> | \$565,337.90 |
| Intermountain Slurry Seal <i>Submitted: 9/25/2024 9:51:04 AM</i> | \$710,263.30 |
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The scope of work for the 2024 Slurry Seal Project will include the following streets:

ARROWHEAD Dr
B St N
BARKER ST N
C ST E
CAROL ANNE DR N
CEDAR DR N
CREEKSIDE DR W
CRESSWELL LN
CREST RIDGE N
D ST E
E ST
F ST
FULLER ST NE
GLOUCESTER CT N
H ST E
KITE DR E
LAURA BELLE DR N
LAUREL ST N
LAZY LN N
MCALLEN DR N
MORNINGSIDE DR N
MORROW ST N
OAK PARK DR E
OAKLAND HILLS LN E
PANORAMA DR N
QUAIL RUN N
ROANOKE LN
ROLLING GREEN DR E
SUMMIT CREST CIR N
SUMMIT CREST DR N
SUMMIT RIDGE DR N
TANGLEWOOD LN N
TIMBERWAY LN N
UVALDE ST N
VESPER DR N
WARBLER DR N
WHIPPOORWILL LN N
YORKTOWN



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

SUBJECT: City Council workshop minutes September 24, 2024. (*S McElhannon, City Secretary*)

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Shelley McElhannon, City Secretary

EXHIBITS: CC workshop minutes 9-24-24

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

| | | |
|-----------------------------|--------------------------------------|--|
| Kerrville 2050 Item? | Yes: <input type="checkbox"/> | No: <input checked="" type="checkbox"/> |
| Key Priority Area | Choose an item. | |

SUMMARY STATEMENT:

Minutes for the City Council workshop held September 24, 2024 at 4:00 p.m.

RECOMMENDED ACTION:

Approve minutes as presented.

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

**SEPTEMBER 24, 2024 4:00 PM
701 MAIN STREET, KERRVILLE, TEXAS**

CALL TO ORDER: On September 24, 2024 at 4:00 p.m., the City Council workshop was called to order by Mayor Pro Tem Brenda Hughes at City Hall Council Chambers, 701 Main Street, Kerrville, Texas.

COUNCILMEMBERS PRESENT:

Delayne Sigerman, Council Place 1
Jeff Harris, Council Place 2
Kent McKinney, Council Place 3
Brenda Hughes, Council Place 4/Mayor Pro Tem

COUNCILMEMBERS ABSENT:

Joe Herring, Jr., Mayor

CITY STAFF PRESENT:

Dalton Rice, City Manager
Mike Hayes, City Attorney
Michael Hornes, Asst City Manager
Kim Meisner, Asst City Manager
Shelley McElhannon, City Secretary

Stuart Barron, Executive Director
Kyle Burow, Director of Engineering
Chris McCall, Chief of Police
Drew Paxton, Director Planning/Development

VISITOR(S) PRESENT: N/A

1. **PUBLIC COMMENT:** None

2. **INFORMATION AND DISCUSSION:**

2A. Presentation regarding the City's Proposed Priorities for the 89th Texas Legislative Session.

Mike Hayes and Dalton Rice provided information and responded to questions.

2B. Presentation of Tree Preservation regulations.

The following person(s) spoke:

- William Rector

Drew Paxton and Dalton Rice provided information and responded to questions.
General consensus of Council directs staff to bring this item for discussion at the October 8, 2024 City Council workshop, and Ordinance first reading scheduled at the October 8, 2024 City Council meeting.

2C. Update on the A.C. Schreiner House renovation project.

Michael Hornes provided information and responded to questions.

2D. Update on the Public Safety Facility.

Michael Hornes provided information and responded to questions.

2E. Capital Improvement Project update, including: 2024 Street Maintenance, Knapp Force Main & Gravity Main, Schreiner Golf Course improvements, and TxDOT Transportation Alternatives 2021 Call for Projects.

Kyle Burow and Michael Hornes provided information and responded to questions.

3. **EXECUTIVE SESSION:** Executive Session was not called nor convened.

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

ADJOURN. The workshop adjourned at 5:06 p.m.

APPROVED BY COUNCIL: _____ ATTEST:

Brenda Hughes, Mayor Pro Tem

Shelley McElhannon, City Secretary



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

SUBJECT: City Council meeting minutes September 24, 2024. (*S McElhannon, City Secretary*)

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Shelley McElhannon, City Secretary

EXHIBITS: *CC meeting minutes 9-24-24*

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

| | | |
|-----------------------------|--------------------------------------|--|
| Kerrville 2050 Item? | Yes: <input type="checkbox"/> | No: <input checked="" type="checkbox"/> |
| Key Priority Area | Choose an item. | |

SUMMARY STATEMENT:

Minutes for the City Council meeting held September 24, 2024 at 6:00 p.m.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL MINUTES
REGULAR MEETING**

**KERRVILLE, TEXAS
SEPTEMBER 24, 2024 6:00 PM**

On September 24, 2024 at 6:00 p.m., Mayor Pro Tem Brenda Hughes called the Kerrville City Council meeting to order in City Hall Council Chambers, 701 Main Street. Councilmember Delayne Sigerman provided the invocation and led the Pledge of Allegiance.

COUNCILMEMBERS PRESENT:

Delayne Sigerman, Councilmember Place 1
Jeff Harris, Councilmember Place 2
Kent McKinney, Councilmember Place 3
Brenda Hughes, Mayor Pro Tem/Councilmember Place 4

COUNCILMEMBER ABSENT:

Joe Herring, Jr., Mayor

CITY EXECUTIVE STAFF:

Dalton Rice, City Manager
Mike Hayes, City Attorney
Michael Hornes, Asst City Manager
Kim Meisner, Asst City Manager
Shelley McElhannon, City Secretary
Julie Behrens, Director of Finance
Jacob Bogusch, Finance Compliance

Ashlea Boyle, Director of Parks & Recreation
Stuart Cunyus, Public Information Officer
Eric Maloney, Fire Chief
Chris McCall, Police Chief
Drew Paxton, Director Zoning/Development
Trina Rodriguez, Asst Director of Finance
Charvy Tork, Director of Information Services

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.

Andrew Munoz, Airport Manager

Tom Brandt, Consult Attorney with Fanning Harper Martinson Brandt & Kutchin, P.C.

Laura O'Leary, Consult Attorney with Fanning Harper Martinson Brandt & Kutchin, P.C.

1. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Community announcements and information provided by Stuart Cunyus.

2. PRESENTATION(S):

2A. Kerrville Kindness award: Lucy Rose Stebbins.

Mayor Pro Tem Hughes recognized Lucy Rose Stebbins with the Kerrville Kindness Award, for community good works.

2B. Proclamation recognizing and celebrating World Teachers' Day, Saturday October 5, 2024.

Mayor Pro Tem Hughes presented the World Teachers' Day proclamation to Kerrville Independent School District representatives Superintendent Dr. Brent Ringo, and teachers Paige Carlisle, Krista Thorpe, and Coach Reece Zunker.

3. VISITORS FORUM:

The following person(s) spoke:

- George Baroody

4. CONSENT AGENDA:

Mayor Pro Tem Hughes pulled item 4D, which was requested by a citizen. Councilmember Kent McKinney motioned to accept Consent Agenda items except item 4D, seconded by Councilmember Jeff Harris. Motion passed 4-0.

4A. Ordinance No. 2024-21, second reading. An Ordinance amending Chapter 60 of the Code of Ordinances, City of Kerrville, Texas; by changing the zoning of an approximate 5.51 acre property known as 2029 Junction Highway (SH 27); from a Planned Development Zoning District (PDD) to a General Commercial Zoning District (C-3); and providing other matters relating to the subject. (PASSED UNANIMOUSLY ON 1ST READING).

Shelley McElhannon read Ordinance No. 2024-21 caption into record.

4B. Resolution No. 40-2024. A Resolution approving the Joint Airport Board's funding for installation of an automated weather observing system at the Kerrville-Kerr County Airport; and to appoint the Airport Manager as designated representative for this project with authority to make approvals and disapprovals on the Board's behalf.

4C. Texas Department of Transportation Grant for Routine Airport Maintenance Program (RAMP) at the Kerrville-Kerr County Airport.

4E. Project Management Services Agreement between the City of Kerrville, Texas, and True Club Solutions, LLC for Scott Schreiner Municipal Golf course in the amount of \$71,784.84.

4F. City Council workshop minutes September 10, 2024.

4G. City Council meeting minutes September 10, 2024.

END OF CONSENT AGENDA.

4D. Resolution No. 41-2024. A Resolution adopting the City of Kerrville's 2025 State Legislative Priorities for the 89th Texas Legislature.

Shelley McElhannon read Resolution No. 41-2024 caption into record.

The following person(s) spoke:

- George Baroody

Mike Hayes and Dalton Rice provided information and responded to questions.

Councilmember McKinney made a motion to approve Resolution No. 41-2024, seconded by Councilmember Sigerman. The motion passed 4-0.

5. ORDINANCES, SECOND READING:

5A. Ordinance No. 2024-24, second reading. An Ordinance adopting the annual budget for the City of Kerrville, Texas, Fiscal Year 2025; providing appropriations for each city department and fund; containing a cumulative clause; and containing a savings and severability clause.

Shelley McElhannon read Ordinance No. 2024-24 caption into record.

Julie Behrens provided information.

The following person(s) spoke:

- George Baroody

Councilmember McKinney made a motion to approve Ordinance No. 2024-24 to adopt the City's budget for Fiscal Year 2025 on second reading, seconded by Councilmember Sigerman. The motion passed 4-0-1, with Mayor Pro Tem Hughes, Councilmember Sigerman, Councilmember Harris, and Councilmember McKinney voting in favor, and Mayor Joe Herring, Jr. abstaining due to absence.

| | | | |
|--------------------------------|----------|---------|----------|
| Roll call vote: | In Favor | Opposed | Absent |
| Mayor Joe Herring, Jr. | | | <u>X</u> |
| Councilmember Delayne Sigerman | <u>X</u> | | |
| Councilmember Jeff Harris | <u>X</u> | | |
| Councilmember Kent McKinney | <u>X</u> | | |
| Councilmember Brenda Hughes | <u>X</u> | | |

Councilmember Sigerman made a motion ratifying the vote to adopt the budget that will require raising more revenue from property taxes than the previous fiscal year, seconded by Councilmember Harris. The motion was approved 4-0.

5B. Ordinance No. 2024-23, second reading. An Ordinance levying an Ad Valorem (Property) Tax for the use and support of the Municipal Government for the City of Kerrville, Texas, for Fiscal Year 2025; apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid.

Shelley McElhannon read Ordinance No. 2024-23 caption into record.

Councilmember Harris made a motion to approve Ordinance No. 2024-23 and that the property tax rate be increased by the adoption of a tax rate of \$0.5595, which is effectively a 2.77% percent increase in the tax rate, seconded by Councilmember Sigerman. The motion passed 4-0-1, with Mayor Pro Tem Hughes, Councilmember Sigerman, Councilmember Harris, and Councilmember McKinney voting in favor, and Mayor Herring abstaining due to absence.

| | | | |
|--------------------------------|----------|---------|----------|
| Roll call vote: | In Favor | Opposed | Absent |
| Mayor Joe Herring, Jr. | | | <u>X</u> |
| Councilmember Delayne Sigerman | <u>X</u> | | |
| Councilmember Jeff Harris | <u>X</u> | | |
| Councilmember Kent McKinney | <u>X</u> | | |
| Mayor Pro Tem Brenda Hughes | <u>X</u> | | |

6. **PUBLIC HEARING(S) AND RESOLUTION(S):**

6A. Resolution No. 43-2024. A Resolution amending and adopting the City of Kerrville Fee Schedule for fees that the city charges for various services and uses provided or offered by the city; and holding a public hearing per state law for those fees applicable to building activities.

Julie Behrens provided information and responded to questions.

Mayor Pro Tem Hughes opened the public hearing at 6:35 p.m.

The following person(s) spoke:

- Peggy McKay
- George Barody

Mayor Pro Tem Hughes closed the public hearing at 6:46 p.m.

Mike Hayes, Dalton Rice, and Julie Behrens provided clarification and responded to questions.

Councilmember McKinney made a motion to approve Resolution No. 43-2024, seconded by Councilmember Sigerman. The motion passed 4-0.

7. **CONSIDERATION AND POSSIBLE ACTION:**

7A. Resolution No. 44-2024. A Resolution instituting the City's Power of Eminent Domain pursuant to state law and at the request of the Joint Airport Board, which manages the Kerrville-Kerr County Airport; such action sought by the Board for it to acquire real estate as

it performs its duties, to include improving, maintaining, operating, and protecting the Airport as necessary to permit its safe and efficient operation and to prevent, eliminate, or mark and Airport hazard.

Michael Hornes introduced Airport Manager Andrew Munoz, who provided information and responded to questions.

Councilmember Sigerman made a motion to approve Resolution No. 44-2024, seconded by Councilmember McKinney. The motion passed 4-0.

8. APPOINTMENTS:

8A. Appointment of City of Kerrville delegate for the 2024 Texas Municipal League (TML) Annual Conference business meeting (Houston, TX).

Mayor Pro Tem Hughes nominated and made a motion to appoint Councilmember Sigerman the City of Kerrville delegate at the 2024 Texas Municipal League Annual Conference business meeting, seconded by Councilmember Harris. The motion passed 5-0.

9. BOARD APPOINTMENTS:

9A. Appointments to the Senior Services Advisory Board.

Councilmember Harris made a motion to reappoint Nissa Kendall and Karen Mattox, and newly appoint Mark Cowan and Joni Martinez as members, seconded by Mayor McKinney. The motion passed 4-0.

9B. Appointment(s) to the Zoning Board of Adjustment.

Mayor Pro Tem Hughes made a motion to reappoint Aimee Farrell Chockley for reappointment, seconded by Councilmember Harris. The motion passed 5-0.

Councilmember Harris made a motion to convene Executive Session under 551.071 (consultation with attorney), seconded by Councilmember McKinney. The motion passed 4-0, and at 6:54 p.m., the open meeting recessed and Council convened into closed Executive Session.

10. EXECUTIVE SESSION:

10A. Appointment(s) to the Zoning Board of Adjustment (551.074).

10B. Liberty in Action Network, Terri Hall, and Rachel Vickers, Plaintiffs v. City of Kerrville, Texas, Defendant, Civil Action No. 5:24-CV-00403, US Court for the Western District of Texas, San Antonio Division (551.071)

Pursuant to Section 551.127 Texas Government Code, a consulting attorney will participate in this closed session from a remote location. A quorum of the City Council as well as the presiding officer will be physically present in the session, and the consulting attorney participating remotely will be visible and audible to City Council via video conference.

At 7:58 p.m., the closed Executive Session adjourned and the open meeting reconvened. No action taken during Executive Session, and Item 10A was not discussed.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY. None

12. **ITEM(S) FOR FUTURE AGENDAS:** None

ADJOURN. The meeting adjourned at 7:59 p.m.

APPROVED BY COUNCIL: _____

APPROVED:

ATTEST:

Brenda Hughes, Mayor Pro Tem

Shelley McElhannon, City Secretary



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

SUBJECT: Ordinance No. 2024-25. An Ordinance annexing a 13.08 tract of land into the Corporate Limits of the City of Kerrville, Texas; such property generally located adjacent to Cypress Creek Road and on the Southeast corner of the road and Loop 534; the property more specifically described in the Ordinance and being located within the extraterritorial jurisdiction of and adjacent to the City Limit; adopting a Service Agreement; establishing the zoning for the annexed property as a Multifamily Residential Zoning District (R-3); and providing other matters relating to this subject. (*D Paxton, Director of Planning & Development*)

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Drew Paxton, Director of Planning & Development

EXHIBITS: *Ordinance No. 2024-25 Annex Cypress Creek Road property*
Current Zoning 534 Cypress Creek Road
Future Land Use 534 Cypress Creek Road

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

| | | |
|-----------------------------|---|-------------------------------------|
| Kerrville 2050 Item? | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/> |
| Key Priority Area | Housing | |

SUMMARY STATEMENT:

Proposal: An Ordinance to annex 534 Cypress Creek Road into the Kerrville's incorporated limits with a zoning classification of R-3 Multifamily Residential; located at the northeast corner of Loop 534 and Cypress Creek Road.

Procedural Requirements: The City, in accordance with state law, mailed 8 letters on 8/22/2024 to adjacent property owners. The City published a similar notice in the Hill Country Community Journal on 8/14/2024. An information sign was posted on the property on 8/23/2024. At the time of drafting this agenda bill, no public comment had been received.

Staff Analysis and Recommendation:

Consistency with the Kerrville 2025 Comprehensive Plan: The property is located within Strategic Catalyst Area 8 (SCA 8). SCA 8 surrounds Loop 534 and is largely undeveloped. Allowable place types within SCA 8 are Estate Residential, Neighborhood Residential, Preservation Residential, Transitional Residential and Community Commercial. Community Commercial place types are more appropriate along the highway where topography is flatter while residential place types are more appropriate as topography becomes hillier and more challenging. SCA 8 supports the requested annexation and zoning since the proposed annexation location has challenging topography and the proposed use is residential development. As such, this request is consistent with the goals of the Future Land Use Plan of the Kerrville 2050 Comprehensive Plan.

Adjacent Zoning and Land Uses:

Subject Property

Current Zoning: None (County)

Existing Land Uses: Vacant

Direction: **North**

Current Zoning: None (County)

Existing Land: Vacant/Cypress Creek Road

Direction: **West**

Current Zoning: AG Agriculture

Existing Land: Vacant/Loop 534

Direction: **South**

Current Zoning: AG Agriculture and County (None)

Existing Land: Vacant

Direction: **East**

Current Zoning: None (County)

Existing Land: Rural Residential

Thoroughfare Plan: There should be no impact to the thoroughfare plan since proposed developments have been anticipated adjacent to Loop 534.

Traffic Impact: With all the proposed development frontage adjacent to Loop 534 and FM 1341 (Cypress Creek Road), TxDOT will most likely request a traffic Impact Analysis as part of any future development. Any improvements necessary for proposed project buildout are required to be designed and installed at the development's expense as required by TxDOT.

Parking: To be determined and consistent with zoning regulations once a final site plan has been submitted for review and approval.

Recommendation: Based on consistency with the Kerrville 2050 Comprehensive Plan, staff recommends the case for approval.

On September 5th, the Planning and Zoning Commission recommended approval with a unanimous vote.

RECOMMENDED ACTION:

Approve Ordinance No. 2024-25 on first reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2024-25**

AN ORDINANCE ANNEXING A 13.08 TRACT OF LAND INTO THE CORPORATE LIMITS OF THE CITY OF KERRVILLE, TEXAS; SUCH PROPERTY GENERALLY LOCATED ADJACENT TO CYPRESS CREEK ROAD AND ON THE SOUTHEAST CORNER OF THIS ROAD AND LOOP 534; THE PROPERTY MORE SPECIFICALLY DESCRIBED IN THIS ORDINANCE AND BEING LOCATED WITHIN THE EXTRATERRITORIAL JURISDICTION OF AND ADJACENT TO THE CITY LIMITS; ADOPTING A SERVICE AGREEMENT; ESTABLISHING THE ZONING FOR THE ANNEXED PROPERTY AS A MULTIFAMILY RESIDENTIAL ZONING DISTRICT (R-3); AND PROVIDING OTHER MATTERS RELATING TO THIS SUBJECT

WHEREAS, an owner of land has requested annexation of its property by the City of Kerrville, Texas ("City"), pursuant to Local Government Code Section 43.0671; and

WHEREAS, the land to be annexed makes up approximately 13.08 acres, as more specifically described below (the "Property"); and

WHEREAS, the Property lies within the extraterritorial jurisdiction of the City and adjacent to the City's limits; and

WHEREAS, in conjunction with the approval of this Ordinance, City Council also approves a service agreement for the Property in accordance with Section 43.0672 of the Texas Local Government Code; and

WHEREAS, Section 60-37 of the City's Zoning Code creates procedures for initial zoning of newly annexed areas; and

WHEREAS, having provided all required public notices, held all required public hearings at which persons with an interest in the matter were provided an opportunity to be heard, and complying with other requirements in Section 43.0673 of the Texas Local Government Code, City Council finds it to be in the public interest to adopt this Ordinance annexing the Property, to approve a service agreement as required by state law, and to establish zoning regulations for the Property;

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

SECTION ONE. FINDINGS. City Council finds and declares the facts and recitations contained in the preamble of this Ordinance true and correct.

SECTION TWO. ANNEXATION. The Property described and depicted in **Exhibit A** (the "Property") is annexed and incorporated into the corporate limits of the City of Kerrville, Texas, for all legal purposes.

SECTION THREE. AMENDMENT TO CITY BOUNDARY. City Council authorizes the City Manager to amend the City's official boundary map in accordance with this annexation.

SECTION FOUR. PETITION FOR ANNEXATION. The petition for annexation concerning the Property is attached as **Exhibit B** and incorporated herein by reference, said petition, which triggered the process specified in Subchapter C-3, Chapter 43, Texas Local Government Code, authorizing the annexation of the Property.

SECTION FIVE. AGREEMENT REGARDING SERVICES. Pursuant to Section 43.0672 of the Texas Local Government Code, the City has negotiated and hereby enters into a Service Agreement (the "Agreement") with the owner of land for the provision of services in the area. The Agreement is attached to this Ordinance as **Exhibit C** and by this reference is incorporated into it. Upon annexation of the Property, the City shall provide the Property with the municipal services set forth in the Agreement pursuant to the schedule set forth therein, such services making up the City's full municipal services. The City shall have no obligation to provide services to the Property not listed in the Agreement.

SECTION SIX. ZONING. Upon the adoption of this Ordinance, and in accordance with Section 60-37 of the City's Zoning Code, the Property will be zoned as a Multifamily Residential Zoning District (R-3), which authorizes the Property to be used in ways consistent with the land uses specified in that district.

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

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

SECTION NINE. PENALTY. The penalty for violation of this Ordinance shall be in accordance with the general penalty provisions contained in Article 1-1-7 of the Code of Ordinances of the City of Kerrville, Texas, which provides for a fine not exceeding TWO THOUSAND DOLLARS (\$2,000.00).

SECTION TEN. PUBLICATION OF ORDINANCE. In accordance with Section 3.07 of the City Charter and Texas Local Government Code §52.013(a), the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

SECTION ELEVEN. POST ANNEXATION ACTIONS. The City Manager shall provide a certified copy of this Ordinance to the Texas Secretary of State, Kerr County, and Kerr Central Appraisal District and any other entity as may be required.

PASSED AND APPROVED ON FIRST READING, this the _____ day of _____ A.D., 2024.

PASSED AND APPROVED ON SECOND READING, this the _____ day of _____ A.D., 2024.

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



Michael C. Hayes, City Attorney

Shelley McElhannon, City Secretary

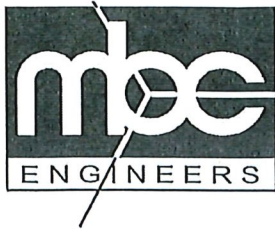


EXHIBIT A

MACINA • BOSE • COPELAND and ASSOCIATES, INC.
CONSULTING ENGINEERS AND LAND SURVEYORS

1035 Central Parkway North, San Antonio, Texas 78232

(210) 545-1122 Fax (210) 545-9302

TBPE Firm Registration #784 | TBPLS Firm Registration #10011700 | SBE Certified #214046463
www.mbcengineers.com

METES AND BOUNDS DESCRIPTION TO ACCOMPANY ANNEXATION AND ZONING EXHIBIT

BEING A 13.08 ACRE (569,602 SQUARE FOOT) TRACT OF LAND, SITUATED IN KERR COUNTY, TEXAS, AND BEING OUT OF A CALLED 20.91 ACRE TRACT OF LAND AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 24-02372, OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a Concrete monument Found at the intersection of the Easterly Right-of-Way line of State Highway Loop 534 (Veterans Highway) with the Southerly Right-of-Way line of F.M. Highway 1341 (Cypress Creek Road) and marking the Northwestern most corner of said 20.91 Acre Tract;

THENCE S 81° 50' 18" E a distance of 176.29 feet, along and with the F.M. Highway 1341 (Cypress Creek Road), to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" Found;

THENCE S 83° 54' 11" E a distance of 2.59 feet continuing along and with the Southerly Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Road), to **THE POINT OF BEGINNING**;

THENCE S 83° 54' 11" E a distance of 341.78 feet along and with the Southerly Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Road), to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" for the point of curvature of a curve to the right;

THENCE along and with said curve to the right having the following parameters: Radius = 1111.30 feet, Arc Length = 756.41 feet, Chord Bearing = S 64° 29' 52" E, and a Chord Distance = 741.89 feet to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" Found;

THENCE S 44° 55' 15" E a distance of 436.44 feet, to a calculated point for a corner, and marking the Northwestern corner of a called 138.82 Acre Tract as described in Warranty Deed with Vendor's Lien recorded in Document number 22-04041, of the Official Public records of Bexar County, Texas, and marking the Southeastern most corner of said 20.91 Acre Tract;

THENCE S 29° 40' 17" W a distance of 582.53 feet, departing the Southerly Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Rd.), along and with the Northwestern line of said 138.82 Acre Tract, to a point;

THENCE N 29° 37' 53" W a distance of 370.74 feet, into and across said 20.91 Acre Tract, to a point;

THENCE N 45° 16' 59" W a distance of 263.04 feet to a point;

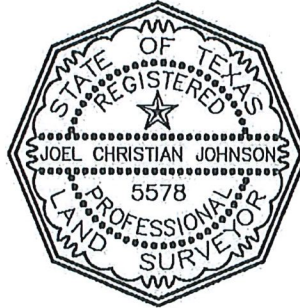
THENCE N 54° 11' 08" W a distance of 299.22 feet to a point;

THENCE N 40° 26' 50" W a distance of 641.88 feet to the **POINT OF BEGINNING** and containing 13.08 Acres (569,602 square foot) more or less as surveyed by Macina, Bose, Copeland and Associates.

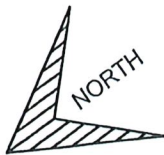
Note: A Survey Sketch that is made a part hereof and shall accompany this instrument.



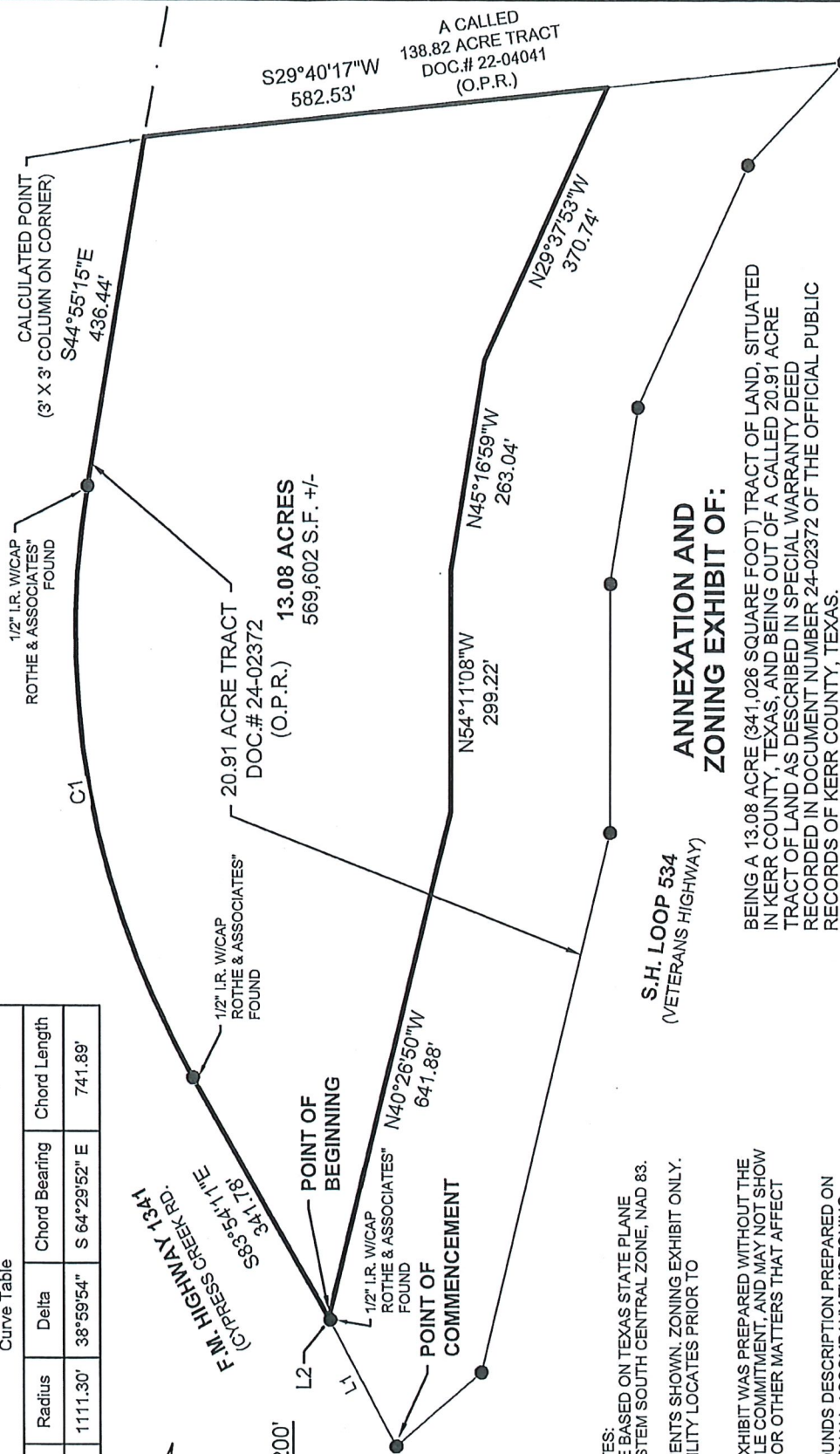
Joel Christian Johnson, R.P.L.S.
TBPLS Firm Registration 10011700
Date: July 18, 2024
Job No. 33636-Kerr



| Curve Table | | | | |
|-------------|---------|----------|-----------|---------------|
| Curve # | Length | Radius | Delta | Chord Bearing |
| C1 | 756.41' | 1111.30' | 38°59'54" | S 64°29'52" E |
| | | | | 741.89' |



SCALE: 1" = 200'

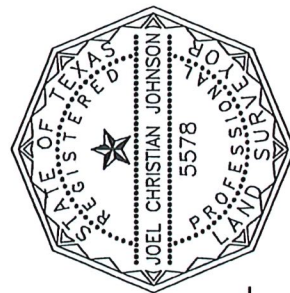


- SURVEYORS NOTES:
1. BEARINGS ARE BASED ON TEXAS STATE PLANE COORDINATE SYSTEM SOUTH CENTRAL ZONE, NAD 83.
 2. NO IMPROVEMENTS SHOWN. ZONING EXHIBIT ONLY. CALL 811 FOR UTILITY LOCATES PRIOR TO CONSTRUCTION.
 3. THIS ZONING EXHIBIT WAS PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT, AND MAY NOT SHOW ALL EASEMENTS OR OTHER MATTERS THAT AFFECT THIS PROPERTY.
 4. METES AND BOUNDS DESCRIPTION PREPARED ON THE SAME DATE SHALL ACCOMPANY THIS ZONING EXHIBIT.

S.H. LOOP 534
(VETERANS HIGHWAY)

ANNEXATION AND ZONING EXHIBIT OF:

BEING A 13.08 ACRE (341,026 SQUARE FOOT) TRACT OF LAND, SITUATED IN KERR COUNTY, TEXAS, AND BEING OUT OF A CALLED 20.91 ACRE TRACT OF LAND AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 24-02372 OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS.



[Signature]
JOEL C. JOHNSON

R.P.L.S. #5578

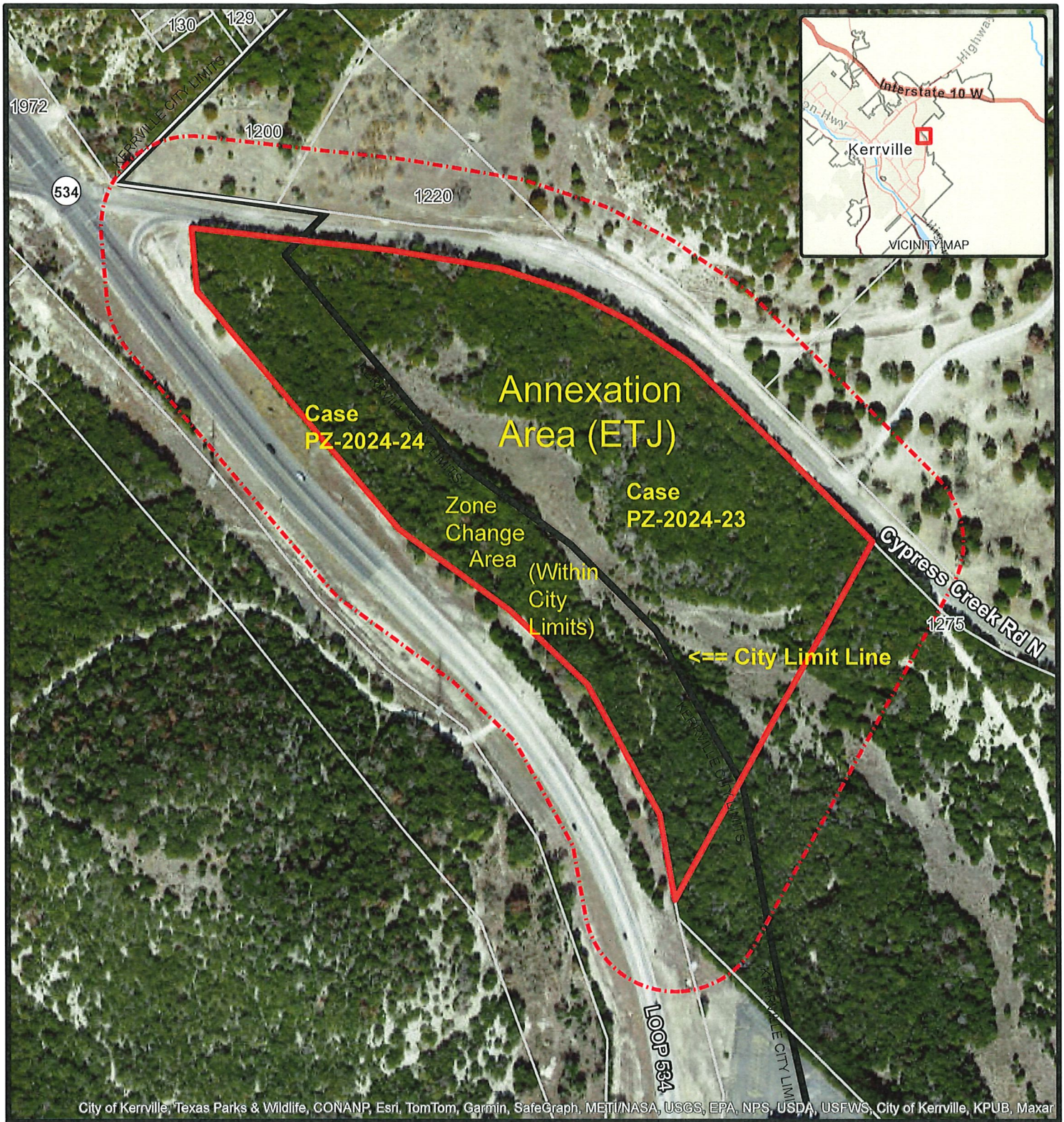
- LEGEND**
- CONCRETE MONUMENT FOUND (UNLESS OTHERWISE NOTED)
 - ⊙ 1/2" IRON ROD W/CAP "MBC" SET/FOUND
 - D.P.R. DEED AND PLAT RECORDS OF KERR COUNTY, TEXAS
 - O.P.R. OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS

| Line Table | | |
|------------|---------------|---------|
| Line # | Bearing | Length |
| L1 | S 81°50'18" E | 176.29' |
| L2 | S 83°54'11" E | 2.59' |



1035 Central Parkway North
San Antonio, Texas 78232
(210) 545-1122 FAX (210) 545-9302
FIRM REGISTRATION NUMBER:
T.B.P.E. F-784 & T.B.P.L.S. 10011700

DATE: 07/18/2024
JOB NO. 33636-KERR
SHEET 1 OF 1



Location Map - Annexation

Case # PZ-2024-23

Location:

NE Corner of Loop 534 and Cypress Creek Road

Legend

- Subject Properties
- - - 200 Feet Notification Area



0 100 200 400
Scale In Feet

08/05/2024

EXHIBIT B

PETITION REQUESTING ANNEXATION BY AREA LANDOWNERS

TO THE MAYOR OF THE GOVERNING BODY OF KERRVILLE, TEXAS:

The undersigned owners of the hereinafter described tract of land, which is vacant and without residents, or on which fewer than three qualified voters reside, hereby petition your honorable Body to extend the present city limits so as to include as part of the City of Kerrville, Texas, the following described territory, to wit:

BEING A 13.08 ACRE (569,602 SQUARE FOOT) TRACT OF LAND, SITUATED IN KERR COUNTY, TEXAS, AND BEING OUT OF A CALLED 20.91 ACRE TRACT OF LAND AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 24-02372, OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS; AND BEING MORE PARTICULARLY DESCRIBED BY THE ATTACHED METES AND BOUNDS.

We certify that the above described tract of land is contiguous and adjacent to the City of Kerrville, Texas, and that this petition is signed and duly acknowledged by each and every person having an interest in said land.

Signed: [Signature]

Signed: _____

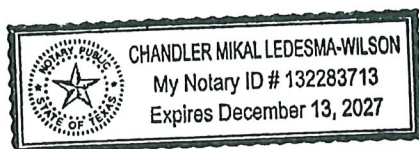
Signed: _____

THE STATE OF TEXAS

COUNTY OF Harris

BEFORE ME, the undersigned authority, on this day personally appeared W. L. (Bill) Sisson, _____, and _____, known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 26th day of July, 2024.



[Signature]
Notary Public in and for
Harris County, Texas.

SERVICES AGREEMENT

This Services Agreement (the "Agreement") is entered into between the CITY OF KERRVILLE, TX, a Texas Home-Rule Municipal Corporation (the "City") and BNS Kerrville (the "Owner(s)"). The City and the Owner are collectively referred to as the Parties.

WHEREAS, pursuant to a lawfully submitted petition for annexation from Owner, City intends to institute annexation proceedings for a tract(s) of land described more fully hereinafter (referred to herein as the "Subject Property"); and,

WHEREAS, *Section 43.0672 of the Tex. Loc. Gov't Code* requires a written agreement for the provision of services in the area first be entered into between City and Owner of the Subject Property; and,

WHEREAS, City and Owner agree each will benefit from the City's development restrictions and zoning requirements, as well as other municipal services provided by City which are good and valuable consideration for the Owner to request annexation and for the Parties to enter into this Agreement for City to provide the listed services upon annexation and in accordance with this Agreement; and,

WHEREAS, it is found that the statutory requirements have been satisfied and City is authorized by *Chapter 43, Tex. Loc. Gov't. Code*, to annex the Subject Property into the City;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

Section 1. Property Description. The legal description of the Subject Property is as set forth in **Exhibit A**.

Section 2. Services. City will provide the services listed and specified in **Exhibit B**, for the Subject Property on the effective date of annexation of the Subject Property.

Section 3. Owner's Obligations. Owner shall not file for approval a subdivision plat, site plan, or related development document with City for the Subject Property or portion thereof; or construct, or allow to be constructed, any building or structure on the Subject Property or portion thereof until City has approved and adopted the ordinance annexing such property.

Section 4. Term. The term of this Agreement (the "Term") is ten (10) years from the Effective Date.



Section 5. Vested Rights Claims. This Agreement is not a permit for the purposes of Chapter 245, Texas Local Government Code.

Section 6. Authorization. All parties and officers signing this Agreement warrant to be duly authorized to execute this Agreement.

Section 7. Covenant Running with the Land. This Agreement shall run with the Subject Property, and this Agreement may be recorded in the Official Public Records of Kerr County, Texas. Owner and City acknowledge and agree that this Agreement is binding upon City and Owner and their respective successors, executors, heirs, and assigns, as applicable, for the term of this Agreement.

Section 8. Severability. If any provision of this Agreement is held by a court of competent and final jurisdiction to be invalid or unenforceable for any reason, then the remainder of the Agreement shall be deemed to be valid and enforceable as if the invalid portion had not been included.

Section 9. Amendment and Modifications. This Agreement may be amended or modified only in a written instrument that is executed by both City and Owner after it has been authorized by the City Council.

Section 10. Gender, Number, and Headings. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The headings and section numbers are for convenience only and shall not be considered in interpreting or construing this Agreement.

Section 11. Governmental Immunity; Defenses. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or in equity to either City or Owner, including governmental immunity, nor to create any legal rights or claims on behalf of any third party.

Section 12. Enforcement; Waiver. This Agreement may be enforced by Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter.

Section 13. Effect of Future Laws. No subsequent change in the law regarding annexation shall affect the enforceability of this Agreement.

Section 14. Venue and Applicable Law. Venue for this Agreement shall be in Kerr County, Texas. This Agreement shall be construed under and in accordance with the laws of the State of Texas.



Section 15. Counterparts. This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 16. Effective Date. This Agreement shall be in full force and effect as of the date of approval of this Agreement by the City Council, from and after its execution by the parties.

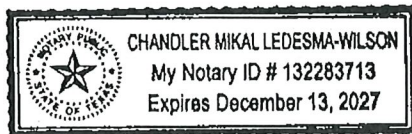
Section 17. Sections to Survive Termination. This Agreement shall survive its termination to the extent necessary for the implementation of the provisions related to water service to the Subject Property by the City.

EXECUTED this 3 day of October, 2024.

BNB Compliance W.L. Sison president.
W.L.

STATE OF TEXAS §
 §
COUNTY OF ~~Kerr~~ Harris §

This instrument was acknowledged before me on the 3 day of October, 2024, by W.L. Sison, the Managing Member, of BNB Kerrville LLC.



Chandler Mikal LeDesma-Wilson
Notary Public, State of Texas

CITY OF KERRVILLE, TX

Dalton Rice, City Manager

This instrument was acknowledged before me on the ____ day of _____, 2024, by Dalton Rice, City Manager, City of Kerrville, Texas.

Notary Public, State of Texas

Upon Recording, Return to:
City of Kerrville, Texas
City Secretary
City Hall, 701 Main Street
Kerrville, Texas 78028

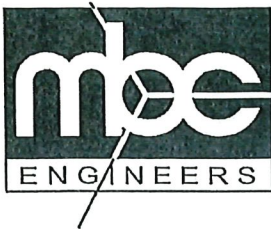


EXHIBIT A

MACINA • BOSE • COPELAND and ASSOCIATES, INC.
CONSULTING ENGINEERS AND LAND SURVEYORS

1035 Central Parkway North, San Antonio, Texas 78232
(210) 545-1122 Fax (210) 545-9302
TBPE Firm Registration #784 | TBPLS Firm Registration #10011700 | SBE Certified #214046463
www.mbcengineers.com

**METES AND BOUNDS DESCRIPTION
TO ACCOMPANY
ANNEXATION AND ZONING EXHIBIT**

BEING A 13.08 ACRE (569,602 SQUARE FOOT) TRACT OF LAND, SITUATED IN KERR COUNTY, TEXAS, AND BEING OUT OF A CALLED 20.91 ACRE TRACT OF LAND AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 24-02372, OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a Concrete monument Found at the intersection of the Easterly Right-of-Way line of State Highway Loop 534 (Veterans Highway) with the Southerly Right-of-Way line of F.M. Highway 1341 (Cypress Creek Road) and marking the Northwestern most corner of said 20.91 Acre Tract;

THENCE S 81° 50' 18" E a distance of 176.29 feet, along and with the F.M. Highway 1341 (Cypress Creek Road), to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" Found;

THENCE S 83° 54' 11" E a distance of 2.59 feet continuing along and with the Southerly Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Road), to **THE POINT OF BEGINNING**;

THENCE S 83° 54' 11" E a distance of 341.78 feet along and with the Southerly Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Road), to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" for the point of curvature of a curve to the right;

THENCE along and with said curve to the right having the following parameters: Radius = 1111.30 feet, Arc Length = 756.41 feet, Chord Bearing = S 64° 29' 52" E, and a Chord Distance = 741.89 feet to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" Found;

THENCE S 44° 55' 15" E a distance of 436.44 feet, to a calculated point for a corner, and marking the Northwestern corner of a called 138.82 Acre Tract as described in Warranty Deed with Vendor's Lien recorded in Document number 22-04041, of the Official Public records of Bexar County, Texas, and marking the Southeastern most corner of said 20.91 Acre Tract;

THENCE S 29° 40' 17" W a distance of 582.53 feet, departing the Southerly Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Rd.), along and with the Northwestern line of said 138.82 Acre Tract, to a point;

THENCE N 29° 37' 53" W a distance of 370.74 feet, into and across said 20.91 Acre Tract, to a point;

THENCE N 45° 16' 59" W a distance of 263.04 feet to a point;

THENCE N 54° 11' 08" W a distance of 299.22 feet to a point;

THENCE N 40° 26' 50" W a distance of 641.88 feet to the **POINT OF BEGINNING** and containing 13.08 Acres (569,602 square foot) more or less as surveyed by Macina, Bose, Copeland and Associates.

Note: A Survey Sketch that is made a part hereof and shall accompany this instrument.

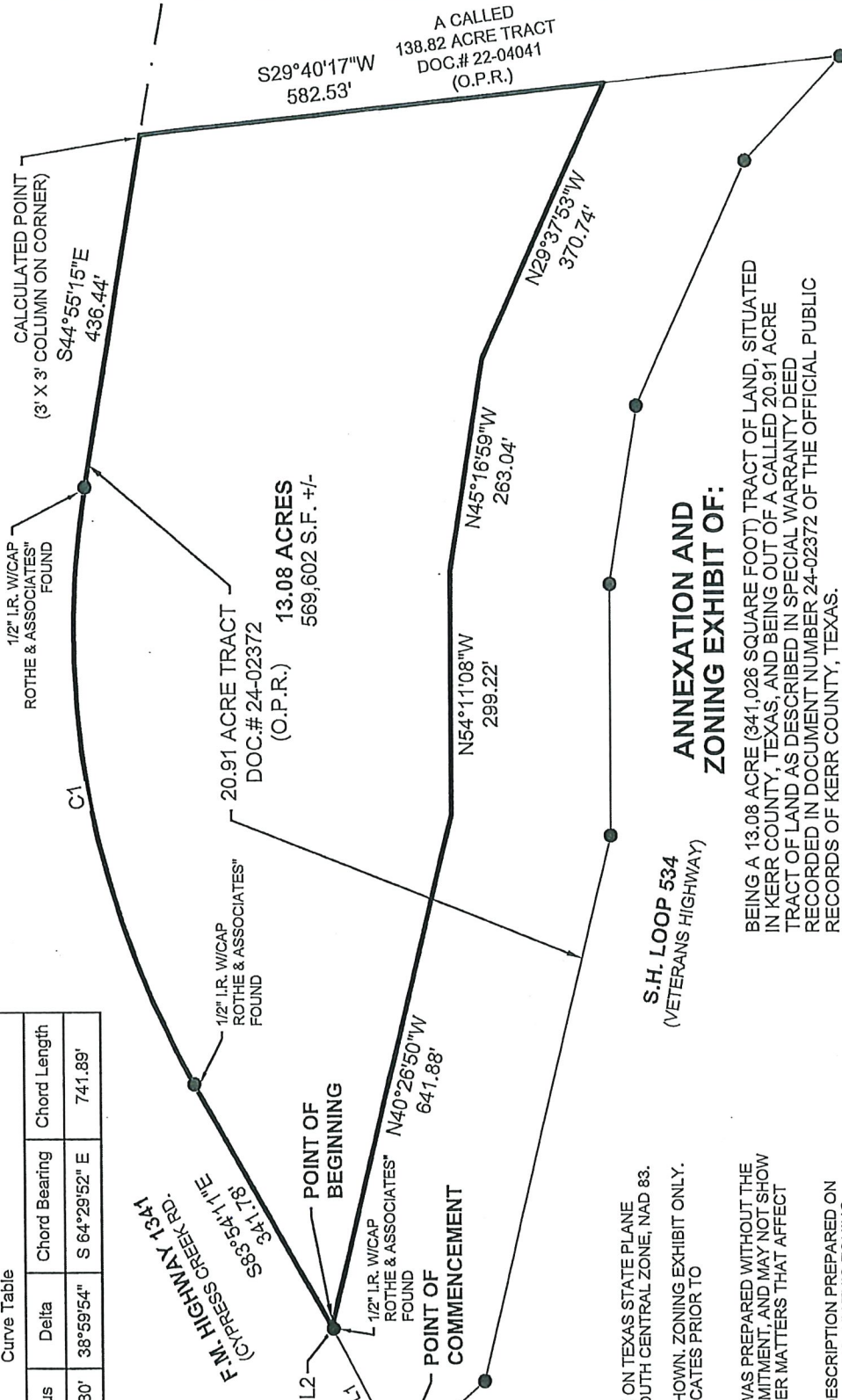

Joel Christian Johnson, R.P.L.S.
TBPLS Firm Registration 10011700
Date: July 18, 2024
Job No. 33636-Kerr



| Curve Table | | | | |
|-------------|---------|----------|-----------|---------------|
| Curve # | Length | Radius | Delta | Chord Bearing |
| C1 | 756.41' | 1111.30' | 38°59'54" | S 64°29'52" E |
| | | | | 741.89' |



SCALE: 1" = 200'



- SURVEYOR'S NOTES:**
1. BEARINGS ARE BASED ON TEXAS STATE PLANE COORDINATE SYSTEM SOUTH CENTRAL ZONE, NAD 83.
 2. NO IMPROVEMENTS SHOWN. ZONING EXHIBIT ONLY. CALL 811 FOR UTILITY LOCATES PRIOR TO CONSTRUCTION.
 3. THIS ZONING EXHIBIT WAS PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT, AND MAY NOT SHOW ALL EASEMENTS OR OTHER MATTERS THAT AFFECT THIS PROPERTY.
 4. METES AND BOUNDS DESCRIPTION PREPARED ON THE SAME DATE SHALL ACCOMPANY THIS ZONING EXHIBIT.

ANNEXATION AND ZONING EXHIBIT OF:

BEING A 13.08 ACRE (341,026 SQUARE FOOT) TRACT OF LAND, SITUATED IN KERR COUNTY, TEXAS, AND BEING OUT OF A CALLED 20.91 ACRE TRACT OF LAND AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 24-02372 OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS.



[Signature]
JOEL C. JOHNSON

R.P.L.S. #5578



1035 Central Parkway North
San Antonio, Texas 78232
(210) 545-1122 FAX (210) 545-9302
FIRM REGISTRATION NUMBER:
T.B.P.E. F-784 & T.B.P.L.S. 10011700

DATE: 07/18/2024
JOB NO. 33636-KERR
SHEET 1 OF 1

LEGEND

● CONCRETE MONUMENT FOUND
(UNLESS OTHERWISE NOTED)

⊙ 1/2" IRON ROD W/CAP
"MBC" SET/FOUND

DEED AND PLAT RECORDS
D.P.R. OF KERR COUNTY, TEXAS

OFFICIAL PUBLIC RECORDS
O.P.R. OF KERR COUNTY, TEXAS

| Line Table | | |
|------------|---------------|---------|
| Line # | Bearing | Length |
| L1 | S 81°50'18" E | 176.29' |
| L2 | S 83°54'11" E | 2.59' |

EXHIBIT B
ANNEXATION SERVICE PLAN

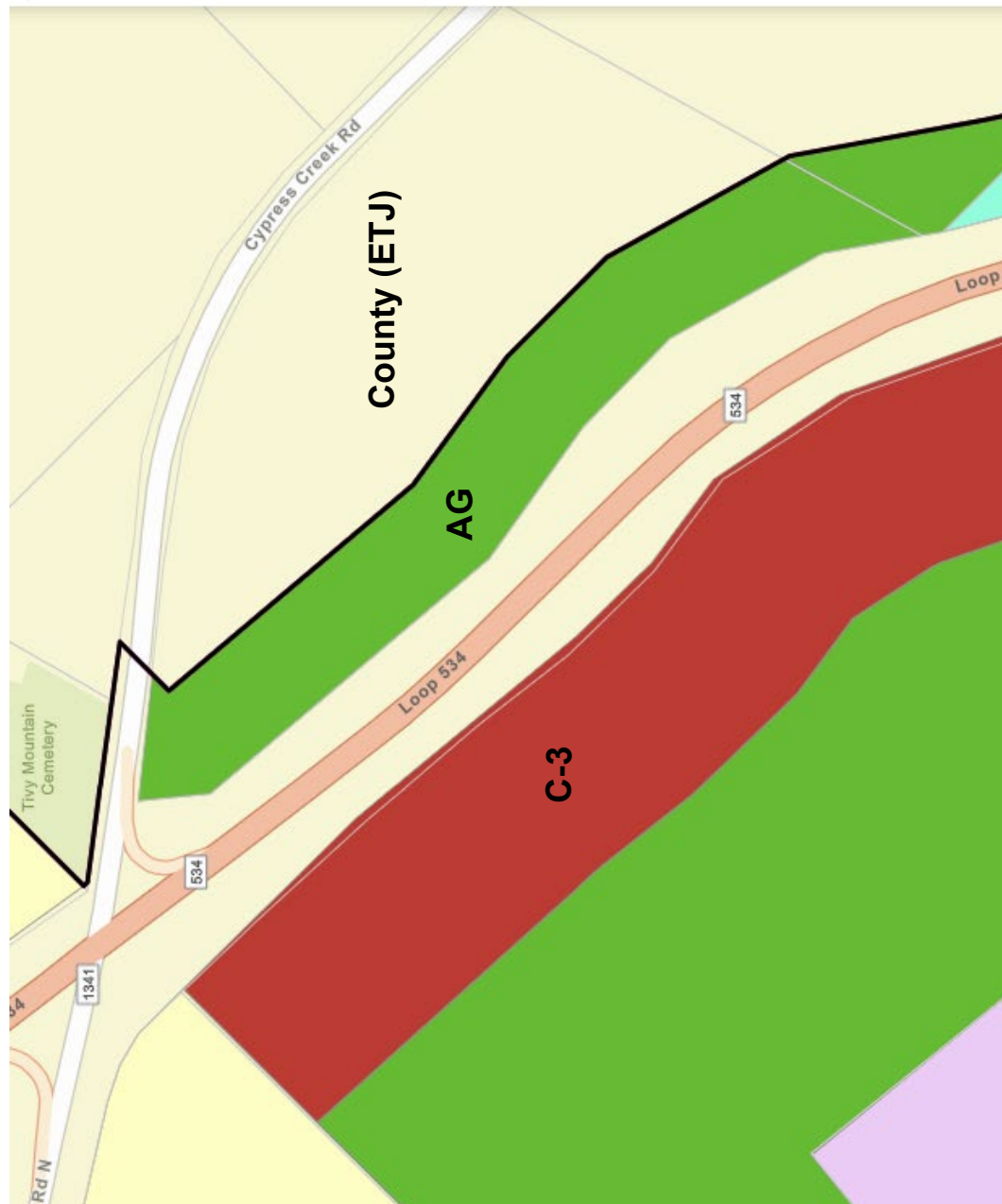
- I. INTRODUCTION:** This Service Plan for the extension of municipal services to the area to be annexed was developed in accordance with state law. Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Kerrville, Texas ("City") at the levels and schedule specified below.
- II. UNIFORM LEVEL OF SERVICES:** The City shall provide services by any of the methods by which it extends the services to any other area of the municipality, based upon differing characteristics of topography, land use, and population density, which may be considered a sufficient basis for providing differing levels of service.
- III. SPECIFIC FINDINGS:** City Council finds and determines that this Service Plan, as provided below, will provide full municipal services to the annexed area both adequate to serve the annexed area and commensurate with the levels of services provided in other parts of the City with the same or similar topography, land use, and population density, and it will not provide a lower level of service in the annexed area than were in existence at the time immediately preceding the effective date of annexation.

| SERVICE | DETAILS OF SERVICE PROVIDED | TIMETABLE |
|---|--|---|
| Code Enforcement | The provisions of Code Enforcement services, including the application and enforcement of building, electrical, plumbing, and other related code requirements adopted by the City shall be made immediately to the area upon annexation. The adoption of zoning plan shall be in accordance with the procedures of the City's Zoning Code. | Immediately following annexation, zoning to be concurrent with annexation |
| Fire Protection and Emergency Medical Services (EMS) | Fire protection and emergency medical services will be provided to the annexed area. The City will serve the annexed area from existing fire stations closest to the area of annexation. Emergency dispatch assignment of Fire Services resources to the annexed area would be the same as currently provided in areas of similar land use and population within the City. | Immediately following annexation |

| SERVICE | DETAILS OF SERVICE PROVIDED | TIMETABLE |
|--|---|-----------------------------------|
| Fire Prevention | The services of the City's Fire Marshall shall be provided to the area. | Immediately following annexation. |
| Library | Residents of the area, if any, will continue to be entitled to utilize the City's Library facilities. | Immediately following annexation. |
| Parks and Recreation Facilities | The City will maintain park and recreation facilities located within the annexed area, if any, on the effective date of annexation on the same basis and at the same level as similar facilities are maintained throughout the City. | Immediately following annexation |
| Police Protection | Police Services will provide protection and law enforcement services to the annexed area. The level of service will be at the same level as currently provided in areas of similar land use and population within the City. These services include the following: 1) regular patrol of the area, 2) handling of complaints and incidents, 3) traffic enforcement, and 4) special units, such as criminal investigations, narcotics, crime prevention, neighborhood services, and special weapons and tactics. | Immediately following annexation |
| Maintenance of Existing Roads & Streets | <p>The City's Public Works Department will maintain existing roads and streets, drainage, and regulatory signs on the effective date of annexation. The same basis and level of services currently provided throughout the City will be adhered to as follows:</p> <p>1. Emergency maintenance of streets to include repair of hazardous potholes, ice and snow monitoring of major thoroughfares necessary for traffic flow.</p> | Immediately following annexation |

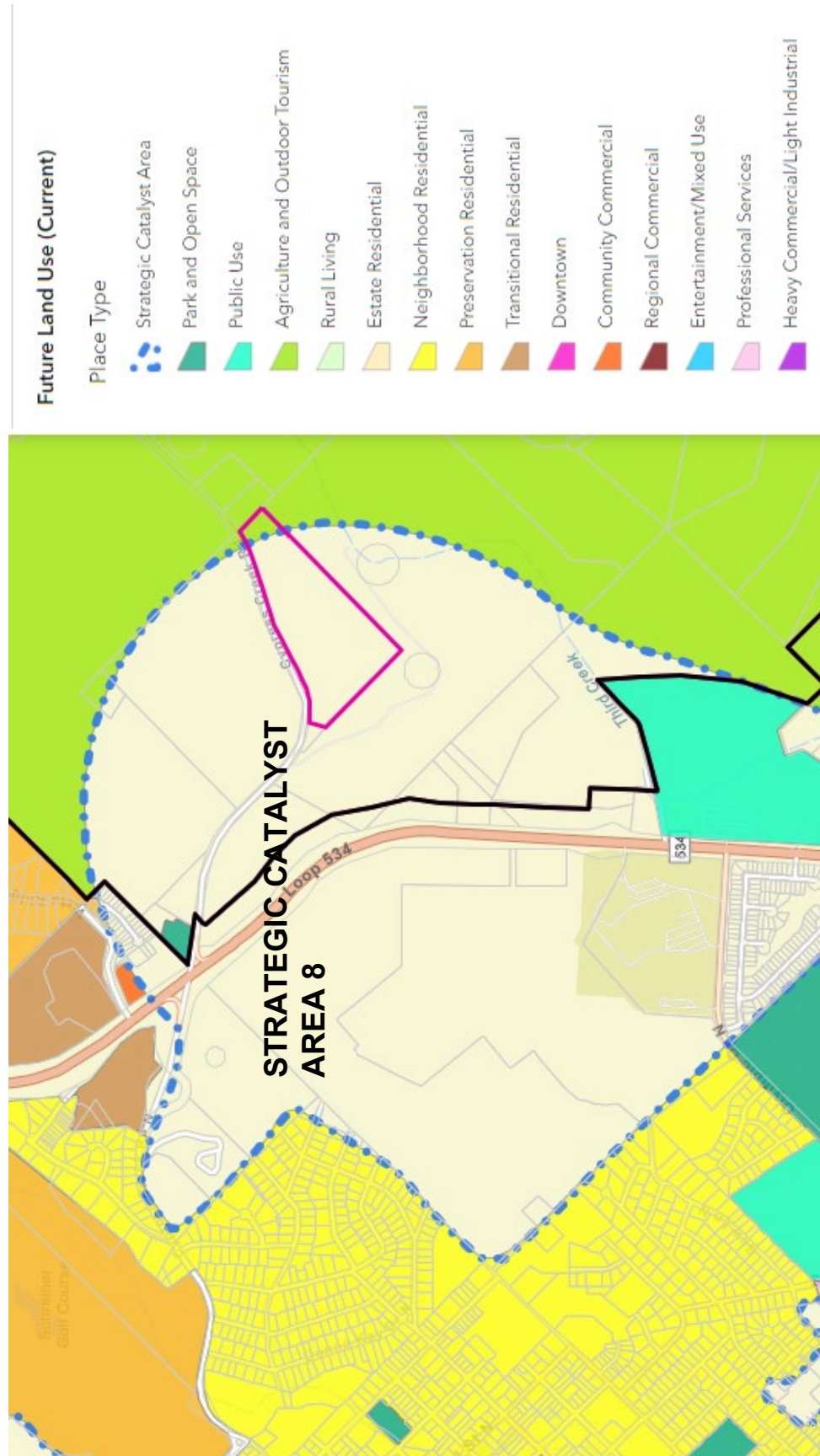
| SERVICE | DETAILS OF SERVICE PROVIDED | TIMETABLE |
|-------------------------------|--|----------------------------------|
| | <p>2. Routine maintenance of public streets and rights-of-way performed within the City.</p> <p>3. Street sweeping services may occur based upon need and funding.</p> <p>4. Installation and maintenance of traffic signs, street markings, and other traffic control devices as the need is established by appropriate study and traffic standards. Private streets, including ingress/egress easements, access easements, common areas, common driveways and anything else which has not been specifically dedicated and accepted as public right-of-way, will not be maintained by the City. Public streets will be included in the City's preventive maintenance program. Preventive maintenance projects are prioritized and scheduled based on a variety of factors, including surface condition, transversibility, age, traffic volume, density of dwellings per block, adjacent street conditions, and available funding. Any necessary rehabilitation or reconstruction will be considered on a citywide priority basis.</p> | |
| Solid Waste Collection | Solid Waste collection to the annexed area will be provided on the same basis and at the same level as provided throughout the City, in accordance with applicable law. | Immediately following annexation |
| Traffic Engineering | Traffic control devices and street markers shall be installed where deemed necessary by the City street department, except as provided by the Texas Department of Transportation. | Immediately following annexation |

| SERVICE | DETAILS OF SERVICE PROVIDED | TIMETABLE |
|--|---|----------------------------------|
| Water Service | The City will provide for the maintenance of City-owned public water lines within the annexed area provided that the area is within the City's Certificate of Convenience and Necessity area as determined by the Public Utility Commission (PUC) beginning on the effective date of the annexation. Water service is provided at the same level as currently provided in areas of similar topography, land use, and population within the City. The City's policy that water extensions are the responsibility of the developer of property will be applied in this area. | As the property develops |
| Wastewater Service | The City will provide for the maintenance of sanitary sewer lines within the annexed area beginning on the effective date of the annexation. Sanitary sewer service is provided at the same level as currently provided in areas of similar topography, land use, and population within the City. The City's policy that sanitary sewer extensions are the responsibility of the developer of property will be applied to this area. Maintenance of all parts of the sewer system will begin as those parts are put into service. The sewer system will be maintained with the same frequency and level of effort as comparable parts of the system in other parts of the City. | As the property develops |
| Provision for Other City Services | Other City services that may be provided by the City such as planning, inspection, animal control, municipal court, and general administration will be made available on the same basis and at the same level as provided throughout the City. | Immediately following annexation |



Zoning District (Current)

- RE Estate Residential
- R-1 Single-Family Residential
- R-1A Single-Family Residential with Accessory Dwelling Unit
- R-2 Medium Density Residential
- R-3 Multifamily Residential
- RM Residential Mix
- RT Residential Transition
- C-1 Neighborhood Commercial
- C-2 Light Commercial
- C-3 General Commercial
- IM Industrial and Manufacturing
- DAC Downtown Arts and Culture
- MU Mixed Use
- PD Planned Development
- PI Public and Institutional
- AD Airport
- AG Agriculture
- DC Downtown Core





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

SUBJECT: Ordinance No. 2024-26. An Ordinance amending Chapter 60 of the Code of Ordinances, City of Kerrville, Texas (Zoning Code) by changing the zoning of an approximate 7.83 acre tract of land and generally located on the Southeast corner of the intersection of Loop 534 and Cypress Creek Road (FM 1341); from an Agriculture Zoning District (AG) to a Multifamily Zoning District (R-3); and providing other matters relating to the subject. (*D Paxton, Director of Planning & Development*)

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Drew Paxton, Director of Planning & Development

EXHIBITS: Ordinance No. 2024-26 Zone to R3, Cypress Creek-534
Current Zoning 534 Cypress Creek Road
Future Land Use 534 Cypress Creek Road

| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
|---------------------|-------------------------|-------------------------|------------------------|
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

| | | |
|-----------------------------|---|-------------------------------------|
| Kerrville 2050 Item? | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/> |
| Key Priority Area | Housing | |

SUMMARY STATEMENT:

Proposal: An Ordinance to change the zoning from AG Agriculture to R-3 Multifamily Residential on a 7.83 acre tract of land more commonly known as 534 Cypress Creek Road.

The applicant requests a zoning change from AG Agriculture to R-3 Multifamily Residential to be consistent with the concurrent annexation and zoning of the adjacent property. The property being annexed and zoned to R-3 will be platted together with this property being rezoned to R-3 to create a more developable multifamily residential property.

Procedural Requirements: The City, in accordance with state law, mailed 8 letters on 8/22/2024 to adjacent property owners. The City published a similar notice in the Hill Country Community Journal on 8/14/2024. An information sign was posted on the property on 8/23/2024. At the time of drafting this agenda bill, no public comment had been received.

Staff Analysis and Recommendation:

Consistency with the Kerrville 2025 Comprehensive Plan: The property is located within Strategic Catalyst Area 8 (SCA 8). SCA 8 surrounds Loop 534 and is largely undeveloped. Allowable place types within SCA 8 are Estate Residential, Neighborhood Residential, Preservation Residential, Transitional Residential and Community Commercial. Community Commercial place types are more appropriate along the highway where topography is flatter while residential place types are more appropriate as topography becomes hillier and more challenging. SCA 8 supports the requested annexation and zoning since the proposed annexation location has challenging topography and the proposed use is residential development. As such, this request is consistent with the goals of the Future Land Use Plan of the Kerrville 2050 Comprehensive Plan.

Adjacent Zoning and Land Uses:

Subject Property

Current Zoning: AG Agriculture

Existing Land Uses: Vacant

Direction: **North**

Current Zoning: None (County)

Existing Land: Cypress Creek Road/Tivy Mountain Cemetery

Direction: **West**

Current Zoning: None

Existing Land: Loop 534

Direction: **South**

Current Zoning: AG Agriculture

Existing Land: Vacant

Direction: **East**

Current Zoning: None (County); Annexation & Zoning (Case PZ-2024-23)

Existing Land: Vacant

Thoroughfare Plan: There should be no impact to the thoroughfare plan since proposed developments have been anticipated adjacent to Loop 534.

Traffic Impact: With all the proposed development frontage adjacent to Loop 534 and FM 1341 (Cypress Creek Road), TxDOT will most likely request a traffic Impact Analysis as part of any future development. Any improvements necessary for proposed project buildout are required to be designed and installed at the development's expense as required by TxDOT.

Parking: To be determined and consistent with zoning regulations once a final site plan has been submitted for review and approval.

Recommendation: Based on consistency with the Kerrville 2050 Comprehensive Plan, staff recommends the case for approval.

On September 5th, the Planning and Zoning Commission recommended approval with a unanimous vote.

RECOMMENDED ACTION:

Approve Ordinance No. 2024-26 on first reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2024-26**

AN ORDINANCE AMENDING CHAPTER 60 OF THE CODE OF ORDINANCES, CITY OF KERRVILLE, TEXAS (ZONING CODE) BY CHANGING THE ZONING OF AN APPROXIMATE 7.83 ACRE TRACT OF LAND AND GENERALLY LOCATED ON THE SOUTHEAST CORNER OF THE INTERSECTION OF LOOP 534 AND CYPRESS CREEK ROAD (FM 1341); FROM AN AGRICULTURE ZONING DISTRICT (AG) TO A MULTIFAMILY ZONING DISTRICT (R-3); AND PROVIDING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, pursuant to Texas Local Government Code Sections 211.006 and 211.007, the City of Kerrville, Texas (City) gave notice to all parties in interest and citizens by publication in the official newspaper for the City, and otherwise, of a hearing held before the City Council on October 8, 2024, which considered a report of the City's Planning and Zoning Commission regarding its recommendations on this Ordinance, the adoption of which will result in the change of a zoning district for a property generally located on the southeast corner of the intersection of Loop 534 (Veterans Highway) and Cypress Creek Rd. (FM 1341) and comprising approximately 7.83 acres; such change to result in the removal of the property from an Agriculture Zoning (AG) to placement within a Multifamily Zoning District (R-3); and

WHEREAS, on October 8, 2024, City Council held a public hearing on this zoning change pursuant to the published notice and has considered the application, comments, reports, and recommendations of the Planning and Zoning Commission and staff, public testimony, and other relevant support materials;

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

SECTION ONE. City Council amends the Zoning Code for the City of Kerrville, Texas, Chapter 60 of the Code of Ordinances of the City of Kerrville, Texas (Zoning Code), and the *Official Zoning Map* to designate the following described property as zoned within a Multifamily Zoning District (R-3):

Legal Description: Being a 7.83 acre tract of land out of a 20.91 acre tract of land; said property generally located on the southeast corner of Loop 534 (Veterans Hwy) and Cypress Creek Rd. (FM 1341) and as more specifically described and depicted at **Exhibit A**, as attached (the Property).

SECTION TWO. The City Manager is directed to amend the City's *Official Zoning Map* to reflect the change in districts adopted herein for the Property and to take other actions contemplated by and in accordance with the Zoning Code.

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

SECTION FOUR. The terms and provisions of this Ordinance shall be deemed to be severable in that if any portion of this Ordinance is declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

SECTION FIVE. Pursuant to Texas Local Government Code §52.013(a) and Section 3.07 of the City's Charter, the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

SECTION SIX. This Ordinance shall become effective immediately upon the expiration of ten days following publication, as provided for by Section 3.07 of the City Charter.

PASSED AND APPROVED ON FIRST READING, this the ____ day of _____, A.D., 2024.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the ____ of _____, A.D., 2024.

ATTEST:

Joe Herring, Jr., Mayor

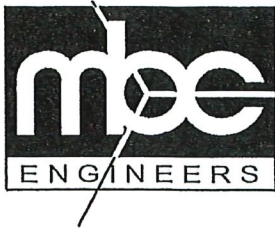
Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

EXHIBIT A



**METES AND BOUNDS DESCRIPTION
TO ACCOMPANY ZONING EXHIBIT**

BEING A 7.829 ACRE (341,026 SQUARE FOOT) TRACT OF LAND, SITUATED IN KERR COUNTY, TEXAS, AND SAID 7.829 ACRE TRACT BEING OUT OF A CALLED 20.91 ACRE TRACT OF LAND AS DESCRIBED IN SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 24-02372, OF THE OFFICIAL PUBLIC RECORDS OF KERR COUNTY, TEXAS, AND SAID 7.829 ACRES BEING A PORTION OF TRACT "B" (256.67 ACRES) AS DESCRIBED IN ORDINANCE NO. 80-33, CITY OF KERRVILLE, TEXAS; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a Concrete monument Found at the intersection of the Easterly Right-of-Way line of State Highway Loop 534 (Veterans Highway) with the Southerly Right-of-Way line of F.M. Highway 1341 (Cypress Creek Road) and marking the Northwestern most corner of said 20.91 Acre Tract;

THENCE S 81° 50' 18" E a distance of 176.29 feet, along and with the F.M. Highway 1341 (Cypress Creek Road), to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" Found;

THENCE S 83° 54' 11" E a distance of 2.59 feet continuing along and with the South Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Road), to a point;

THENCE S 40° 26' 50" E a distance of 641.88 feet, departing the South Right-of-Way line of said F.M. Highway 1341 (Cypress Creek Road) into and across said 20.91 Acre Tract to a point;

THENCE S 54° 11' 08" E a distance of 299.22 feet, to a point;

THENCE S 45° 16' 59" E a distance of 263.04 feet, to a point;

THENCE S 29° 37' 53" E a distance of 370.74 feet, to a point on the Northwest line of a called 138.82 Acre Tract as described in Document number 22-04041 of the Official Public Records of Kerr County, Texas;

THENCE S 29° 40' 17" W a distance of 298.05 feet, along and with the Northwest line of said 138.82 Acre Tract, to a 1/2-Inch Iron Rod with cap stamped "Rothe & Associates" Found on the Easterly Right-of-Way line of said State Highway Loop 534 and marking the Southeastern most corner of said 20.91 Acre Tract;

THENCE along and with the Northeasterly Right-of-Way line of said State Highway Loop 534 (Veterans Highway) the following courses and distances;

N 10° 56' 34" W a distance of 175.67 feet to a Concrete Monument Found;

N 29° 37' 53" W a distance of 329.00 feet to a Concrete Monument Found;

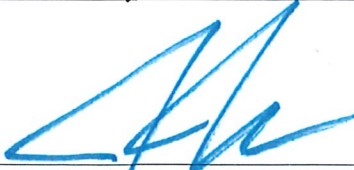
N 45° 16' 59" W a distance of 219.98 feet to a Concrete Monument Found;

N 54° 11' 08" W a distance of 307.74 feet to a Concrete Monument Found;

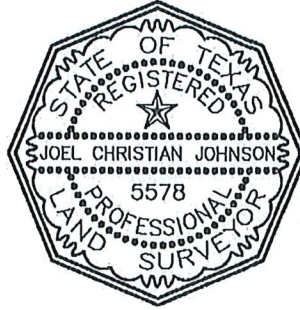
N 40° 26' 50" W a distance of 686.08 feet to a Concrete Monument Found;

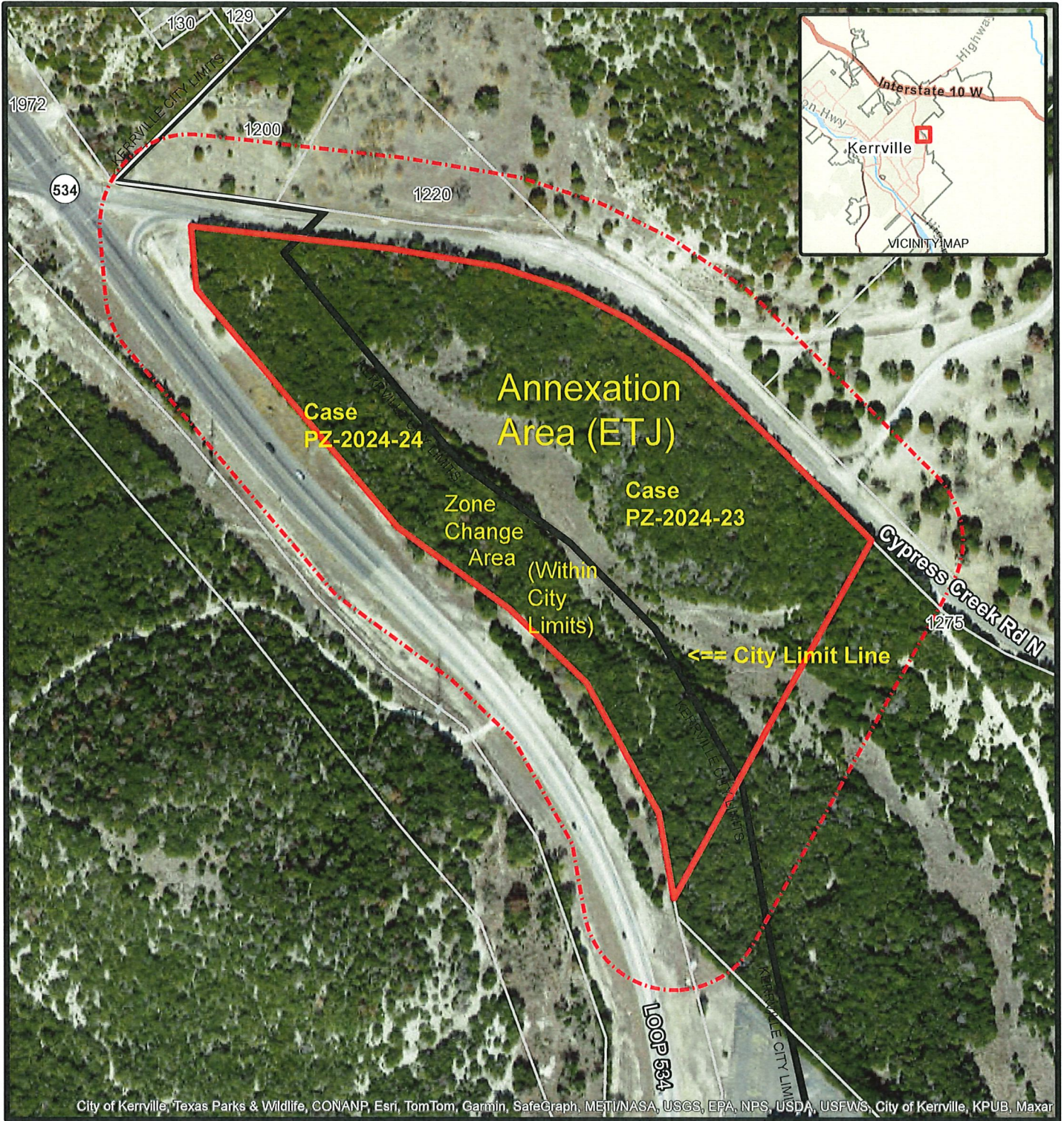
THENCE N 04° 50' 29" W a distance of 140.25 feet, to the **POINT OF BEGINNING** and containing 7.829 Acres (341,026 square foot) more or less as surveyed by Macina, Bose, Copeland and Associates.

Note: A Survey Sketch that is made a part hereof and shall accompany this instrument.



Joel Christian Johnson, R.P.L.S.
TBPLS Firm Registration 10011700
Date: June 26, 2024
Job No. 33636-Kerr





Location Map - Zone Change

Case #PZ-2024-24

Location:

NE Corner of Loop 534 and Cypress Creek Road

Legend

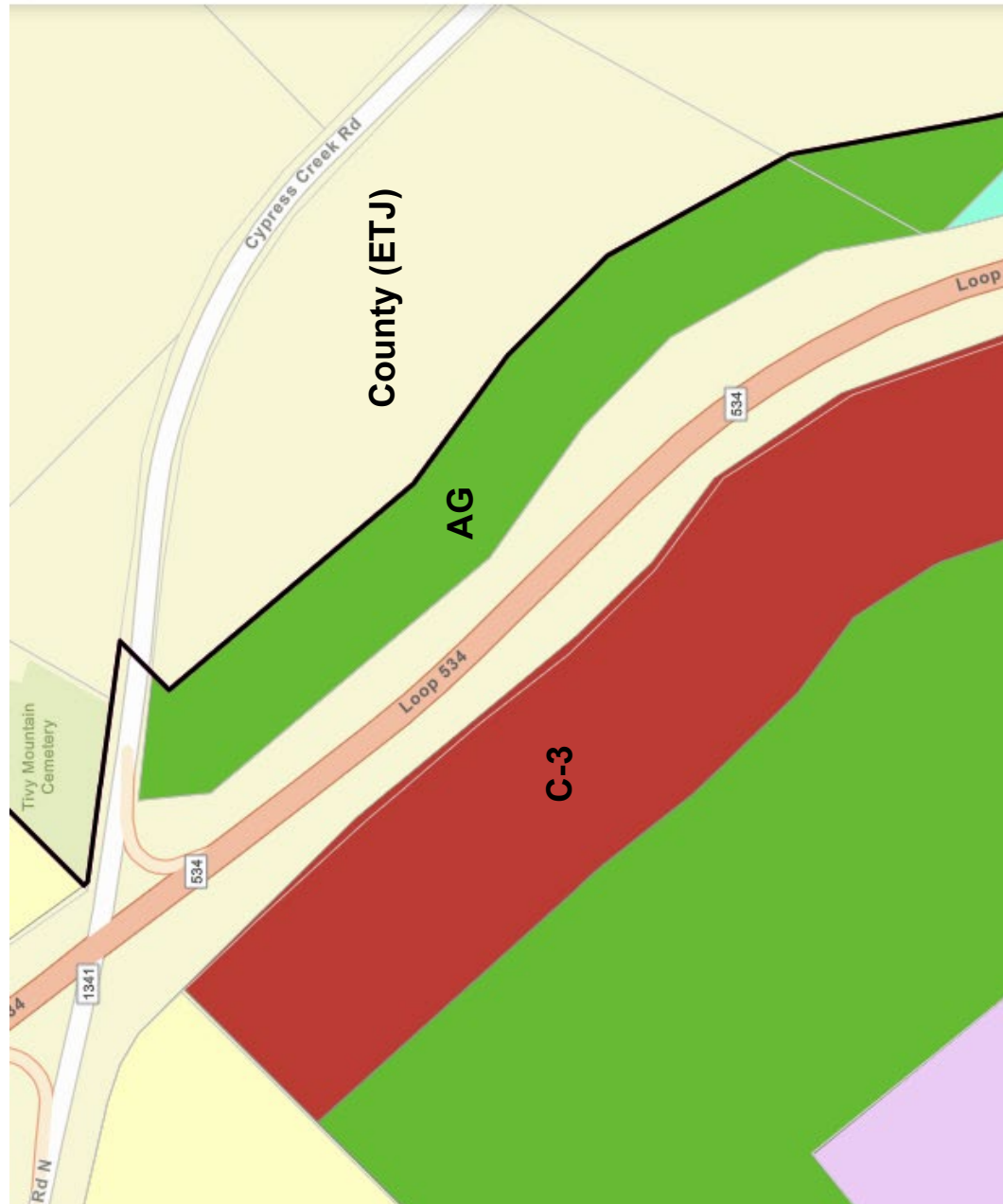
- Subject Properties
- 200 Feet Notification Area



0 100 200 400
Scale In Feet

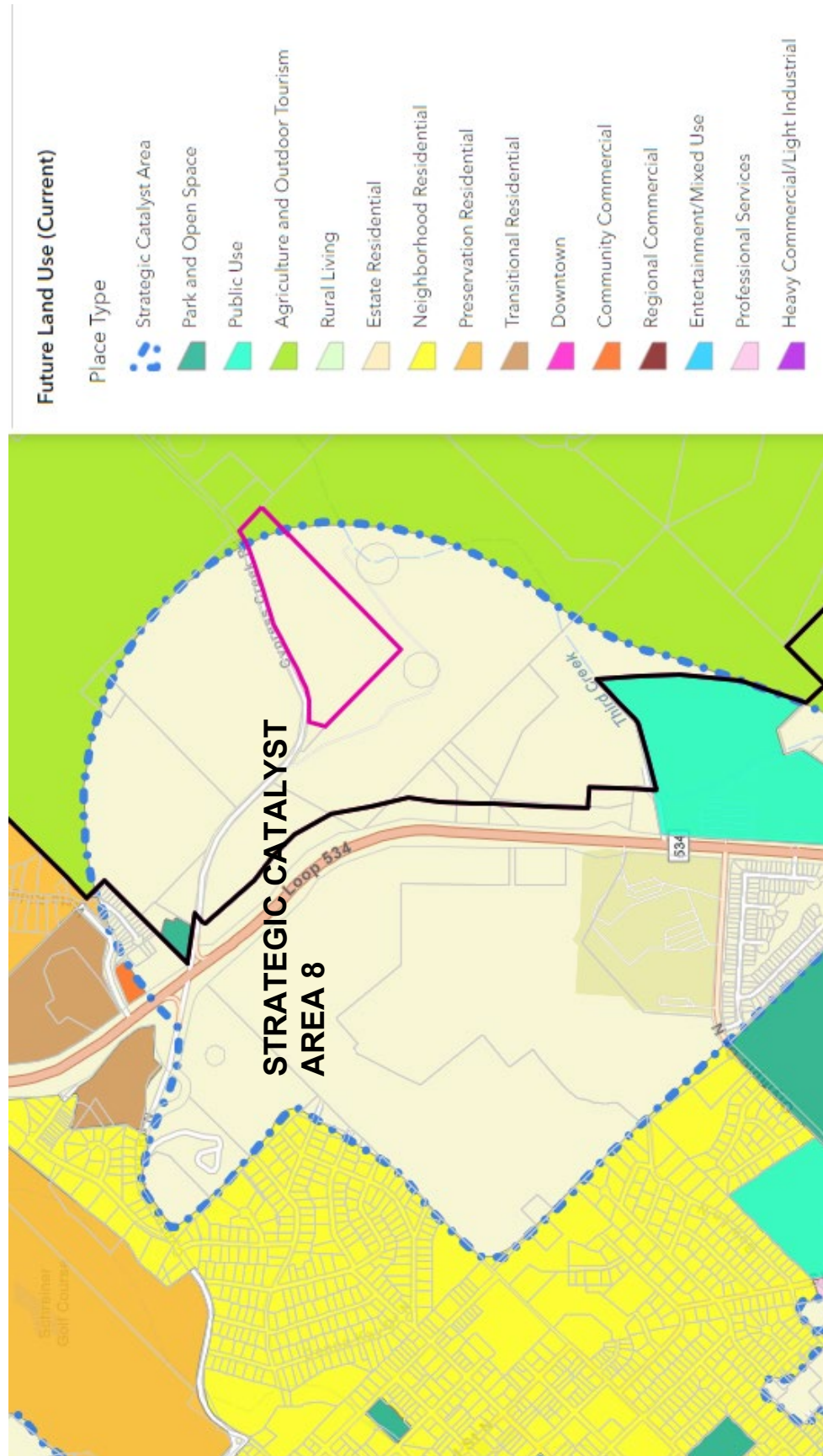
08/05/2024

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only approximate relative locations.



Zoning District (Current)

- RE Estate Residential
- R-1 Single-Family Residential
- R-1A Single-Family Residential with Accessory Dwelling Unit
- R-2 Medium Density Residential
- R-3 Multifamily Residential
- RM Residential Mix
- RT Residential Transition
- C-1 Neighborhood Commercial
- C-2 Light Commercial
- C-3 General Commercial
- IM Industrial and Manufacturing
- DAC Downtown Arts and Culture
- MU Mixed Use
- PD Planned Development
- PI Public and Institutional
- AD Airport
- AG Agriculture
- DC Downtown Core





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

SUBJECT: Ordinance No. 2024-27. An Ordinance amending Ordinance Nos. 2001-23 and 2016-05, which created and later amended, respectively, a Planned Development District (PDD) pursuant to the City's Zoning Code; by changing the zoning of Lot 1, Block 2, Kerrville Airport Commerce Park Phase 1, a Subdivision within the City of Kerrville, Texas; the property more commonly known as 101 Airport Commerce Parkway; from being part of the PDD to a Light Commercial (C-2) Zoning District; ordering publication; and providing other matters relating to the subject. *(D Paxton, Director of Planning & Development)*

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Drew Paxton, Director of Planning & Development

EXHIBITS: *Ordinance No. 2024-27, 101 Airport Commerce Parkway C2 zone
Current zoning 101 Airport Commerce Park
Future Land Use 101 Airport Commerce Park*

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

| | | |
|-----------------------------|---|--|
| Kerrville 2050 Item? | Yes: <input checked="" type="checkbox"/> | No: <input checked="" type="checkbox"/> |
| Key Priority Area | Choose an item. | |

SUMMARY STATEMENT:

Proposal: An Ordinance to change the zoning from Planned Development District, PD 16-05 to C-2 Light Commercial on approximately 2.41 acres, more commonly known as 101 Airport Commerce Parkway.

The applicant would like to change the zoning from PD to C-2 to allow more flexibility for future development, in particular, the possibility of accessing this property directly from Hwy 27 should it be permitted by TxDOT. As currently permitted through the PD this property is only accessible off of Airport Commerce Parkway The requested change to C-2 could also be considered a downsizing since the original PD permitted several uses that are only permitted in C-3, and IM zoning districts. Based on the existing PD permitted uses, surroundings uses, and future land use designations, the request seems reasonable.

Given the proximity to the airport, it is crucial to highlight that the new development must adhere to the outdoor lighting ordinance (dark sky lighting) and any height hazard restrictions. Compliance with these regulations will help address any concerns related to the development's location near the airport.

Procedural Requirements: The City, in accordance with state law, mailed 8 letters on 8/22/2024 to adjacent property owners. The City published a similar notice in the Hill Country Community Journal on 8/14/2024. In addition, a public hearing notification sign was posted on the property frontage on 8/23/2024. At the time of drafting this agenda bill, no public comment had been received.

Staff Analysis and Recommendation:

Consistency with the Kerrville 2025 Comprehensive Plan: The property is located within Strategic Catalyst Area 11 (SCA 11) characterized by the Kerrville Municipal

Airport and Hwy 27. Future growth will capitalize on the airport and its industrial space while keeping a careful eye on the effect of these activities on nearby neighborhoods. Allowable place types in this location include Heavy Commercial and Light Industrial. SCA 11 appears to support the requested zoning change since the change still include commercial uses. As such, this request is consistent with the goals of the Future Land Use Plan of the Kerrville 2050 Comprehensive Plan.

Adjacent Zoning and Land Uses:

Subject Property

Current Zoning: PD 16-05, Planned Development District

Existing Land Uses: Vacant

Direction: **North**

Current Zoning: AD Airport District

Existing Land: Hwy 27, Airport and Commercial Businesses

Direction: **South**

Current Zoning: PD 16-05, Planned Development District

Existing Land: Fox Tank Company

Direction: **West**

Current Zoning: IM Industrial & Manufacturing

Existing Land: Killdeer Mountain Manufacturing

Direction: **East**

Current Zoning: PD 16-05, Planned Development District

Existing Land: Vacant

Thoroughfare Plan: There is no impact to the thoroughfare system since the land use will likely be less intensive than originally planned.

Traffic Impact: If site access is granted to future development by TxDOT directly from Hwy 27, TxDOT will most likely request a traffic Impact Analysis (TIA). Any recommendations resulting from the TIA will need to be implemented by the developer and should mitigate any traffic impact concerns.

Parking: Any future development will need to meet current off-street parking requirements.

Recommendation: Based on consistency with the Kerrville 2050 Comprehensive Plan and the fact that the requested zoning change fits within the parameters of the existing PD, staff recommends the case for approval.

On September 5th, the Planning and Zoning Commission recommended approval with a unanimous vote.

RECOMMENDED ACTION:

Approve Ordinance No. 2024-27 on first reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2024-27**

AN ORDINANCE AMENDING ORDINANCE NOS. 2001-23 AND 2016-05, WHICH CREATED AND LATER AMENDED, RESPECTIVELY, A PLANNED DEVELOPMENT DISTRICT (PDD) PURSUANT TO THE CITY'S ZONING CODE; BY CHANGING THE ZONING OF LOT 1, BLOCK 2, KERRVILLE AIRPORT COMMERCE PARK PHASE 1, A SUBDIVISION WITHIN THE CITY OF KERRVILLE, TEXAS; THE PROPERTY MORE COMMONLY KNOWN AS 101 AIRPORT COMMERCE PARKWAY; FROM BEING PART OF THE PDD TO A LIGHT COMMERCIAL (C-2) ZONING DISTRICT; ORDERING PUBLICATION; AND PROVIDING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, pursuant to Texas Local Government Code Sections 211.006 and 211.007, the City of Kerrville, Texas (City) gave notice to all parties in interest and citizens by publication in the official newspaper for the City, and otherwise, of a hearing held before the City Council on October 8, 2024, which considered a report of the City's Planning and Zoning Commission regarding its recommendations on an ordinance, the adoption of which will result in the change of a zoning district for the property known as 101 Airport Commerce Parkway, specifically Lot 1, Block 2, Kerrville Airport Commerce Park Phase 1; such change to result in the removal of this property from a Planned Development District (PDD), as established by Ordinance No. 2001-03 and later amended by Ordinance No. 2016-05, to placement within a Light Commercial Zoning District (C-2); and

WHEREAS, on October 8, 2024, City Council held a public hearing on the zoning change referenced above pursuant to the published notice and has considered the application, comments, reports, and recommendations of the Planning and Zoning Commission and staff, public testimony, and other relevant support materials;

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

SECTION ONE. City Council amends the Zoning Code for the City of Kerrville, Texas, Chapter 60 of the Code of Ordinances of the City of Kerrville, Texas, and the *Official Zoning Map* and Ordinance Nos. 2001-03 and 2016-05, to designate the following described property zoned as a Light Commercial Zoning District (C-2):

Legal Description: All that certain tract or parcel of land, making up approximately 2.41 acres; lying and being situated within the City of Kerrville, Texas, and being Lot 1, Block 2, Kerrville Airport Commerce Park Phase 1, a subdivision of Kerr County, Texas; more particularly depicted at **Exhibit A**, as attached (the Property).

Address: 101 Airport Commerce Parkway, Kerrville, Texas 78028.

SECTION TWO. The City Manager shall amend the City's *Official Zoning Map* to reflect the change in districts adopted herein and to take other actions contemplated by and in accordance with the City's Zoning Code.

SECTION THREE. The provisions of this Ordinance are cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance, to include Ordinance Nos. 2001-03 and 2016-05, are expressly repealed to the extent of any such inconsistency or conflict as to the Property.

SECTION FOUR. The terms and provisions of this Ordinance shall be deemed to be severable in that if any portion of this Ordinance is declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

SECTION FIVE. Pursuant to Texas Local Government Code §52.013(a) and Section 3.07 of the City's Charter, the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

SECTION SIX. This Ordinance shall become effective immediately upon the expiration of ten days following publication, as provided for by Section 3.07 of the City Charter.

PASSED AND APPROVED ON FIRST READING, this the ____ day of _____, A.D., 2024.

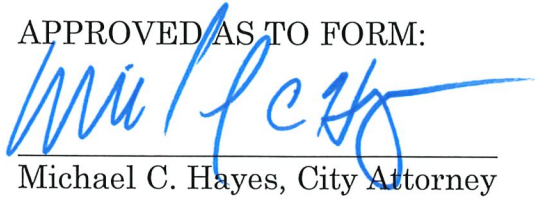
PASSED AND APPROVED ON SECOND AND FINAL READING, this the ____ of _____, A.D., 2024.

Joe Herring, Jr., Mayor

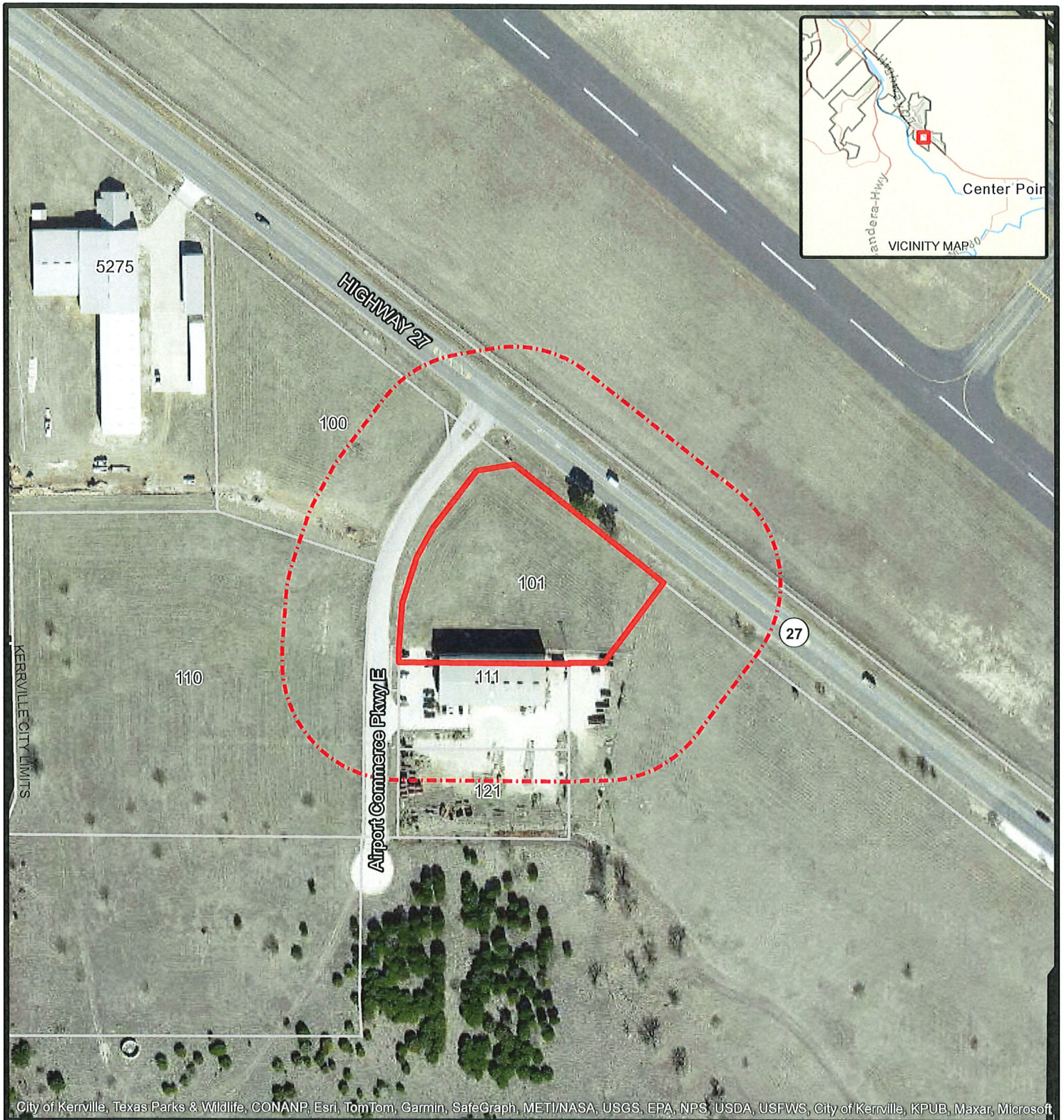
ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney





Location Map

Case # PZ-2024-25

Location:

101 Airport Commerce Pkwy E

Legend

-  Subject Properties
-  200 Feet Notification Area

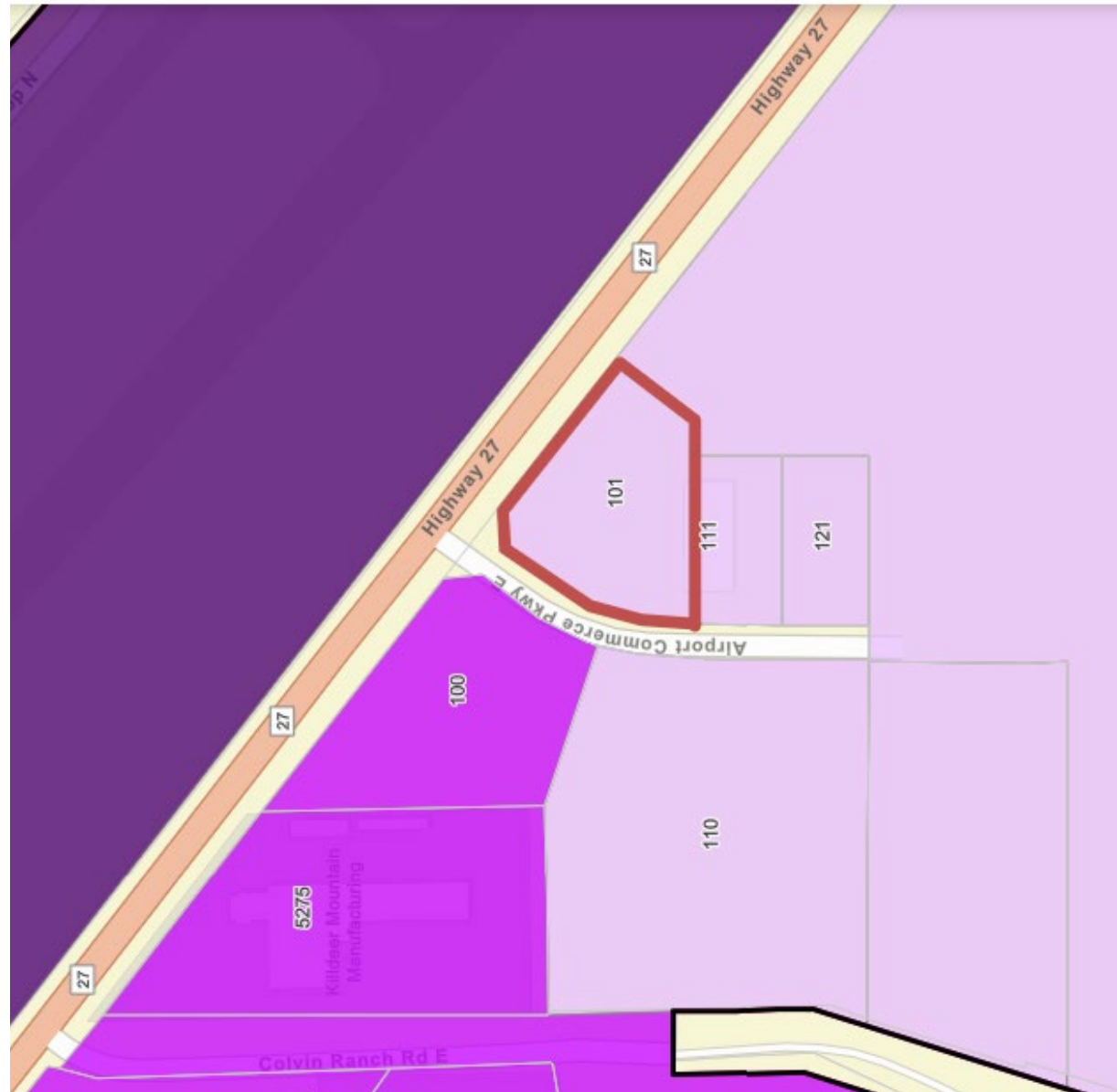


0 75 150 300

Scale In Feet

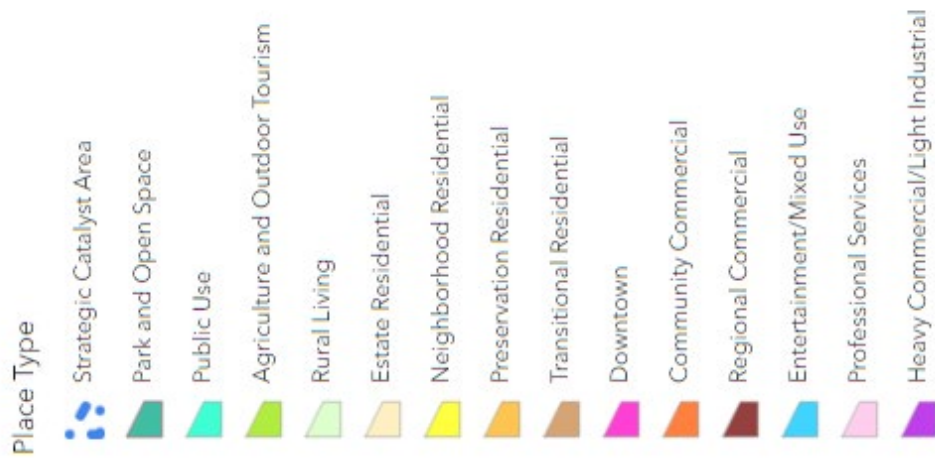
08/05/2024

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Future Land Use (Current)





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

SUBJECT: Ordinance No. 2024-28. An Ordinance approving a project and financing plan for Tax Increment Reinvestment Zone Number Two, City of Kerrville, Texas; making findings related to such plan; providing for severability; and providing an effective date. (*M Hornes, Assistant City Manager; J Behrens, Director of Finance*)

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Michael Hornes, Assistant City Manager
Julie Behrens, Director of Finance

EXHIBITS: *Ordinance No. 2024-28 TIRZ 2 Windridge
TIRZ 2 Windridge Presentation*

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: [Click or tap here to enter text.](#)

| | | |
|-----------------------------|---|-------------------------------------|
| Kerrville 2050 Item? | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/> |
| Key Priority Area | Housing | |

SUMMARY STATEMENT:

City Council adopted Ordinance #2023-30 creating TIRZ #2 (Windridge TIRZ) on 11-14-2023. Windridge TIRZ is geographically located on approximately 100 acres north of Olympic Drive behind Peterson Middle School. Windridge TIRZ was created to partially reimburse Lennar Homes for infrastructure costs involved in the process of developing the land for the construction of 490 single family residences. Council approved a development agreement with Lennar Homes, via Contract #2024-15, on 12-11-2023. The Windridge TIRZ Board met on 9-4-2024 and approved the final project and financing plan. City Council is being asked to consider this plan for approval. If approved, City staff will move forward with finalizing the TIRZ zone with the Comptroller.

RECOMMENDED ACTION:

Approve Ordinance No. 2024-28 on first reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2024-28**

**AN ORDINANCE APPROVING A PROJECT AND
FINANCING PLAN FOR TAX INCREMENT
REINVESTMENT ZONE NUMBER TWO, CITY OF
KERRVILLE, TEXAS; MAKING FINDINGS RELATED TO
SUCH PLAN; PROVIDING FOR SEVERABILITY; AND
PROVIDING AN EFFECTIVE DATE**

WHEREAS, as authorized by Chapter 311 of the Texas Tax Code (the “Act”) and pursuant to Ordinance No. 2023-30, adopted by the City Council of the City of Kerrville, Texas (the City) on November 14, 2024, the City created Tax Increment Reinvestment Zone Number Two, City of Kerrville, Texas (the Zone); and

WHEREAS, on September 4, 2024, the board of directors of the Zone (the Board) adopted a Project and Financing Plan for the Zone, attached as **Exhibit A**, as required by Section 311.011(a) of the Act;

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

SECTION ONE. FINDINGS. The City makes the following findings of fact:

- A. The statements and facts set forth in the recitals of this Ordinance are true and correct.
- B. The Plan includes all information required by Sections 311.011(b) and (c) of the Act.
- C. The Plan is feasible and the project plan conforms to the City’s Comprehensive Plan (*Kerrville 2050*).

SECTION TWO. APPROVAL OF PLAN. Based on the findings set forth in Section One of this Ordinance, the City approves the Plan.

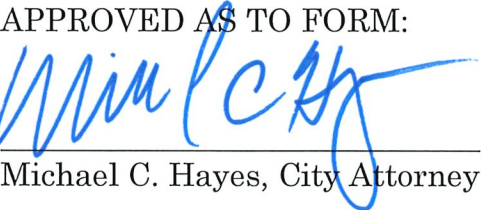
SECTION THREE. SEVERABILITY. If any portion, section, or part of a section of this Ordinance is subsequently declared invalid, inoperative, or void for any reason by a court of competent jurisdiction, the remaining portions, sections, or parts of sections of this Ordinance shall be and remain in full force and effect and shall not in any way be impaired or affected by such decision, opinion, or judgment.

SECTION FOUR. EFFECTIVE DATE. This Ordinance shall take effect immediately upon its adoption.

PASSED AND APPROVED ON FIRST READING, this the ____ day of _____ A.D., 2024.

PASSED AND APPROVED ON SECOND READING, this the ____ day of _____ A.D., 2024.

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:


Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

EXHIBIT A

CITY OF KERRVILLE, TEXAS TAX INCREMENT REINVESTMENT ZONE TWO PROJECT & FINANCING PLAN

Participation Levels:

City of Kerrville: 100%

Introduction

The City of Kerrville Tax Increment Reinvestment Zone Two (TIRZ #2) encompasses approximately 100.36 acres generally located along Loop 534 north of Olympic Drive and adjacent to Hal Peterson Middle School. The goal of the development of TIRZ #2 is to allow for partial reimbursement to a developer, Lennar Homes, for public infrastructure costs related to a new housing development focused on the construction of attainable housing. The new development will help satisfy a housing shortage in the City and support Kerrville 2050, the City's Comprehensive Plan, adopted by City Council in 2019. Workforce housing shortages are causing labor deficits to businesses in the City, especially in area schools, hospitals, and public safety departments. Because of the cost of infrastructure related to the project, without the TIRZ, this project would not be developed in a way to have near-term impact on the housing shortage. TIRZ #2 has a term of 30 years beginning January 1, 2024 and ending January 1, 2054.

Project Overview

TIRZ #2 will provide financing through increment (above the base year) collected from the Maintenance & Operations (M&O) portion of property tax collected from homes developed within the zone in accordance with both Ordinance 2023-30 and Development Agreement 2024-15. Increment will be used to repay the developer for infrastructure costs incurred during project development. Lennar Homes is expected to incur expenses in an approximate amount of \$32,803,576 related to infrastructure development required to implement the project plan. The project will include construction of 490 homes over the course of eight years to be priced between 80% and 120% of the Area Median Family Income (AMFI) within Kerr County, Texas, as annually established by the Texas Department of Housing and Community Affairs (TDHCA) Home Program. No persons will be displaced as a result of the implementation of this plan. Zoning changes were made to this property, which is currently unimproved, by Ordinance 2023-29, in the following ways:

- Annexing the portion of the property outside of the City of Kerrville city limits into the City
- Changing a portion of the property from an Agricultural District and Public and Institutional District to a Planned Development District allowing for residential use
- Changing a portion of the property from an Agricultural District and Public and Institutional District to a General Commercial District
- This project was presented to and approved by City Council as follows:

Ordinance #2023-29

| | |
|------------------------------------|-------------------|
| Public Hearing and First Reading: | October 10, 2023 |
| Final Approval and Second Reading: | November 14, 2023 |

Ordinance # 2023-30:

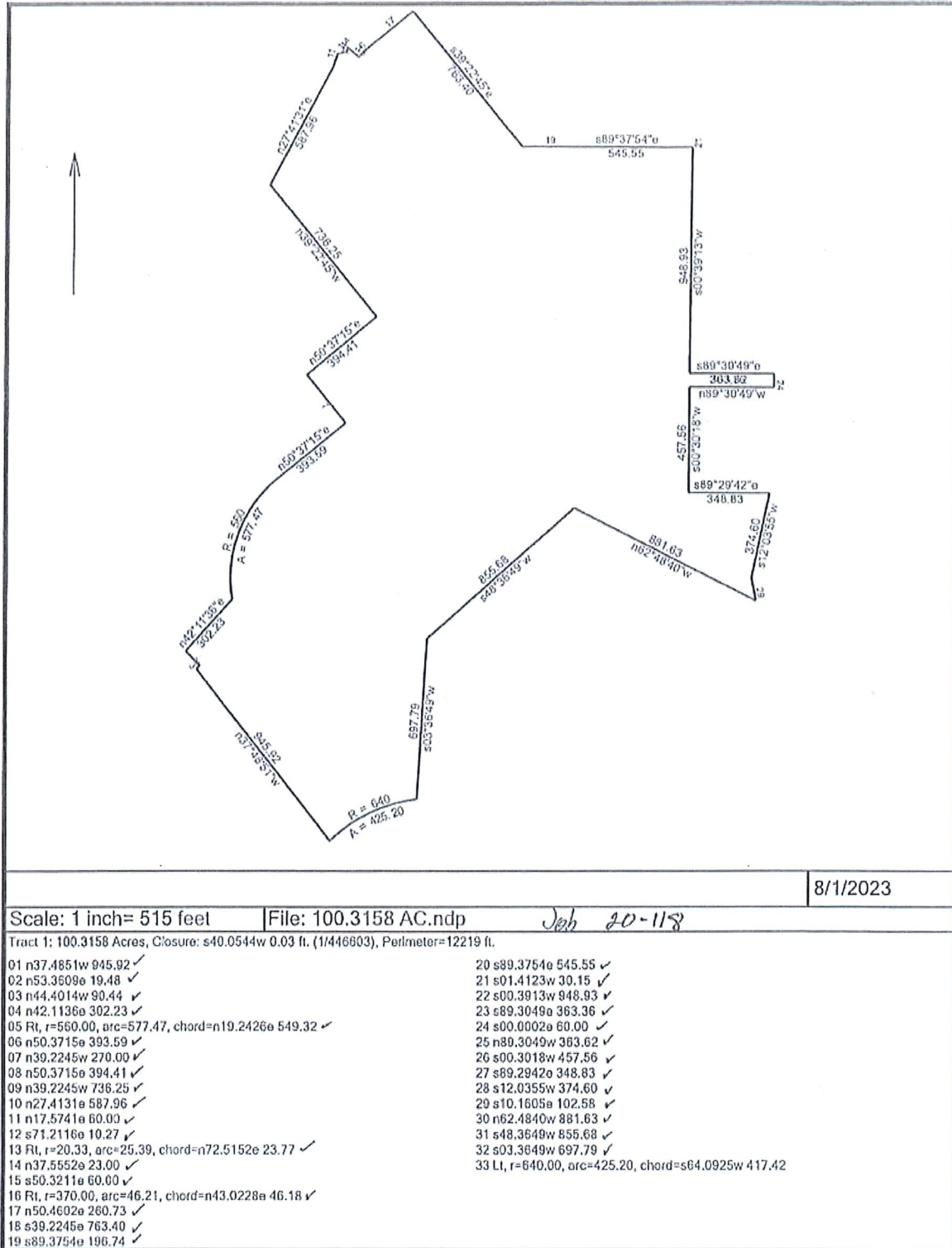
| | |
|------------------------------------|-------------------|
| Public Hearing and First Reading: | October 10, 2023 |
| Final Approval and Second Reading: | November 14, 2023 |

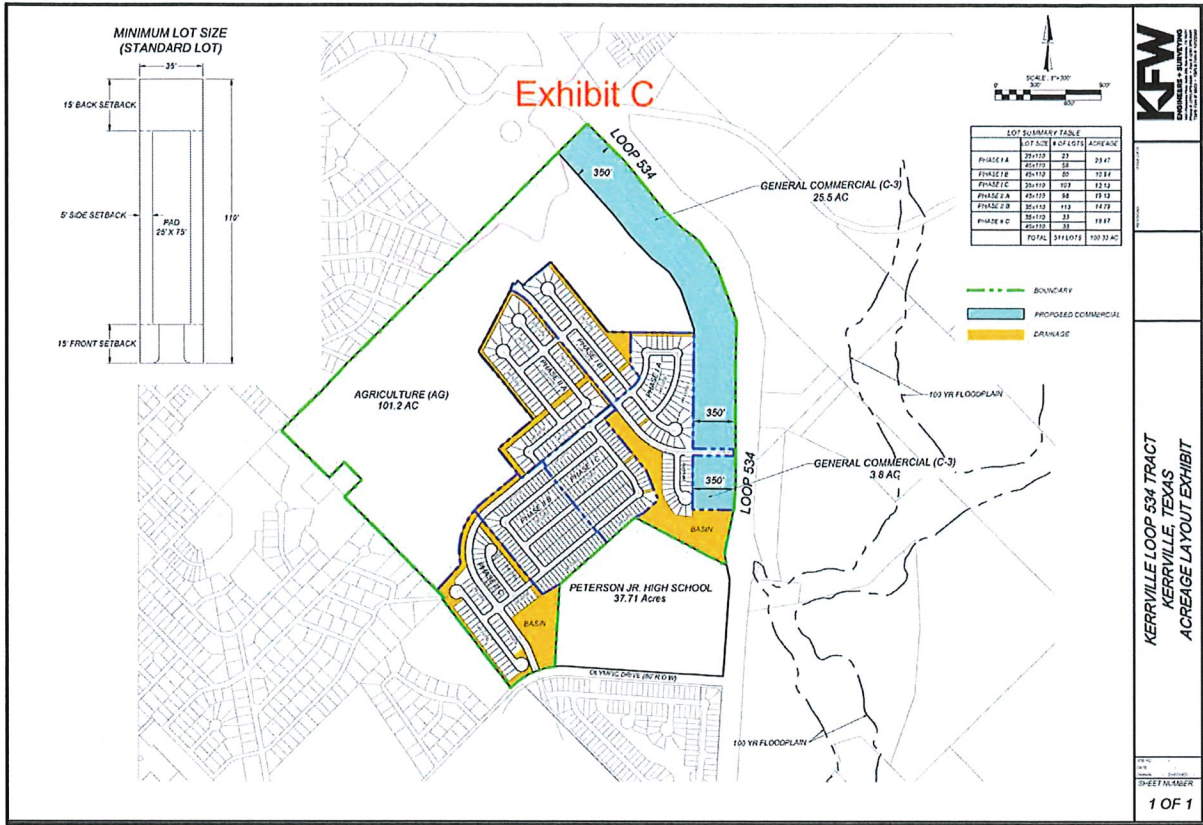
Development Agreement #2024-15:

| | |
|-----------|------------------|
| Approval: | January 23, 2024 |
|-----------|------------------|

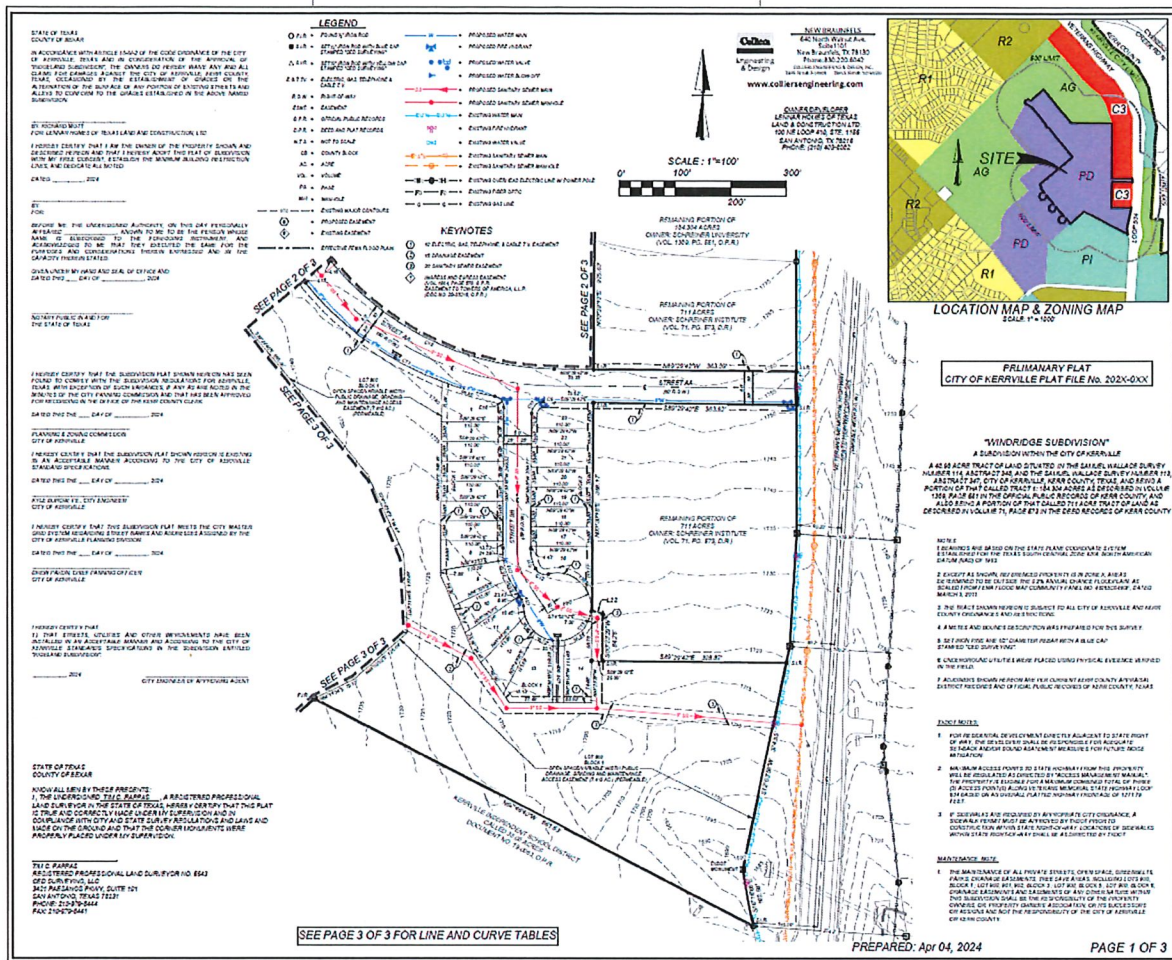
PROJECT MAPS

Exhibit B





Preliminary Platt





Windridge Subdivision Preliminary Plat Conditions of Approval

Conditions, per City Code, to be completed prior to submitting Civil Construction Plans:

- Approval of Adequate Facilities Plan
 - o Extend sewer and water to AG zoned property.
 - o Extend sewer in Street AA to serve future development.
 - o Extend water in Street AA to serve future development and to provide a loop for Street CC.
 - o Consider delaying construction of northern end of Street AA until needed for future development and install barricades at the intersection.
- Coordination with Fire to address the following:
 - o Accesses proposed for Street GG and Street FF need to meet the following:
 - D107.2 Remoteness
 - D107.1 Two separate fire apparatus access roads.

Conditions to be completed prior to submitting Final Plat:

- Approval of Civil Construction Plans

Conditions to be completed prior to recording Final Plat:

- Approval of Final Plat through P&Z
- Completion and approval of all civil construction improvements
- Payment of Parkland Dedication Fee

Conditions to be completed prior to submitting for Building Permits:

- Assignment of addresses for each single-family residential lot
- Recording of the Final Plat
- Completion and approval of all civil construction improvements related to fire safety
- Completion and operation of the Travis Booster Station

TIRZ Board

A board of directors for the Zone shall consist of seven (7) members. Lennar Homes selected each of the members and submitted names to City Council. City Council appointed Lennar's selections to the Board were approved by City Council on January 23, 2024. The Board shall make recommendations to City Council concerning the administration, management, and operation of the zone. The Board shall prepare and adopt a project plan and a financing plan for the zone and present plans to City Council for its approval. The Board shall perform all duties imposed upon it by Chapter 311 of the Texas Tax Code and all other applicable laws. The Board is not authorized to issue bonds, impose taxes or fees, exercise power of eminent domain or give final approval to project of finance plans of the zone. The Board must also act in accordance with applicable ordinances and agreements approved by City Council for the zone.

Plan of Finance

The tax year 2024 will be used to establish the base value of the TIRZ. The estimated appraised value of the TIRZ #2 is \$943,905. Official value will be updated once determined by Kerr Center Appraisal District upon completion of property division. Net Taxable Value will be considered the Base Value. Projected captured values that would be taxed to produce revenues to pay for the TIRZ expenses commenced the City's fiscal year 2024 with collections commencing in tax year 2024 (fiscal year 2025) in accordance with the City Council approved development agreement 2024-15 with Lennar Homes. Collections from the maintenance and operations (M&O) portion of property tax received from the defined geographical area will be deposited to the following funds as prescribed by Ordinance 2023-30:

City of Kerrville General Fund: 40%

City of Kerrville TIRZ #2 Fund: 60%

The City of Kerrville TIRZ Board may only use the City of Kerrville (City) contribution to the TIRZ Fund to pay expenditures to reimburse the developer for infrastructure costs incurred as provided within development agreement 2024-15. The developer (Lennar Homes) is entitled to reimbursement up to a maximum of \$27,803,576. Payment to the developer will be reimbursed at a rate of 60% of increment collected above the base year. The City will retain 40% in the general fund.

The TIRZ collections for this project shall begin on January 1, 2024 and shall not extend beyond January 1, 2054. The City of Kerrville is the only participating taxing entity and, as such, is participating at 100%. Pursuant to Chapter 311.012, of the Texas Tax Code, TIRZ #2 is determined to be economically feasible.

ADDITION OF PROPERTY TAX VALUATION PROVIDED BY DEVELOPER

| Development Assumptions Provided by Developer | | | | | | | Detail | | | |
|---|----------------|--------------------|----------------|-------------------|----------------|----------------------|-------------------|------------------------------|--------------------------------|----------------|
| Tax Year | Single Family | | | | | | Value of Homes | Projected Total Values | Cummulative Total Values | Fiscal Year |
| | 2.5 du/acre | Number of Homes | 3.5 du/acre | Value of Homes | 4.5 du/acre | Home Value to TAV | | | | |
| 2024 | - | - | - | - | - | - | - | - | - | 2025 |
| 2025 | - | 72 | - | 285,000 | - | 95% | - | 19,494,000 | 19,494,000 | 2026 |
| 2026 | - | 72 | - | 285,000 | - | 95% | - | 19,494,000 | 38,988,000 | 2027 |
| 2027 | - | 72 | - | 285,000 | - | 95% | - | 19,494,000 | 58,482,000 | 2028 |
| 2028 | - | 72 | - | 285,000 | - | 95% | - | 19,494,000 | 77,976,000 | 2029 |
| 2029 | - | 72 | - | 285,000 | - | 95% | - | 19,494,000 | 97,470,000 | 2030 |
| 2030 | - | 72 | - | 285,000 | - | 95% | - | 19,494,000 | 116,964,000 | 2031 |
| 2031 | - | 72 | - | 285,000 | - | 95% | - | 19,494,000 | 136,458,000 | 2032 |
| 2032 | - | 46 | - | 285,000 | - | 95% | - | 12,454,500 | 148,912,500 | 2033 |
| 2033 | - | - | - | - | - | - | - | - | 148,912,500 | 2034 |
| 2034 | - | - | - | - | - | - | - | - | 148,912,500 | 2035 |
| 2035 | - | - | - | - | - | - | - | - | 148,912,500 | 2036 |
| 2036 | - | - | - | - | - | - | - | - | 148,912,500 | 2037 |
| 2037 | - | - | - | - | - | - | - | - | 148,912,500 | 2038 |
| 2038 | - | - | - | - | - | - | - | - | 148,912,500 | 2039 |
| 2039 | - | - | - | - | - | - | - | - | 148,912,500 | 2040 |
| 2040 | - | - | - | - | - | - | - | - | 148,912,500 | 2041 |
| 2041 | - | - | - | - | - | - | - | - | 148,912,500 | 2042 |
| 2042 | - | - | - | - | - | - | - | - | 148,912,500 | 2043 |
| 2043 | - | - | - | - | - | - | - | - | 148,912,500 | 2044 |
| 2044 | - | - | - | - | - | - | - | - | 148,912,500 | 2045 |
| 2045 | - | - | - | - | - | - | - | - | 148,912,500 | 2046 |
| 2046 | - | - | - | - | - | - | - | - | 148,912,500 | 2047 |
| 2047 | - | - | - | - | - | - | - | - | 148,912,500 | 2048 |
| 2048 | - | - | - | - | - | - | - | - | 148,912,500 | 2049 |
| 2049 | - | - | - | - | - | - | - | - | 148,912,500 | 2050 |
| 2050 | - | - | - | - | - | - | - | - | 148,912,500 | 2051 |
| 2051 | - | - | - | - | - | - | - | - | 148,912,500 | 2052 |

550

\$ 148,912,500

Other Assumptions

| | |
|----------------------------|-----------|
| City M&O Tax Rate (2024) | \$ 0.4185 |
| County M&O Tax Rate (2023) | \$ - |

Allocations of City Tax Rate on Incremental Values

| | |
|-----------|-----|
| City | 40% |
| Developer | 60% |

Allocations of County Tax Rate on Incremental Values

| | |
|-----------|----|
| County | 0% |
| Developer | 0% |

| | |
|----------------------------|-------|
| Ad Valorem Tax Collections | 98.5% |
|----------------------------|-------|

| | |
|---------------------------|-----|
| Home Value Applied to TAV | 95% |
|---------------------------|-----|

| | |
|----------------------|-------|
| Home Value Escalator | 1.00% |
|----------------------|-------|

PROJECTED REVENUES BASED ON ESTIMATED VALUATION

| FISCAL YEAR | PROJECTED CUMMULATIVE TAXABLE ASSESSED VALUE | GROWTH RATE | INCREMENTAL GROWTH IN ASSESSED VALUE | PROJECTED ANNUAL CITY REVENUE 40% | PROJECTED ANNUAL REBATE TO DEVELOPER 60% | TOTAL PROJECTED REVENUE |
|----------------|---|----------------|--|--|---|-------------------------------|
| 2025 | - | - | - | - | - | - |
| 2026 | 19,494,000 | | 19,494,000 | 32,143 | 48,215 | 80,359 |
| 2027 | 39,182,940 | 101% | 19,688,940 | 64,608 | 96,913 | 161,521 |
| 2028 | 59,068,769 | 51% | 19,885,829 | 97,398 | 146,097 | 243,495 |
| 2029 | 79,153,457 | 34% | 20,084,688 | 130,515 | 195,773 | 326,288 |
| 2030 | 99,438,992 | 26% | 20,285,535 | 163,964 | 245,946 | 409,910 |
| 2031 | 119,927,382 | 21% | 20,488,390 | 197,747 | 296,621 | 494,368 |
| 2032 | 140,620,655 | 17% | 20,693,274 | 231,868 | 347,802 | 579,670 |
| 2033 | 154,481,362 | 10% | 13,860,707 | 254,723 | 382,084 | 636,807 |
| 2034 | 156,026,176 | 1% | 1,544,814 | 257,270 | 385,905 | 643,175 |
| 2035 | 157,586,437 | 1% | 1,560,262 | 259,843 | 389,764 | 649,607 |
| 2036 | 159,162,302 | 1% | 1,575,864 | 262,441 | 393,662 | 656,103 |
| 2037 | 160,753,925 | 1% | 1,591,623 | 265,066 | 397,598 | 662,664 |
| 2038 | 162,361,464 | 1% | 1,607,539 | 267,716 | 401,574 | 669,290 |
| 2039 | 163,985,079 | 1% | 1,623,615 | 270,393 | 405,590 | 675,983 |
| 2040 | 165,624,929 | 1% | 1,639,851 | 273,097 | 409,646 | 682,743 |
| 2041 | 167,281,179 | 1% | 1,656,249 | 275,828 | 413,742 | 689,571 |
| 2042 | 168,953,990 | 1% | 1,672,812 | 278,587 | 417,880 | 696,466 |
| 2043 | 170,643,530 | 1% | 1,689,540 | 281,372 | 422,059 | 703,431 |
| 2044 | 172,349,966 | 1% | 1,706,435 | 284,186 | 426,279 | 710,465 |
| 2045 | 174,073,465 | 1% | 1,723,500 | 287,028 | 430,542 | 717,570 |
| 2046 | 175,814,200 | 1% | 1,740,735 | 289,898 | 434,847 | 724,746 |
| 2047 | 177,572,342 | 1% | 1,758,142 | 292,797 | 439,196 | 731,993 |
| 2048 | 179,348,065 | 1% | 1,775,723 | 295,725 | 443,588 | 739,313 |
| 2049 | 181,141,546 | 1% | 1,793,481 | 298,682 | 448,024 | 746,706 |
| 2050 | 182,952,962 | 1% | 1,811,415 | 301,669 | 452,504 | 754,173 |
| 2051 | 184,782,491 | 1% | 1,829,530 | 304,686 | 457,029 | 761,715 |
| 2052 | 186,630,316 | 1% | 1,847,825 | 307,733 | 461,599 | 769,332 |
| 2053 | 188,496,619 | 1% | 1,866,303 | 310,810 | 466,215 | 777,025 |
| 2054 | 190,381,585 | 1% | 1,884,966 | 313,918 | 470,877 | 784,796 |
| TOTAL | | | | \$ 7,151,714 | \$ 10,727,571 | \$ 17,879,286 |

Footnotes

Taxable Assessed Values Provided by Developer
Does not impact Debt Fund

LOCATION OF PROPOSED PUBLIC INFRASTRUCTURE WITH ESTIMATED DEVELOPMENT COST PROVIDED BY DEVELOPER

Windridge Opinion of Probable Cost (Phase 1A, 1B, 1C, 2A, 2B, & 2C)

| Phase 1A OPC (Unit 1A) | |
|---------------------------------------|-----------------------|
| Lots: | 81 |
| Unit 1A Acreage | 23.47 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$564,186.32 |
| Street & Drainage | \$1,467,359.47 |
| Water | \$281,361.66 |
| Sewer | \$378,930.18 |
| SWPPP | \$25,000.00 |
| Platting Costs | \$4,480.00 |
| Other Construction Costs | \$695,750.00 |
| Total Improvements & Costs | \$3,417,067.63 |
| 3% Mobilization | \$102,512.03 |
| 1% Testing | \$34,170.68 |
| 1% Geotech | \$34,170.68 |
| 10% Contingency | \$341,706.76 |
| 10% Eng. Cost | \$341,706.76 |
| Total OPC for Unit 1A | \$4,271,334.54 |

| Phase 1B OPC (Unit 1B) | |
|---------------------------------------|-----------------------|
| Lots: | 50 |
| Unit 1B Acreage | 10.94 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$336,444.75 |
| Street & Drainage | \$1,029,148.33 |
| Water | \$183,703.84 |
| Sewer | \$201,263.27 |
| SWPPP | \$19,700.00 |
| Platting Costs | \$3,550.00 |
| Other Construction Costs | \$425,500.00 |
| Total Improvements & Costs | \$2,199,310.19 |
| 3% Mobilization | \$65,979.31 |
| 1% Testing | \$21,993.10 |
| 1% Geotech | \$21,993.10 |
| 10% Contingency | \$219,931.02 |
| 10% Eng. Cost | \$219,931.02 |
| Total OPC for Unit 1B | \$2,749,137.74 |

| Phase 1C OPC (Unit 1C) | |
|---------------------------------------|-----------------------|
| Lots: | 103 |
| Unit 1C Acreage | 13.13 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$661,740.36 |
| Street & Drainage | \$1,154,512.14 |
| Water | \$319,155.83 |
| Sewer | \$420,347.54 |
| SWPPP | \$20,600.00 |
| Platting Costs | \$5,140.00 |
| Other Construction Costs | \$864,750.00 |
| Total Improvements & Costs | \$3,446,245.87 |
| 3% Mobilization | \$103,387.38 |
| 1% Testing | \$34,462.46 |
| 1% Geotech | \$34,462.46 |
| 10% Contingency | \$344,624.59 |
| 10% Eng. Cost | \$344,624.59 |
| Total OPC for Unit 1C | \$4,307,807.34 |

| Offsite OPC's | |
|---------------------------|-----------------------|
| Improvements | Total Cost |
| Street & Drainage | \$4,150,192.20 |
| Water | \$684,277.50 |
| Sewer | \$638,687.23 |
| Total Improvements | \$5,473,156.93 |
| 3% Mobilization | \$164,194.71 |
| 10% Contingency | \$547,315.69 |
| 10% Eng. Cost | \$547,315.69 |
| Total Offsite OPC | \$6,731,983.02 |

| Total Project Cost | |
|---------------------------------------|------------------------|
| Lots: | 511 |
| Total Acreage | 100.33 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$3,400,265.65 |
| Street & Drainage | \$13,257,525.13 |
| Water | \$2,336,569.46 |
| Sewer | \$2,811,941.14 |
| SWPPP | \$162,750.00 |
| Platting Costs | \$27,630.00 |
| Other Construction Costs | \$4,333,750.00 |
| Total Improvements & Costs | \$26,330,431.38 |
| 3% Mobilization | \$789,912.94 |
| Testing | \$208,572.74 |
| Geotech | \$208,572.74 |
| 10% Contingency | \$2,633,043.14 |
| 10% Eng. Cost | \$2,633,043.14 |
| Total Cost of Project | \$32,803,576.09 |

| Phase 2A OPC (Unit 2A) | |
|---------------------------------------|-----------------------|
| Lots: | 98 |
| Unit 2A Acreage | 19.13 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$651,728.34 |
| Street & Drainage | \$2,092,655.41 |
| Water | \$355,425.10 |
| Sewer | \$433,596.51 |
| SWPPP | \$38,350.00 |
| Platting Costs | \$4,990.00 |
| Other Construction Costs | \$837,000.00 |
| Total Improvements & Costs | \$4,413,745.36 |
| 3% Mobilization | \$132,412.36 |
| 1% Testing | \$44,137.45 |
| 1% Geotech | \$44,137.45 |
| 10% Contingency | \$441,374.54 |
| 10% Eng. Cost | \$441,374.54 |
| Total OPC for Unit 2A | \$5,517,181.70 |

| Phase 2B OPC (Unit 2B) | |
|---------------------------------------|-----------------------|
| Lots: | 113 |
| Unit 2B Acreage | 14.79 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$727,303.68 |
| Street & Drainage | \$1,084,641.94 |
| Water | \$294,278.61 |
| Sewer | \$444,675.74 |
| SWPPP | \$23,550.00 |
| Platting Costs | \$5,440.00 |
| Other Construction Costs | \$940,750.00 |
| Total Improvements & Costs | \$3,520,639.97 |
| 3% Mobilization | \$105,619.20 |
| 1% Testing | \$35,206.40 |
| 1% Geotech | \$35,206.40 |
| 10% Contingency | \$352,064.00 |
| 10% Eng. Cost | \$352,064.00 |
| Total OPC for Unit 2B | \$4,400,799.96 |

| Phase 2C OPC (Unit 2C) | |
|---------------------------------------|-----------------------|
| Lots: | 66 |
| Unit 2C Acreage | 18.87 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$458,862.20 |
| Street & Drainage | \$2,279,015.64 |
| Water | \$218,366.92 |
| Sewer | \$294,440.67 |
| SWPPP | \$35,550.00 |
| Platting Costs | \$4,030.00 |
| Other Construction Costs | \$570,000.00 |
| Total Improvements & Costs | \$3,860,265.43 |
| 3% Mobilization | \$115,807.96 |
| 1% Testing | \$38,602.65 |
| 1% Geotech | \$38,602.65 |
| 10% Contingency | \$386,026.54 |
| 10% Eng. Cost | \$386,026.54 |
| Total OPC for Unit 2C | \$4,825,331.79 |

Conclusion

Workforce housing is an issue that the City has been heavily focused on in recent years and is outlined in the City's Comprehensive Plan. Workforce shortages continue to be attributed to a lack of attainable housing in the area. This project will provide one solution to this problem. Without the creation of the TIRZ and the financing allowed by the zone, this property would not create a solution to the workforce housing issue in the near-term. The TIRZ #2 is in compliance with Tax Code 311.008 by encouraging future residential development.



Agenda

- Tacos
- Current CIP project issues (contracts for architecture being worked on with legal)
 - Need some dashboard showing progress/status
- Priority items from Departments for beginning of Fiscal Year
- Monthly reports to Michael by end of first week of the month

Parks and Recreation

- Downtown RiverTrail project for now and work to obtain easements all the way to G. Street for TXDoT transportation alternatives grant. Deadline December
 - Need to begin easement acquisition – funding through Sidewalks or Park Dedication for easements and survey
- Granger MacDonald/GRC
 - A little rocky
 - Grant application with GRC consultant
 - Golf contracts status, Guadalupe/KSP equipment, Disc Golf
 - KUTS/Schreiner Trail
 - Updates

Public Works

- Utility code updates to Council for the first meeting in November, Drainage Manual, Construction Standards to follow
- Lois Tank meeting with Walker Engineering
- Travis Pump Station status with TCEQ
- Al Mooney Road
- Reuse analysis for Whiskey Springs

Development Services

- Drew on the Lead this morning

Management Analyst

- Downtown Main Street festival?
- Grantworks conversations, CIP lists

CIP Projects Updates

CIP 5 year planning will begin soon, in time for budget discussion next year.

- 1 year, 2-5 year, 6-10 year



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Tax Increment Reinvestment Zone #2 (Windridge TIRZ)



1



Tax Increment Reinvestment Zone #2 (Windridge TIRZ)



- TIRZ Concept & Process
- Overview of Windridge TIRZ
- Proposed Project & Financing Plan
- Next Steps

2

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is a TIRZ?

- Tax Increment Financing (TIF) is a tool that incentivizes economic development within a Tax Increment Reinvestment Zone (TIRZ).
- Governed by Tax Code, Chapter 311
- Refers to specific geographical area
- Taxing entities can have multiple TIRZs
- Over 350 TIRZs have been created in the state of Texas
- Cities, alone or in partnership with other taxing units, can use this tool to pay for improvements in a zone so it will attract new development, facilitate investment, and bring excitement and energy to a designated area

3

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is a TIRZ?

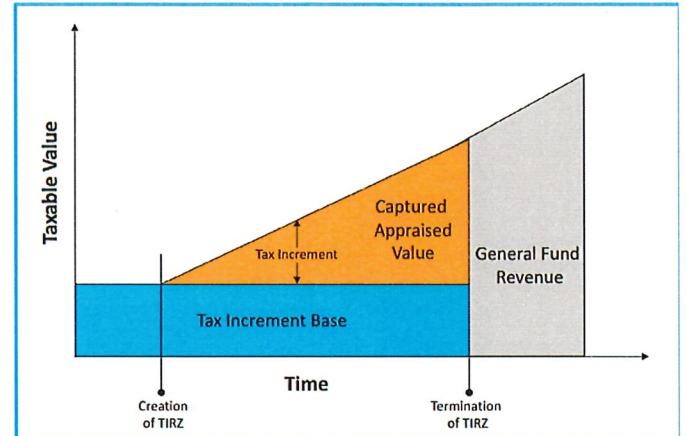
- Taxing entities contribute ad valorem taxes received from incremental value increases on property within the TIRZ.
- A TIRZ can pay for:
 - cost of public works;
 - public improvements;
 - economic development programs (including public-private partnerships for attainable housing; or
 - other projects benefiting the zone

4

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is Increment?

- Value difference between “current” tax year and base tax year
- Increment can grow in two ways
 - New Construction / New Development
 - Appreciation of property
- Determining increment:
 - Current Year Value – Base Year Value
 - Base Year Value is not considered when determining revenue for TIRZ
- Taxing entity retained percentages are negotiated and can vary depending on purpose of TIRZ



Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

How is a TIRZ Formed?

- Chapter 311 outlines the various procedures for creating and amending a TIF.
 - Two main documents:
 - Creation of ordinance; and
 - TIF Project and Financing Plan
 - Ordinance (#2023-30) establishes four key elements:
 - Boundary
 - Term
 - TIF Board
 - Preliminary Project and Financing Plan
- Upon TIF creation the Final Project and Financing Plan is approved by the TIF Board and by City Council by ordinance

TIRZ ANNUAL REPORTING REQUIREMENTS

What reporting is required?

- Section 311.016 of Texas Tax Code Requires every TIRZ to file an annual report
 - On or before the 150th day following the end of the fiscal year
- The report must include:
 - (1) the amount and source of revenue in the tax increment fund established for the zone;
 - (2) the amount and purpose of expenditures from the fund;
 - (3) the amount of principal and interest due on outstanding bonded indebtedness;
 - (4) the tax increment base and current captured appraised value retained by the zone; and
 - (5) the captured appraised value shared by the municipality or county and other taxing units, the total amount of tax increments received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality or county.
- (b) The municipality or county shall send a copy of a report made under this section to the comptroller.

7

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What action has been taken?

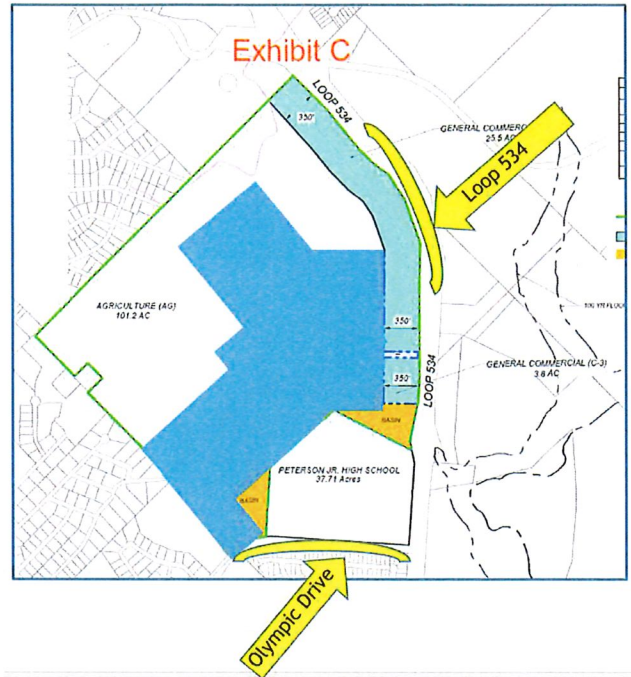
- 11-14-2023 City Council adopted Ordinance #2023-29 annexing property encompassing TIRZ geographical area
- 11-14-2023 City Council approved Ordinance #2023-30 creating the TIRZ
- 12-11-2023 EIC approved Contract #2023-147 granting \$5M for infrastructure
- 12-12-2023 City Council approved Contract #2023-147 (EIC Grant Agreement)
- 1-23-2024 City Council approved Development Agreement #2024-15 with Lennar

8

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is Windridge TIRZ Project Plan?

- Goal:
 - Partially reimburse developer for infrastructure costs related to a new housing development.
 - Development will be heavily focused on the construction of attainable housing.
- Includes approximately 100 acres located north of Olympic Drive
- Lennar Homes is committed to the construction of a minimum of 490 single family residences (Development Agreement #2024-15)
 - Minimum lot size 35'



Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is Windridge TIRZ Project Plan?



Gannes D



Fullerton B



Pitney C



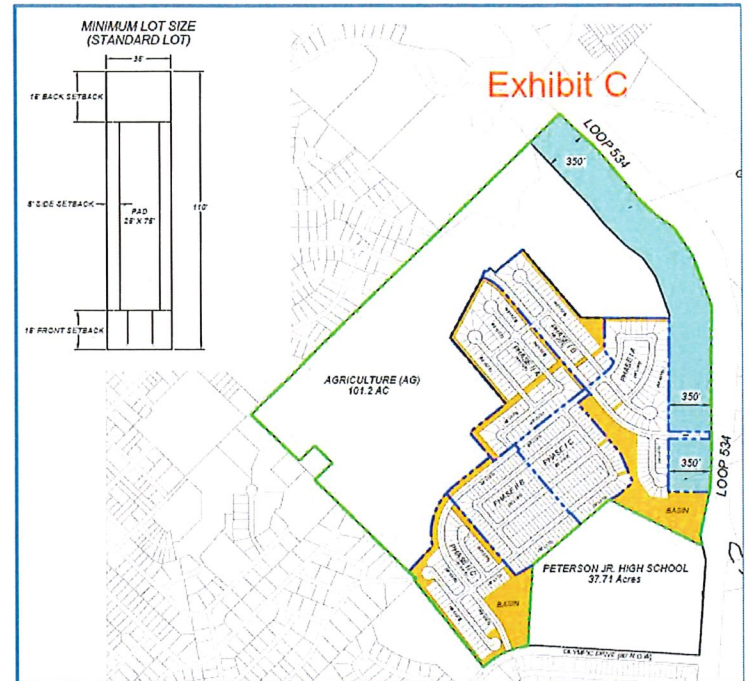
Selsey A

*More examples and floor plans included in packet

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is Windridge TIRZ Project Plan?

- Homes not to exceed sales pricing limits established annually by the Texas Department of Housing and Community Affairs (TDHCA) Home Program
- Title 10, Texas Government Code, Chapter 2306
- Between 80% - 120% of Area Median Family Income (AMFI)
- Current limit in Kerr County \$275,000 (as of July 2023)

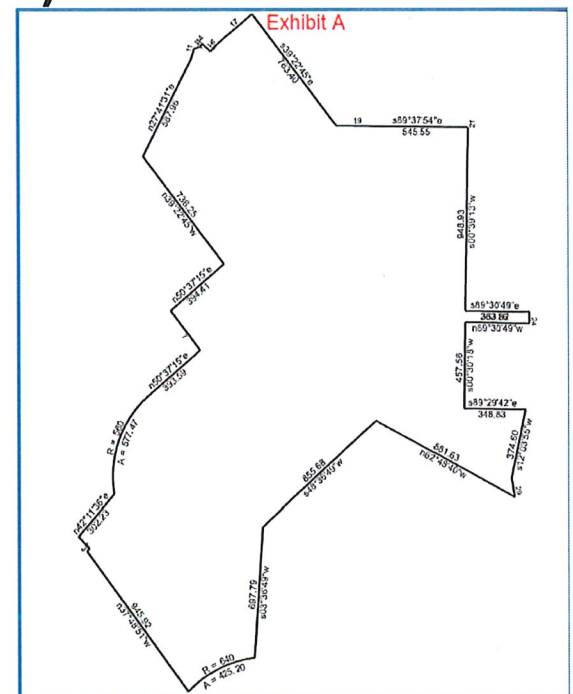


Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What are geographical boundaries?

Tract 1: 100.3158 Acres, Closure: s40.0544w 0.03 ft. (11446603), Perimeter=12219 ft.

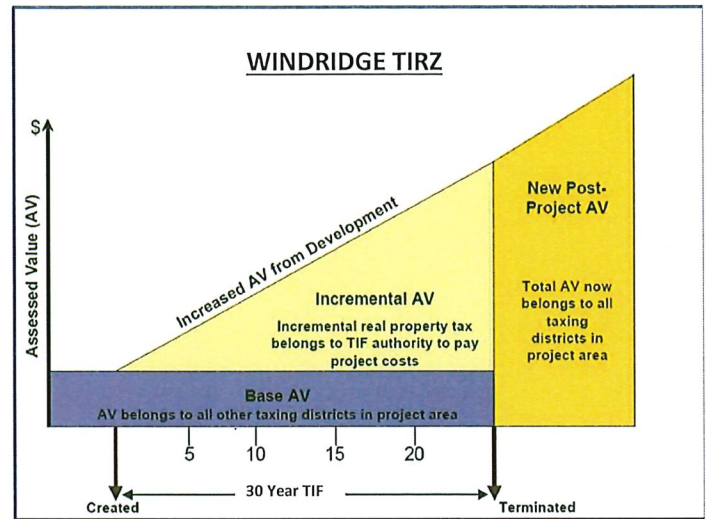
| | |
|---|---|
| 01 n37.4851w 945.92 ✓ | 20 s89.3754e 545.55 ✓ |
| 02 s53.3609e 19.48 ✓ | 21 s01.4123w 30.15 ✓ |
| 03 n44.4014w 90.44 ✓ | 22 s00.3913w 948.93 ✓ |
| 04 n42.1136e 302.23 ✓ | 23 s89.3049e 363.36 ✓ |
| 05 Rt, r=560.00, arc=577.47, chord=n19.2426e 549.32 ✓ | 24 s00.0002e 60.00 ✓ |
| 06 s50.3715e 393.59 ✓ | 25 s89.3049w 363.62 ✓ |
| 07 n39.2245w 270.00 ✓ | 26 s00.3018w 457.56 ✓ |
| 08 s50.3715e 394.41 ✓ | 27 s89.2942e 348.83 ✓ |
| 09 n39.2245w 738.25 ✓ | 28 s12.0355w 374.60 ✓ |
| 10 n27.4131e 587.96 ✓ | 29 s10.1605e 102.58 ✓ |
| 11 n17.5741e 60.00 ✓ | 30 n62.4840w 881.63 ✓ |
| 12 s71.2116e 10.27 ✓ | 31 s48.3649w 855.68 ✓ |
| 13 Rt, r=20.33, arc=25.39, chord=n72.5152e 23.77 ✓ | 32 s03.3649w 697.79 ✓ |
| 14 n37.5552e 23.00 ✓ | 33 Lt, r=840.00, arc=425.20, chord=s64.0925w 417.42 |
| 15 s50.3211e 60.00 ✓ | |
| 16 Rt, r=370.00, arc=46.21, chord=n13.0228e 46.18 ✓ | |
| 17 n50.4502e 260.73 ✓ | |
| 18 s59.2245e 763.40 ✓ | |
| 19 s89.3754e 196.74 ✓ | |



Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is the cost?

- Base Year – Tax Year 2023 (official valuation established by Kerr Central Appraisal District)
- 30 year term
 - Ending December 31, 2053
- Increment Division (M&O Only)
 - 60% to developer
 - 40% to City
- Not to exceed \$27,803,576
 - Estimated infrastructure cost to developer: \$32,803,576
 - Estimated value of developed property: \$190M
 - Estimated Base Value: \$944K



Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What is the cost?

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| 2042 | 168,953,990 | 278,587 | 417,880 | 696,466 |
| 2043 | 170,643,530 | 281,372 | 422,059 | 703,431 |
| 2044 | 172,349,966 | 284,186 | 426,279 | 710,465 |
| 2045 | 174,073,465 | 287,028 | 430,542 | 717,570 |
| 2046 | 175,814,200 | 289,898 | 434,847 | 724,746 |
| 2047 | 177,572,342 | 292,797 | 439,196 | 731,993 |
| 2048 | 179,348,065 | 295,725 | 443,588 | 739,313 |
| 2049 | 181,141,546 | 298,682 | 448,024 | 746,706 |
| 2050 | 182,952,962 | 301,669 | 452,504 | 754,173 |
| 2051 | 184,782,491 | 304,686 | 457,029 | 761,715 |
| 2052 | 186,630,316 | 307,733 | 461,599 | 769,332 |
| 2053 | 188,496,619 | 310,810 | 466,215 | 777,025 |
| 2054 | 190,381,585 | 313,918 | 470,877 | 784,796 |
| TOTAL | | \$ 7,151,714 | \$ 10,727,571 | \$ 17,879,286 |

| Total Infrastructure Developer Investment | |
|---|---------------------|
| Lots: | 511 |
| Total Acreage | 100.33 |
| Improvements & Costs | Total Cost |
| Clearing & Grading | \$3,400,266 |
| Street & Drainage | \$13,257,525 |
| Water | \$2,336,569 |
| Sewer | \$2,811,941 |
| SWPPP | \$162,750 |
| Platting Costs | \$27,630 |
| Other Construction Costs | \$4,333,750 |
| Total Improvements & Costs | \$26,330,431 |
| 3% Mobilization | \$789,913 |
| Testing | \$208,573 |
| Geotech | \$208,573 |
| 10% Contingency | \$2,633,043 |
| 10% Eng. Cost | \$2,633,043 |
| Total Cost of Project | \$32,803,576 |

| Footnotes |
|--|
| Taxable Assessed Values Provided by Developer |
| Does not calculate impact of No New Tax Revenues |
| Does not impact Debt Fund |

Assumptions:

- Infrastructure in FY2025
- Construction of homes FY2025 & FY2026
- First housing units on tax roll FY2026
- Full development by FY2032-FY2033
- Increase to developer after build out will increase only due to growth in value
- Rebate projected to begin FY2026

| Assumptions | |
|-----------------|-----------|
| Home Value | \$285,000 |
| Exempt Value | 5% |
| M & O Rate | \$0.4185 |
| Growth Rate | 1% |
| Collection Rate | 98.50% |
| TIRZ Term | 30 Years |

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

What are next steps?

- TIRZ Board consider and approve Project & Financing Plan
- City Council consider and approve Project & Financing Plan
- Lennar to acquire property
- KCAD to establish official base value
- Documents filed with Comptroller to officially establish TIRZ
- Documents provided to KCAD & Kerr County Tax Assessor / Collector
 - KCAD to split values into separate property tax roll
 - Tax Assessor / Collector to record collections from the zone separately
- TIRZ Board to meet to approve project expenses
- Annual Report filed with Comptroller and presented to TIRZ Board and City Council

15

Tax Increment Reinvestment Zone #2 (Windridge TIRZ)

Questions?

16



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

SUBJECT: Economic Development Incentive Agreement between the City of Kerrville, TX and the Bluewood Hillside Heights, LP. *(This item is eligible for Executive Session 551.087) (M Hornes, Assistant City Manager)*

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS: *J Street – Bluewood Development Incentive Agreement
Reso 25-2024 Supporting Bluewood Apartment development
Bluewood Construction final budget
Tax Rebate 10-year calculation*

| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
|--------------|------------------|------------------|------------------|
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

| | | |
|-----------------------------|---|-------------------------------------|
| Kerrville 2050 Item? | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/> |
| Key Priority Area | Housing | |

SUMMARY STATEMENT:

On July 9, 2024, City Council approved Resolution No. 25-2024, which approved incentives for J Street Developer of Bluewood Multi-Family Apartments; a tax abatement not to exceed \$520,000. Staff is recommending a 10 year tax rebate as opposed to a tax abatement. The requested rebate would be as follows:

Year 1: 100%
Year 2: 90%
Year 3: 80%
Year 4: 70%
Year 5: 60%
Year 6: 50%
Year 7: 40%
Year 8: 30%
Year 9: 20%
Year 10: 10%

RECOMMENDED ACTION:

Approve Incentive Agreement, a 10 year tax rebate in an amount not to exceed \$520,000.

DRAFT 10/4/24

STATE OF TEXAS §
 § ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
COUNTY OF KERR §

This Economic Development Incentive Agreement (Agreement) is made by and between City of Kerrville (City), a Texas home rule municipality, and The Bluewood Hillside Heights, LP, (Company), a Texas limited partnership (each referenced herein as a Party and collectively as the Parties), acting by and through their respective authorized representatives.

WITNESSETH:

WHEREAS, Company has two decades of experience in developing office and multifamily projects leveraging an array of financing sources including regional banks and financing from the US Department of Housing and Urban Development; and

WHEREAS, Company owns or is under contract to purchase approximately 11.095 acres of land, described in **Exhibit A** (Land), and plans to build and operate a 273-unit multifamily residential development to be called “The Bluewood” (the Development), with rentals for several different models set at market rates; and

WHEREAS, Company estimates that development and construction costs for the Improvements to be \$55 Million, which will include a number of amenities for residents to use and enjoy, such as a pool, sport courts, and other gathering spaces; and

WHEREAS, Company has advised City that a contributing factor that would induce Company to purchase the Land and construct the Development would be an agreement by City to provide a Grant (hereinafter defined) to Company to defray a portion of the costs of the design and construction of the Development (hereinafter defined) and to provide Annual Grants (hereinafter defined); and

WHEREAS, City desires to encourage the development of a variety of types of market housing within City that will provide housing for a greater number of persons and families and add property tax base for City; and

WHEREAS, City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by City pursuant to and in accordance with those programs; and

WHEREAS, City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code Chapter 380 to provide economic development grants to promote local economic development and to stimulate business and commercial activity within the City's corporate limits; and

WHEREAS, City has determined that making economic development grants to Company in accordance with this Agreement is in accordance with City's Economic Development Program and will: (i) further the objectives of City; (ii) benefit City and City's citizens and employers; and (iii) will promote local economic development and stimulate business and commercial activity in City;

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article I Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

"Annual Grants" means: (i) ten (10) consecutive annual economic development grants to be paid by City to Company, each in an amount equal to the percentage of the M&O Property Taxes assessed by City against the Development and collected by City for the applicable Grant Year, as set forth in Section 2.2, below. Annual Grants shall not include any additional taxes and interest assessed against the Land pursuant to Tax Code Section 23.55. Notwithstanding anything herein to the contrary, the sum of the ten (10) Annual Grants paid pursuant to this Agreement shall not exceed Five Hundred and Twenty Thousand Dollars (\$520,000.00).

"Bankruptcy or Insolvency" means the dissolution or termination of a Party's existence as a going business, insolvency, appointment of receiver for any part of such Party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

"Commencement Date" means the date a certificate of occupancy is issued by City for the occupancy of the Improvements.

“Commencement of Construction” means that: (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for commencement of construction of the Development; (ii) all necessary permits for the commencement of construction of the Development, pursuant to the respective plans therefore have been issued by all the applicable governmental authorities; and (iii) clearing and/or grading of the Land and the construction of the vertical elements, to include foundations, of the Development has commenced.

“Company Affiliate” means a wholly owned and/or majority owned affiliate entity related to Company by direct or indirect common or overlapping majority ownership or control.

“Completion of Construction” means that: (i) substantial completion of the Improvements, excluding punch list items, and (ii) the City has issued a certificate of occupancy for occupancy of the Improvements.

“Development” means collectively the Land and the Improvements developed by Company and to be called “The Bluewood.”.

“Effective Date” means the date this Agreement bears the signatures of authorized representatives of all of the Parties, whether on the same document or in identical counterparts.

“Eligibility Period” means the period beginning with January 1 of the first calendar year following the Commencement Date and continuing through and including the December 31st prior to the tenth (10th) anniversary of the Commencement Date. For illustration purposes only, assume that the Commencement Date is December 1, 2024, then the Eligibility Period would begin January 1, 2025, and continue through and include December 31, 2034.

“Expiration Date” means the date of payment of the last of the Annual Grants, unless sooner terminated as provided herein.

“Fee Waiver Grant” means an economic development grant consisting of a credit against the amount of permit and development fees to be collected by City in relation to the development of the Land, inclusive of the construction of streets and other public improvements in association with the development of the Land, but not including water and wastewater (sewer) tap fees; and construction of the Improvements, including plan review fees, inspection fees relating to the construction of the public improvements, building permit and inspection fees, zoning application fees, and platting fees assessed against the Land and Development. In no case shall the credits constituting the Fee

Waiver Grant exceed Four Hundred and Eighty Thousand Dollars (\$480,000.00).

“Force Majeure” means any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the Party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns or work stoppages.

“Grant Year” means a given Tax Year, except with respect to the Annual Grants, the first Grant Year of which shall be the Tax Year beginning January 1 of the calendar year following the Commencement Date.

“Grants” collectively mean the Annual Grants and the Fee Waiver Grant.

“Impositions” means all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company or any property or any business owned by Company within City.

“Improvements” means a multifamily residential development consisting of (i) 273 multi-family dwelling units rented at market rate, consisting of one, two, and three bedroom models; (ii) amenities constructed and maintained for the use of residents of the Development, to include a pool, sport courts, and other gathering spaces; and (iii) all required parking and landscaping; all of which is constructed on the Land and more fully described in the submittals filed by Company to City from time to time in order to obtain one or more building permits for construction of the Improvements.

“Land” means the real property described in **Exhibit A**.

“M&O Property Taxes” means the portion of ad valorem taxes levied by City each Grant Year against the Development that is based on City’s M&O Tax Rate adopted for the Tax Year applicable to the Grant Year. By way of example, of the total ad valorem tax rate adopted by City for Tax Year 2024 (i.e., \$0.5595 per \$100 assessed valuation), of which \$0.4189 per \$100 assessed valuation is levied to fund City’s maintenance and operations expenses (the “M&O Tax Rate”), and \$0.1406 per \$100 assessed value is levied to pay into City’s interest and sinking fund to provide funds to enable City to pay amounts

of principal and interest due on debt issued by City (the Debt Tax Rate).

“Payment Request” means, with respect to the Annual Grants, a written request from Company to City for payment of the applicable Annual Grant, which request shall be accompanied by copies of the applicable tax statement and/or receipt(s) and/or other evidence reasonably satisfactory to City to establish that the ad valorem taxes assessed by City against the Development have been timely paid for such Grant Year.

“Required Use” means the development and continuous use and occupancy of the Land and Improvements for multi-family residential purposes and such other uses as may be authorized in accordance with City’s regulations.

“Tax Year” means as that term is defined by Section 1.04 of the Texas Tax Code (*i.e.*, the calendar year).

“Taxable Value” means the appraised value as certified by Kerr Central Appraisal District, or its successor, for a given year.

“Zoning” means the planned development district (PDD) created by Ordinance No. 19-22, including the applicable concept plan for the development of the Land.

Article II Term

The term of this Agreement shall begin on the Effective Date and continue until the Expiration Date, unless sooner terminated as provided herein.

Article III Project; Economic Development Grants

3.1 Project. Company intends to construct and operate the Development. Company shall cause Commencement of Construction of the Development on the Land to occur on or before December 1, 2024, and cause Completion of Construction of Development to occur on or before March 1, 2027.

3.2 Annual Grants.

(a) Annual Grants.

1. Subject to the continued satisfaction of all the terms and conditions of this Agreement by Company, and the obligation of Company to repay the Grants pursuant to Article V hereof, City agrees to provide Company with the Annual Grants. Each of the ten (10) Annual Grants will be paid not later than thirty (30) days after City's receipt of the applicable Payment Request after March 1st following the applicable Grant Year, beginning with March 1st following the first Grant Year and ending March 1 of the end of the Eligibility Period, provided City has timely received the City's full portion of ad valorem taxes assessed against the Development for the respective Grant Year.

2. Notwithstanding anything herein to the contrary, a Payment Request for an Annual Grant must be delivered to City not later than July 1st following the last day of the Grant Year for which the Payment Request is applicable. Failure to timely deliver a Payment Request to City for a given Grant Year shall operate as a forfeiture by Company of the Annual Grant for such Grant Year; provided, however, such failure shall not constitute a default resulting in an obligation to repay the Grants pursuant to Section 5.2 or a forfeiture of the right to receive Annual Grants for subsequent Grant Years.

3. The amount of each Annual Grant shall be equal to the M&O Taxes paid and collected for each Grant Year multiplied by the percentage applicable to such Grant Year in accordance with the following table:

| Grant Year | M&O Taxes X% |
|-------------------|-------------------------|
| 1 | 100% |
| 2 | 90% |
| 3 | 80% |
| 4 | 70% |
| 5 | 60% |
| 6 | 50% |
| 7 | 40% |
| 8 | 30% |
| 9 | 30% |
| 10 | 30% |

(4) If this Agreement is not terminated prior to the Expiration Date, and the payment of the last Annual Grant has not been paid prior to the Expiration Date, City's obligation to pay the last Annual Grant, and Company's obligation to satisfy all conditions set forth in this Agreement to be entitled to receive payment of the final Annual Grant, shall survive termination of this Agreement.

(b) Tax Protest. If Company or another party timely and properly protests or contests, including any motion to correct the appraisal roll, the Taxable Value and/or the taxation of the Development with the Kerr Central Appraisal District, the obligation of City to provide the Annual Grant for such Grant Year shall be rebated until a final determination has been made of such protest or contest. If Company or another party protests and/or contests results in a final determination that changes the appraised value and/or the Taxable Value of the Development or the amount of ad valorem taxes assessed and due for the Development after an Annual Grant has been paid for such Grant Year, the Annual Grant for such Grant Year shall be adjusted (increased or decreased as the case may be) accordingly on the date of payment of the next Annual Grant or not later than thirty (30) business days after such determination if no further Annual Grants are due under the Agreement.

(c) Refunds and Underpayments of Annual Grants. If City or Company reasonably determines that the amount of an Annual Grant paid by City to Company was incorrect, such Party (the Requesting Party) shall notify the other Party (the Receiving Party) in writing not later than sixty (60) days after payment of the applicable Annual Grant. Such notice shall include such records, reports and other information reasonably necessary to support such determination by the Requesting Party. The Receiving Party shall have thirty (30) days after receipt of such notification to dispute the Requesting Party's determination. If the Receiving Party disputes the determination of the Requesting Party the Parties shall seek to amicably resolve the matter, subject to the Parties' right to pursue any available rights or remedies in connection therewith. If the adjustment is not disputed, Company shall, within sixty (60) days after receipt of written notification thereof from City specifying the amount by which such Annual Grant exceeded the correct amount to which Company was entitled, pay such amount to City. If City reasonably determines that the amount by which such Annual Grant was less than the correct amount to which Company was entitled (together with such records, reports and other information necessary to support such determination), City shall, within sixty (60) days of receipt of such notice, pay the adjustment to Company.

3.2 Fee Waiver Grant. Subject to the obligation of the Company to repay the Grant pursuant to Article V hereof, and the continued satisfaction of all the terms and conditions of this Agreement, City agrees to provide the Fee Waiver Grant to Company.

3.3 Limitations of Grants. None of the obligations of City under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution without the prior written consent of City.

3.4 Current Revenue. City shall pay the Grants solely from lawfully available funds pursuant to Texas Constitution Article II, Section 52-a, and Texas

Local Government Code Chapter 380. Consequently and notwithstanding any other provision of this Agreement, City has no obligation or liability to provide any Grants except as allowed by law. Under no circumstances shall the obligations of City hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. The Grants shall be paid from the general funds of City or from such other funds of City consistent with Article III, Section 52(a) of the Texas Constitution.

Article IV Conditions to Grants

The obligation of City to pay the Grants is conditioned upon the compliance and satisfaction by Company of the terms and conditions of this Agreement and each of the following conditions set forth in this Article IV:

4.1 Payment Request. Company shall, as a condition precedent to the payment of the applicable Grant, timely provide City with the applicable Payment Request in accordance with Section 3.2.

4.2 Good Standing. Company shall not have an uncured breach or default of this Agreement.

4.3 Required Use. During the term of this Agreement beginning on the Commencement Date and continuing thereafter until the Expiration Date, the Land shall not be used for any purpose other than the Required Use, and the operation and occupancy of the Land and Development in conformance with the Required Use shall not cease for more than thirty (30) days.

4.4 Continuous Ownership. During the term of this Agreement and following the Effective Date and continuing until the Expiration Date, Company or Company Affiliate shall continuously own the Land and Development.

4.5 Closing on the Land. Company shall have closed the purchase and sale of the Land on or before December 1, 2024.

4.6 Zoning Approval. Company shall have obtained approval of City for a Zoning change on or before [REDACTED], 2024.

Article V

Termination; Repayment

5.1 Termination. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the Parties;
- (b) upon written notice by either Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof, in which case termination shall be immediately on the date set forth in a subsequent notice sent by the non-defaulting Party to the defaulting Party after said thirty (30) day cure period with such default being cured;
- (c) upon written notice by City, if any Impositions owed to City or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such taxes or Impositions), in which case the date of termination shall be immediately on the date set forth in such notice;
- (d) immediately upon the date of the delivery of written notice of termination delivered by City to Company, if Company suffers an event of Bankruptcy or Insolvency, or such other date as may be set forth in such notice or as may be required by law;
- (e) upon written notice by either Party if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable; or
- (f) Upon failure of Company to close on the purchase of the Land on or before December 1, 2024, in which case this Agreement shall terminate on December 2, 2024; or
- (g) Failure to obtain approval of the required amendments to City's zoning ordinances by [REDACTED], 2024, as required by Section 4.6.

5.2 Repayment. In the event the Agreement is terminated by City pursuant to Section 5.1 (b), (c), or (d), Company shall immediately refund to City an amount equal to the amount of the Grants that have been paid by City to Company prior to the date of such termination, plus interest at the rate of interest periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal ceases to exist or ceases to announce a prime or base

lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A., or by any other New York money center bank selected by City, as its prime or base commercial lending rate, from the Effective Date until paid. The repayment obligation of Company set forth in this section shall survive termination. With respect to the Fee Waiver Grant, Company shall pay to City what Company would have otherwise been obligated to pay to City but for the credits granted in relation to the payment of fees pursuant to Section 3.2.

5.3 Offsets. City may, at its sole option and discretion, offset any amounts due and payable under this Agreement against any debt, including taxes, lawfully due to City from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise and regardless of whether or not the debt due City has been reduced to judgment by a court.

Article VI Miscellaneous

6.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties.

6.2 Limitation on Liability. It is understood and agreed between the Parties that Company and City, in satisfying the conditions of this Agreement, have acted independently, and City assumes no responsibilities or liabilities to third parties in connection with these actions.

6.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties.

6.4 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. Similar, each Party represents that the undersigned officers and/or agents of the Parties are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties. City Manager has the authority to approve any amendments to this Agreement and any instruments related thereto.

6.5 Notice. Any notice required or permitted to be delivered hereunder is deemed received three (3) days after sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below, or such other address as such Party may subsequently designate in writing, or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

Dalton Rice
City Manager
Kerrville, Texas
City Hall, 701 Main St.
Kerrville, Texas 78028

If intended for Company, to:

The Bluewood Hillside Heights, LP
PO Box 2422
Addison, TX 75001-2422

6.6 Entire Agreement. This Agreement is the entire Agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the Parties that in any manner relates to the subject matter of this Agreement.

6.7 Governing Law. The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in Kerr County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 Amendment. This Agreement may only be amended by written agreement signed by all of the Parties. City's City Manager shall have the authority to enter into any amendments to this Agreement on behalf of City.

6.9 Legal Construction. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of any provision found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid, and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

6.10 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes.

6.11 Successors and Assigns. This Agreement may not be assigned without the prior written consent of City Manager.

6.12 Recitals. The recitals to this Agreement are incorporated herein.

6.13 Counterparts. This Agreement may be executed in identical counterparts. Each of the counterparts is deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

6.14 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

6.15 Employment of Undocumented Workers. During the term of this Agreement, Company agrees not to knowingly employ any undocumented workers, and if convicted of a violation under 8 U.S.C. Section 1324a (f) Company shall repay the Grants herein and any other funds received by Company from City as of the date of such violation within one hundred twenty (120) days after the date Company is notified by City of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Company is not liable for a violation of this Section by a Company Affiliate, or franchisees of Company or by a person or entity with whom Company contracts.

6.16 Conditions Precedent. This Agreement is subject to and conditioned upon the following conditions which are a condition precedent to the effectiveness of this Agreement and obligations of the Parties hereunder: (i) Company closing its purchase of the Land on or before December 1, 2024; and (ii) Company has obtained City approval of the Zoning as required by Section 4.3.

6.17 Prohibition on Contracts with Companies Boycotting Israel. Company verifies the following per Section 2271.002, Texas Government Code:

(a) Company does not boycott Israel; and

(b) Company will not boycott Israel during the term of the Agreement.

6.18. Prohibition Against Business with Iran, Sudan, or Foreign Terrorist Organization. Company verifies that Company is not engaged in business with Iran, Sudan, or any company identified on the list referenced in Section 2252.152, Texas Government Code.

6.19. Prohibition on Contracts with Companies Boycotting Energy Companies. Company verifies the following per Section 2276.002, Texas Government Code:

- (a) Company does not boycott energy companies; and
- (b) Company will not boycott energy companies during the term of the Agreement.

6.20. Written Verification as to Firearm Entities. Company verifies the following per Section 2274.002, Texas Government Code:

- (a) Company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
- (b) Company will not discriminate against a firearm entity or firearm trade association during the term of the Agreement.

6.21 Prohibition on Contracts with Companies Related to Certain Countries. Where this Agreement pertains to “critical infrastructure,” as defined by Section 2275.0101, Texas Government Code, Company verifies (1) that it is not owned by or the majority of stock or other ownership interest of the company is not held or controlled by: (a) individuals who are citizens of China, Iran, North Korea, Russia, or other designated countries; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or other designated countries; or (2) headquartered in China, Iran, North Korea, Russia, or other designated countries.

[Signature Page to Follow]

SIGNED AND AGREED on this _____ day of _____, 2024.

CITY OF KERRVILLE, TEXAS

By: _____
Dalton Rice, City Manager

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

SIGNED AND AGREED on this _____ day of _____, 2024.

THE BLUEWOOD HILLSIDE HEIGHTS, LP

By: _____
Name: _____,
Title: _____

EXHIBIT A

BOUNDARY DESCRIPTION OF THE LAND

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 25-2024**

**A RESOLUTION SUPPORTING THE BLUEWOOD
MULTIFAMILY DEVELOPMENT, TO INCLUDE THE FUTURE
WAIVER OF THE CITY'S PARKLAND DEDICATION FEES,
BUILDING PERMIT FEES, AND AN AGREEMENT FOR TAX
ABATEMENT**

WHEREAS, J Street Property Services (the "Developer") has plans to build and operate a 273 unit multifamily development to be called The Bluewood (the "Development"), with rentals for several different models set at market rates; and

WHEREAS, the Development is estimated to cost \$55 Million, with 1, 2, and 3 bedroom units, plus a number of amenities appropriate for the project; and

WHEREAS, the Developer is seeking a number of financial incentives from both Kerr County and the City in an effort to overcome various economic conditions; and

WHEREAS, City Council finds it to be in the public interest to support the currently proposed financial incentives, subject to the terms provided below, to include the adoption of a future agreement(s) with the Developer;

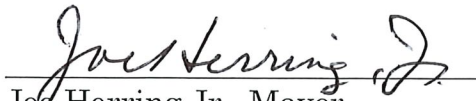
**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF
THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:**

City Council supports the Development as currently presented and agrees to the City incentivizing the project as follows:


- a. City will waive its fees applicable to the building of the Development, such fees to include building, plumbing, mechanical, and similar fees.
- b. City will waive its parkland dedication fee applicable to the Development.
- c. City will approve a 10-year tax abatement for the Development, such agreement in accordance with Ch. 312, Texas Tax Code.

The incentives currently proposed by the Developer and supported by the City Council are subject to a written agreement(s) to be negotiated between the City and the Developer and brought back to City Council for its review and approval. The City's waiver of the various fees specified above shall not exceed \$480,000.00. Similarly, the total amount of the City's tax abatement shall not exceed \$520,000.00.


PASSED AND APPROVED ON this the 09 day of JULY A.D.,
2024.


Joe Herring Jr., Mayor

APPROVED AS TO FORM:


Michael C. Hayes, City Attorney

ATTEST:


Shelley McElhannon, City Secretary

THE BLUEWOOD

Exhibit X: Project Budget

THE BLUEWOOD

Kerrville, TX

| PROJECT NAME AND LOCATION | |
|---------------------------|---------------|
| Project Name | THE BLUEWOOD |
| Project Location | Kerrville, TX |
| # Units | 273 |
| Total Cost Per Unit | \$196,577 |

| PROJECT COSTS | Total | \$ / Unit | \$ / Resi SF |
|--|---------------------|------------------|-----------------|
| Land | | | |
| Land Cost ² | \$2,798,297 | \$10,250 | \$12.46 |
| Partner Land Lift ² | 0 | 0 | 0.00 |
| J Street Entitlement/Pre Dev Fee ² | 0 | 0 | 0.00 |
| Enter description ² | 0 | 0 | 0.00 |
| Civil/Rezoning/Entitlements ² | 0 | 0 | 0.00 |
| Total Land Costs | \$2,798,297 | \$10,250 | \$12.46 |
| Hard Costs | | | |
| Residential Construction Cost ² | \$38,338,694 | \$140,435 | \$170.76 |
| Developer Contingency ² | 0 | 0 | 0.00 |
| Offsites Contingency ² | 0 | 0 | 0.00 |
| 3rd Party Inspections ² | 50,000 | 183 | 0.22 |
| Owner Sourced HC ² | 230,000 | 842 | 1.02 |
| Enter description ² | 0 | 0 | 0.00 |
| Enter description ² | 0 | 0 | 0.00 |
| Enter description ² | 0 | 0 | 0.00 |
| Total Hard Costs | \$38,618,694 | \$141,460 | \$172.01 |
| Soft Costs | | | |
| Title, Closing ² | \$150,000 | \$549 | \$0.67 |
| Taxes Prior to Opening ² | 92,990 | 341 | 0.41 |
| Professional Fees ² | 1,599,313 | 5,858 | 7.12 |
| Predevelopment Costs ² | 289,950 | 1,062 | 1.29 |
| FFE/Property Setup ² | 655,500 | 2,401 | 2.92 |
| Operating Deficit ² | 0 | 0 | 0.00 |
| Loan Costs / Lender Placement Fee ² | 60,139 | 220 | 0.27 |
| Developer Fee ² | 2,070,884 | 7,586 | 9.22 |
| CM Fee ² | 386,187 | 1,415 | 1.72 |
| N/A Leasing Commissions ² | 0 | 0 | 0.00 |
| City Fees ² | 6,050 | 22 | 0.03 |
| HUD Req'd Escrows ² | 3,006,927 | 11,014 | 13.39 |
| HUD Lender Fee ² | 644,342 | 2,360 | 2.87 |
| Builders Risk ² | 0 | 0 | 0.00 |
| Owners GL Insurance ² | 65,000 | 238 | 0.29 |
| Cost Certification ² | 15,000 | 55 | 0.07 |
| Equity Funding Fee ² | 263,026 | 963 | 1.17 |
| City Fee Reimburesment ² | 0 | 0 | 0.00 |
| HUD Inspection Fees ² | 214,781 | 787 | 0.96 |
| MIP owed at Initial Endorsement ² | 214,781 | 787 | 0.96 |
| Enter description ² | 0 | 0 | 0.00 |
| Enter description ² | 0 | 0 | 0.00 |
| Construction Loan Interest ² | 2,513,636 | 9,207 | 11.20 |
| Less: NOI Applied ² | 0 | 0 | 0.00 |
| Total Soft Costs | \$12,248,506 | \$44,866 | \$54.55 |
| TOTAL PROJECT COSTS | \$53,665,497 | \$196,577 | \$239.03 |

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|----------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Valuation* | \$1,000,000 | \$25,936,025 | \$26,714,106 | \$27,515,529 | \$28,340,995 | \$29,191,225 | \$30,066,961 | \$30,968,970 | \$31,898,039 | \$32,854,981 |
| M&O Rate** | 0.41 | 0.40 | 0.39 | 0.39 | 0.38 | 0.37 | 0.36 | 0.36 | 0.35 | 0.34 |
| Percent Rebate | 100.00% | 90.00% | 80.00% | 70.00% | 60.00% | 50.00% | 40.00% | 30.00% | 30.00% | 30.00% |
| Total Rebate | \$4,100 | \$93,790 | \$84,152 | \$74,326 | \$64,306 | \$54,092 | \$43,681 | \$33,068 | \$33,379 | \$33,693 |
| | | | | | | | | | | \$518,588 |

* Valuation increasing by 3% a year

** M&O rate decreasing by 2% per year



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

SUBJECT: Amendment to Design-Build Agreement between the City of Kerrville, TX and Marksman General Contractors, LLC, for the project to redevelop the A.C. Schreiner House and Grounds, for a contract amount not to exceed \$5,250,000.00. *(M Hornes, Assistant City Manager)*

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/4/2024

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS: Amendment to Marksman Design-Build agreement
Marksman GMP Attachment E – AC Schreiner house

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

| | | |
|-----------------------------|---|-------------------------------------|
| Kerrville 2050 Item? | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/> |
| Key Priority Area | Housing | |

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Approve the Marksman Guaranteed Maximum Price proposal (GMP).

AIA[®] Document A141[™] – 2014

Exhibit A

Design-Build Amendment

This Amendment is incorporated into the accompanying AIA Document A141[™]–2014, Standard Form of Agreement Between Owner and Design-Builder dated the 7th day of March in the year 2023 (the “Agreement”) (In words, indicate day, month and year.)

for the following PROJECT:

(Name and location or address)

City of Kerrville – Design-Build Services, A.C. Schreiner House and Grounds
529 Water Str., Kerrville, TX 78028

THE OWNER:

(Name, legal status and address)

THE CITY OF KERRVILLE, TEXAS

City Hall, 701 Main Street
Kerrville, Texas 78028
Phone: (830) 257-8000

THE DESIGN-BUILDER:

(Name, legal status and address)

MARKSMEN GENERAL CONTRACTORS, LLC

11550 IH-10W Frontage Rd, Ste 375
San Antonio, TX 78230
Phone: (210-858-3125)

The Owner and Design-Builder (the Parties) hereby amend the Agreement as follows.

TABLE OF ARTICLES

- A.1 CONTRACT SUM**
- A.2 CONTRACT TIME**
- A.3 INFORMATION UPON WHICH AMENDMENT IS BASED**
- A.4 DESIGN-BUILDER’S PERSONNEL, CONTRACTORS AND SUPPLIERS**
- A.5 COST OF THE WORK**

ARTICLE A.1 CONTRACT SUM

§ A.1.1 The Owner shall pay the Design-Builder the Contract Sum in current funds for the Design-Builder’s performance of the Contract after the execution of this Amendment. The Contract Sum shall be one of the following and shall not include compensation the Owner paid the Design-Builder for Work performed prior to execution of this Amendment:

(Check the appropriate box.)

[☐] Stipulated Sum, in accordance with Section A.1.2 below

[] Cost of the Work plus the Design-Builder's Fee, in accordance with Section A.1.3 below

[X] Cost of the Work plus the Design-Builder's Fee with a Guaranteed Maximum Price, in accordance with Section A.1.4 below

(Based on the selection above, complete Section A.1.2, A.1.3 or A.1.4 below.)

§ A.1.4 Cost of the Work Plus Design-Builder's Fee With a Guaranteed Maximum Price

§ A.1.4.1 The Cost of the Work is as defined in Article A.5, Cost of the Work.

§ A.1.4.2 The Design-Builder's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Design-Builder's Fee and the method for adjustment to the Fee for changes in the Work.)

5.25% on the Total Cost of Work, Inclusive of General Conditions, Allowances/Contingencies, Design Fees, Insurances and Bonds

§ A.1.4.3 Guaranteed Maximum Price

§ A.1.4.3.1 The sum of the Cost of the Work and the Design-Builder's Fee is guaranteed by the Design-Builder not to exceed Five Million Two Hundred Fifty Thousand and No/100 (\$ 5,250,000.00), subject to additions and deductions for changes in the Work as provided in the Design-Build Documents. Costs that would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Design-Builder without reimbursement by the Owner. (Insert specific provisions if the Design-Builder is to participate in any savings.)

| | |
|---|-------------------------------------|
| Original Design Build Contract Amount for Phase 1 Design to 30% | = \$175,200 (No Retainage Withheld) |
| Phase 2 Design Fees for 100% Construction Documents Amendment | = \$225,800 (No Retainage Withheld) |
| Final Amendment for Total Cost of Work | = \$ 4,849,000 |
| Guaranteed Maximum Price Amount | \$ 5,250,000 |

§ A.1.4.3.2 Itemized Statement of the Guaranteed Maximum Price

Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, allowances, contingencies, alternates, the Design-Builder's Fee, and other items that comprise the Guaranteed Maximum Price.

(Provide information below or reference an attachment.)

See attached **ATTACHMENT E** - Marksmen General Contractors, A.C. Schreiner House & Grounds Guaranteed Maximum Price Proposal, dated September 28, 2024 (herein referred to as **Attachment E**)

§ A.1.4.3.3 The Guaranteed Maximum Price is based on the following alternates, if any, which are described in the Design-Build Documents and are hereby accepted by the Owner:

(State the numbers or other identification of accepted alternates. If the Owner is permitted to accept other alternates subsequent to the execution of this Amendment, attach a schedule of such other alternates showing the change in the Cost of the Work and Guaranteed Maximum Price for each and the deadline by which the alternate must be accepted.)

Included in **Attachment E**.

§ A.1.4.3.4 Unit Prices, if any:

(Identify item, state the unit price, and state any applicable quantity limitations.)

| Item | Units and Limitations | Price per Unit (\$0.00) |
|------|-----------------------|-------------------------|
| N/A | | |

§ A.1.4.3.5 Assumptions, if any, on which the Guaranteed Maximum Price is based:

Based Upon Plans and Specifications as prepared by Fisher Heck Architects and accepted by the Parties.
Qualifications as Follows:

1. Owner is responsible for all utility costs
2. Owner is responsible for all permitting fees
3. Owner is responsible for 3rd Party Inspection(s) and/or testing of any kind, if any
4. Owner is responsible for complying with all federal and state wage and payment laws
5. Persons engaged in work or other activities at the Project site may use the Owner's parking garage across the street at no charge to themselves or Design-Builder

§ A.1.5 Payments

§ A.1.5.1 Progress Payments

§ A.1.5.1.1 Based upon Applications for Payment submitted to the Owner by the Design-Builder, the Owner shall make progress payments on account of the Contract Sum to the Design-Builder as provided below and elsewhere in the Design-Build Documents.

§ A.1.5.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

N/A

§ A.1.5.1.3 Provided that an Application for Payment is received not later than the last day of the month, the Owner shall make payment of the certified amount to the Design-Builder not later than the thirtieth day of the next month. If an Application for Payment is received by the Owner after the application date fixed above, payment shall be made by the Owner not later than thirty (30) days after the Owner receives the Application for Payment.
(Federal, state or local laws may require payment within a certain period of time.)

§ A.1.5.1.4 With each Application for Payment where the Contract Sum is based upon the Cost of the Work, or the Cost of the Work with a Guaranteed Maximum Price, the Design-Builder shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner to demonstrate that cash disbursements already made by the Design-Builder on account of the Cost of the Work equal or exceed (1) progress payments already received by the Design-Builder, less (2) that portion of those payments attributable to the Design-Builder's Fee; plus (3) payrolls for the period covered by the present Application for Payment.

§ A.1.5.1.5 With each Application for Payment where the Contract Sum is based upon a Stipulated Sum or Cost of the Work with a Guaranteed Maximum Price, the Design-Builder shall submit the most recent schedule of values in accordance with the Design-Build Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. Compensation for design services, if any, shall be shown separately. Where the Contract Sum is based on the Cost of the Work with a Guaranteed Maximum Price, the Design-Builder's Fee shall be shown separately. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Owner may require. This schedule of values, unless objected to by the Owner, shall be used as a basis for reviewing the Design-Builder's Applications for Payment.

§ A.1.5.1.6 In taking action on the Design-Builder's Applications for Payment, the Owner shall be entitled to rely on the accuracy and completeness of the information furnished by the Design-Builder and shall not be deemed to have made a detailed examination, audit or arithmetic verification of the documentation submitted in accordance with Sections A.1.5.1.4 or A.1.5.1.5, or other supporting data; to have made exhaustive or continuous on-site inspections; or to have made examinations to ascertain how or for what purposes the Design-Builder has used amounts previously paid. Such examinations, audits and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ A.1.5.1.7 Except with the Owner's prior approval, the Design-Builder shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

§ A.1.5.4 Progress Payments—Cost of the Work Plus a Fee with a Guaranteed Maximum Price

§ A.1.5.4.1 Applications for Payment where the Contract Sum is based upon the Cost of the Work Plus a Fee with a Guaranteed Maximum Price shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed; or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Design-Builder on account of that portion of the Work for which the

Design-Builder has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ A.1.5.4.2 Subject to other provisions of the Design-Build Documents, the amount of each progress payment shall be computed as follows:

- .1 Take that portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 6.3.9 of the Agreement.
- .2 Add that portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work, or if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 Add the Design-Builder's Fee, less retainage of five percent (5%). The Design-Builder's Fee shall be computed upon the Cost of the Work at the rate stated in Section A.1.4.2 or, if the Design-Builder's Fee is stated as a fixed sum in that Section, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .4 Subtract retainage of five percent (5 %) from that portion of the Work that the Design-Builder self-performs;
- .5 Subtract the aggregate of previous payments made by the Owner;
- .6 Subtract the shortfall, if any, indicated by the Design-Builder in the documentation required by Section A.1.5.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .7 Subtract amounts, if any, for which the Owner has withheld or nullified a payment as provided in Section 9.5 of the Agreement.

§ A.1.5.4.3 The Owner and Design-Builder shall agree upon (1) a mutually acceptable procedure for review and approval of payments to the Architect, Consultants, and Contractors and (2) the percentage of retainage held on agreements with the Architect, Consultants, and Contractors; and the Design-Builder shall execute agreements in accordance with those terms.

§ A.1.5.5 Final Payment

§ A.1.5.5.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Design-Builder not later than 30 days after the Design-Builder has fully performed the Contract and the requirements of Section 9.10 of the Agreement have been satisfied, except for the Design-Builder's responsibility to correct non-conforming Work discovered after final payment or to satisfy other requirements, if any, which extend beyond final payment.

§ A.1.5.5.2 If the Contract Sum is based on the Cost of the Work, the Owner's auditors will review and report in writing on the Design-Builder's final accounting within 30 days after the Design-Builder delivers the final accounting to the Owner. Based upon the Cost of the Work the Owner's auditors report to be substantiated by the Design-Builder's final accounting, and provided the other conditions of Section 9.10 of the Agreement have been met, the Owner will, within seven days after receipt of the written report of the Owner's auditors, either issue a final Certificate for Payment, or notify the Design-Builder in writing of the reasons for withholding a certificate as provided in Section 9.5.1 of the Agreement.

ARTICLE A.2 CONTRACT TIME

§ A.2.1 Contract Time, as defined in the Agreement at Section 1.4.13, is the period of time, including authorized adjustments, for Substantial Completion of the Work.

§ A.2.2 The Design-Builder shall achieve Substantial Completion of the Work not later than **October 31, 2025** as follows:

(Insert number of calendar days. Alternatively, a calendar date may be used when coordinated with the date of commencement. If appropriate, insert requirements for earlier Substantial Completion of certain portions of the Work.)

Upon issuance of a notice to proceed from Owner for Construction on or after October 9, 2004, the above Completion Date will apply and will be adjusted accordingly, or with adjustments allowable by the Agreement.

Portion of Work

N/A

Substantial Completion Date

N/A

, subject to adjustments of the Contract Time as provided in the Design-Build Documents.

(Insert provisions, if any, for liquidated damages relating to failure to achieve Substantial Completion on time or for bonus payments for early completion of the Work.)

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Contract Sum and Contract Time set forth in this Amendment are based on the following:

§ A.3.1.1 The Supplementary and other Conditions of the Contract:

Document

N/A

Title

Date

Pages

§ A.3.1.2 The Specifications:

(Either list the specifications here or refer to an exhibit attached to this Amendment.)

See Attached **ATTACHMENT E** for Drawings and Specifications Log

Section

N/A

Title

Date

Pages

§ A.3.1.3 The Drawings:

(Either list the drawings here or refer to an exhibit attached to this Amendment.)

See Attached **ATTACHMENT E** for Drawings and Specifications Log

Number

N/A

Title

Date

§ A.3.1.5 Allowances and Contingencies:

(Identify any agreed upon allowances and contingencies, including a statement of their basis.)

.1 Allowances

See **ATTACHMENT E**

.2 Contingencies

See **ATTACHMENT E**

§ A.3.1.6 Design-Builder's assumptions and clarifications:

See **ATTACHMENT E**

§ A.3.1.7 Deviations from the Owner's Criteria as adjusted by a Modification:

See **ATTACHMENT E**

§ A.3.1.8 To the extent the Design-Builder shall be required to submit any additional Submittals to the Owner for review, indicate any such submissions below:

ARTICLE A.4 DESIGN-BUILDER'S PERSONNEL, CONTRACTORS AND SUPPLIERS

§ A.4.1 The Design-Builder's key personnel are identified below:

(Identify name, title and contact information.)

.1 Superintendent

Tyler Williams

.2 Project Manager

Joey Breuer

.3 Others

Emilse Chulin, Assistant Project Manager

§ A.4.2 The Design-Builder shall retain the following Consultants, Contractors and suppliers, identified below:

(List name, discipline, address and other information.)

Reference the Agreement and **ATTACHMENT E**

ARTICLE A.5 COST OF THE WORK

§ A.5.1 Cost To Be Reimbursed as Part of the Contract

§ A.5.1.1 Labor Costs

§ A.5.1.1.1 Wages of construction workers directly employed by the Design-Builder to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ A.5.1.1.2 With the Owner's prior approval, wages or salaries of the Design-Builder's supervisory and administrative personnel when stationed at the site.

(If it is intended that the wages or salaries of certain personnel stationed at the Design-Builder's principal or other offices shall be included in the Cost of the Work, identify below the personnel to be included, whether for all or only part of their time, and the rates at which their time will be charged to the Work.)

| Person Included | Status (full-time/part-time) | Rate (\$0.00) | Rate (unit of time) |
|-----------------|------------------------------|---------------|---------------------|
| N/A | | | |

§ A.5.1.1.3 Wages and salaries of the Design-Builder's supervisory or administrative personnel engaged at factories, workshops or on the road, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ A.5.1.1.4 Costs paid or incurred by the Design-Builder for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Section A.5.1.1.

§ A.5.1.1.5 Bonuses, profit sharing, incentive compensation and any other discretionary payments paid to anyone hired by the Design-Builder or paid to the Architect or any Consultant, Contractor or supplier, with the Owner's prior approval.

§ A.5.1.2 **Contract Costs.** Payments made by the Design-Builder to the Architect, Consultants, Contractors and suppliers in accordance with the requirements of their subcontracts.

§ A.5.1.3 **Costs of Materials and Equipment Incorporated in the Completed Construction**

§ A.5.1.3.1 Costs, including transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ **A.5.1.3.2** Costs of materials described in the preceding Section A.5.1.3.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Design-Builder. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ **A.5.1.4 Costs of Other Materials and Equipment, Temporary Facilities and Related Items**

§ **A.5.1.4.1** Costs of transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Design-Builder at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment and tools that are not fully consumed shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Design-Builder shall mean fair market value.

§ **A.5.1.4.2** Rental charges for temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Design-Builder at the site and costs of transportation, installation, minor repairs, dismantling and removal. The total rental cost of any Design-Builder-owned item may not exceed the purchase price of any comparable item. Rates of Design-Builder-owned equipment and quantities of equipment shall be subject to the Owner's prior approval.

§ **A.5.1.4.3** Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ **A.5.1.4.4** Costs of document reproductions, electronic communications, postage and parcel delivery charges, dedicated data and communications services, teleconferences, Project websites, extranets and reasonable petty cash expenses of the site office.

§ **A.5.1.4.5** Costs of materials and equipment suitably stored off the site at a mutually acceptable location, with the Owner's prior approval.

§ **A.5.1.5 Miscellaneous Costs**

§ **A.5.1.5.1** Premiums for that portion of insurance and bonds required by the Design-Build Documents that can be directly attributed to the Contract. With the Owner's prior approval self-insurance for either full or partial amounts of the coverages required by the Design-Build Documents.

§ **A.5.1.5.2** Sales, use or similar taxes imposed by a governmental authority that are related to the Work and for which the Design-Builder is liable.

§ **A.5.1.5.3** Fees and assessments for the building permit and for other permits, licenses and inspections for which the Design-Builder is required by the Design-Build Documents to pay.

§ **A.5.1.5.4** Fees of laboratories for tests required by the Design-Build Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 15.5.3 of the Agreement or by other provisions of the Design-Build Documents, and which do not fall within the scope of Section A.5.1.6.3.

§ **A.5.1.5.5** Royalties and license fees paid for the use of a particular design, process or product required by the Design-Build Documents; the cost of defending suits or claims for infringement of patent rights arising from such requirement of the Design-Build Documents; and payments made in accordance with legal judgments against the Design-Builder resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal defenses, judgments and settlements shall not be included in the calculation of the Design-Builder's Fee or subject to the Guaranteed Maximum Price. If such royalties, fees and costs are excluded by the second to last sentence of Section 3.1.13.2 of the Agreement or other provisions of the Design-Build Documents, then they shall not be included in the Cost of the Work.

§ **A.5.1.5.6** With the Owner's prior approval, costs for electronic equipment and software directly related to the Work.

§ **A.5.1.5.7** Deposits lost for causes other than the Design-Builder's negligence or failure to fulfill a specific responsibility in the Design-Build Documents.

§ A.5.1.5.8 With the Owner's prior approval, which shall not be unreasonably withheld, legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Design-Builder, reasonably incurred by the Design-Builder after the execution of the Agreement and in the performance of the Work.

§ A.5.1.5.9 With the Owner's prior approval, expenses incurred in accordance with the Design-Builder's standard written personnel policy for relocation, and temporary living allowances of, the Design-Builder's personnel required for the Work.

§ A.5.1.5.10 That portion of the reasonable expenses of the Design-Builder's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ A.5.1.6 Other Costs and Emergencies

§ A.5.1.6.1 Other costs incurred in the performance of the Work if, and to the extent, approved in advance in writing by the Owner.

§ A.5.1.6.2 Costs incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property.

§ A.5.1.6.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Design-Builder, Contractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Design-Builder and only to the extent that the cost of repair or correction is not recovered by the Design-Builder from insurance, sureties, Contractors, suppliers, or others.

§ A.5.1.7 Related Party Transactions

§ A.5.1.7.1 For purposes of Section A.5.1.7, the term "related party" shall mean a parent, subsidiary, affiliate or other entity having common ownership or management with the Design-Builder; any entity in which any stockholder in, or management employee of, the Design-Builder owns any interest in excess of ten percent in the aggregate; or any person or entity which has the right to control the business or affairs of the Design-Builder. The term "related party" includes any member of the immediate family of any person identified above.

§ A.5.1.7.2 If any of the costs to be reimbursed arise from a transaction between the Design-Builder and a related party, the Design-Builder shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction, then the cost incurred shall be included as a cost to be reimbursed, and the Design-Builder shall procure the Work, equipment, goods or service from the related party, as a Contractor, according to the terms of Section A.5.4. If the Owner fails to authorize the transaction, the Design-Builder shall procure the Work, equipment, goods or service from some person or entity other than a related party according to the terms of Section A.5.4.

§ A.5.2 Costs Not to Be Reimbursed as Part of this Contract

The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Design-Builder's personnel stationed at the Design-Builder's principal office or offices other than the site office, except as specifically provided in Section A.5.1.1;
- .2 Expenses of the Design-Builder's principal office and offices other than the site office;
- .3 Overhead and general expenses, except as may be expressly included in Section A.5.1;
- .4 The Design-Builder's capital expenses, including interest on the Design-Builder's capital employed for the Work;
- .5 Except as provided in Section A.5.1.6.3 of this Agreement, costs due to the negligence or failure of the Design-Builder, Contractors and suppliers or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable to fulfill a specific responsibility of the Contract;
- .6 Any cost not specifically and expressly described in Section A.5.1; and
- .7 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded.

§ A.5.3 Discounts, Rebates, and Refunds

§ A.5.3.1 Cash discounts obtained on payments made by the Design-Builder shall accrue to the Owner if (1) before making the payment, the Design-Builder included them in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Design-Builder with which to make payments; otherwise, cash discounts shall accrue to the Design-Builder. Trade discounts, rebates, refunds and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Design-Builder shall make provisions so that they can be obtained.

§ A.5.3.2 Amounts that accrue to the Owner in accordance with Section A.5.3.1 shall be credited to the Owner as a deduction from the Cost of the Work.

§ A.5.4 Other Agreements

§ A.5.4.1 When the Design-Builder has provided a Guaranteed Maximum Price, and a specific bidder (1) is recommended to the Owner by the Design-Builder; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Design-Build Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Design-Builder may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Design-Builder and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ A.5.4.2 Agreements between the Design-Builder and Contractors shall conform to the applicable payment provisions of the Design-Build Documents, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner. If an agreement between the Design Builder and a Contractor is awarded on a cost plus a fee basis, the Design-Builder shall provide in the agreement for the Owner to receive the same audit rights with regard to the Cost of the Work performed by the Contractor as the Owner receives with regard to the Design-Builder in Section A.5.5, below.

§ A.5.4.3 The agreements between the Design-Builder and Architect and other Consultants identified in the Agreement shall be in writing. These agreements shall be promptly provided to the Owner upon the Owner's written request.

§ A.5.5 Accounting Records

The Design-Builder shall keep full and detailed records and accounts related to the cost of the Work and exercise such controls as may be necessary for proper financial management under the Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Design-Builder's records and accounts, including complete documentation supporting accounting entries, books, correspondence, instructions, drawings, receipts, subcontracts, Contractor's proposals, purchase orders, vouchers, memoranda and other data relating to the Contract. The Design-Builder shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

§ A.5.6 Relationship of the Parties

The Design-Builder accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to exercise the Design-Builder's skill and judgment in furthering the interests of the Owner; to furnish efficient construction administration, management services and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests.

This Amendment to the Agreement entered into as of the day and year first written above.

OWNER (Signature)

City of Kerrville
Dalton Rice, City Manager

DESIGN-BUILDER (Signature)

Marksmen General Contractors, LLC
Mark W. Baublitz, President/CEO

(Printed name and title)

(Printed name and title)



MARKSMEN
GENERAL CONTRACTORS

A.C. SCHREINER HOUSE & GROUNDS GUARANTEED MAXIMUM PRICE PROPOSAL

Proposal for The City of Kerrville
Mayor - Joe Herring, Jr.
City Council - Delayne Sigerman,
Jeff Harris, Kent McKinney & Brenda Hughes
City Manager - Dalton Rice
Asst. City Managers - Kim Meisner & Michael Hornes

Revised September 28, 2024



GMP PROPOSAL - Attachment "E"

OWNER INFORMATION

Revised

9/28/2024

Owner: City of Kerrville
Address: 701 Main Street
Kerrville, TX 78028

Project: A.C. Schreiner House & Grounds Renovation
Address: 529 Water Street
Kerrville, TX 78028

Primary Contact: Kim Meismer
Phone: (830) 257-8000
E-Mail: Kim.meismer@kerrvilletx.gov

Alt. Contact: Michael Hornes
Phone: (830) 257-8000
E-Mail: Michael.hornes@kerrvilletx.gov

DESIGN TEAM & PLANS

| | | | | | |
|-----------------------------|--|-----------------------|------------|-------------------|---------------|
| Architect: | Fisher Heck Architects | Date of Plans: | 8/21/2024 | Revision # | 1 (9/6/2024) |
| Civil Engineer: | Wellborn Engineering & Surveying | Date of Plans: | 8/21/2024 | Revision # | 1 (8/30/2024) |
| Geo-Tech Engineer: | Rock Engineering | Date of Plans: | 10/31/2023 | Revision # | n/a |
| MEP Engineer: | Skye MEP | Date of Plans: | 8/21/2024 | Revision # | n/a |
| Structural Engineer: | Alpha Consulting Engineers | Date of Plans: | 8/21/2024 | Revision # | 1 (9/6/2024) |
| Info. Technology:: | 2 Post Technology IT Consulting & Design | Date of Plans: | 8/21/2024 | Revision # | n/a |

NOTE : See Attached Drawing Log For Futher Clarification.

SCOPE OF WORK

DIVISION DETAILS

| AREA | DESCRIPTION | TOTAL |
|---------------|--|-------------------|
| DIV 01 | GENERAL CONDITIONS | \$ 491,104 |
| | Personnel (Project Manager, Site Superintendent, Administration, etc.) | |
| | Fuel | |
| | Project Trailer / Office | |
| | Water & Ice For Job Site | |
| | Office Supplies | |
| | Document Reproduction | |
| | Submittal Courier / Postage | |
| | Construction Photographs | |
| | Job Site Signage | |
| | As-Built Drawings | |
| | Flash Drives for Final Documents / O&M Manuals | |
| | Surveyor / Engineering For Layout of Site Improvements | |
| | Final Property Survey | |
| | Port-A-Can Toilet Rental | |
| | Temporary Electrical Connection For Office Trailer & Construction | |
| | Daily Cleanup | |
| | Dumpster Rental / Trash Haul Off | |
| | Safety & First Aid | |
| | Safety Inspections | |
| | Fire Extinguishers | |
| | Floor Protection | |
| | Temporary Construction Fencing | |
| | Knox Box For Fire Dept Access (#4400) | |
| | AIA Pay Applications & Closeout Documents | |
| DIV 02 | DEMOLITION / EXISTING CONDITIONS | \$ 100,860 |
| | Basement | |
| | Shelving | |
| | Stair Components as Required (Landing To Remain) | |
| | Plumbing Fixtures / Equipment | |
| | HVAC Equipment | |
| | Electrical Fixtures / Equipment | |
| | 1st Floor - Interior | |
| | Window For Elevator Access | |
| | Wall For Elevator Access | |
| | Interior Windows | |
| | Interior Doors | |
| | Interior Walls | |
| | Ceiling Fur Downs | |
| | Ceiling | |
| | Exterior "Front Door" | |

| | | | |
|---------------|---|----|----------------|
| | Appliances Millwork / Cabinets & Countertops Stairs in NW Corner (Basement Access To Remain) Flooring Plumbing Fixtures Electrical Fixtures 2nd Floor - Interior Window For Elevator Access Wall For Elevator Access Interior Doors Interior Walls Ceiling Fur Downs Ceiling Interior Faux Columns Appliances Millwork / Cabinets & Countertops Stairs in NW Corner Flooring Plumbing Fixtures Electrical Fixtures 3rd Floor - Interior Window For Elevator Access Wall For Elevator Access Interior Doors Interior Walls Millwork / Cabinets & Countertops Flooring Plumbing Fixtures Electrical Fixtures Exterior Wood Framed Stairs at NW Corner Sunroom / Porch Structure & Foundation / Footings Sidewalk From Water Street to Porte-Cochere | | |
| DIV 03 | CONCRETE | \$ | 191,748 |
| | Footings In Crawl Space (26) Hand Dug 30" x 30" x 10" Elevator Pit / Foundation 9' - 4" x 7' - 9 ¾" x 4' - 10" Deep Sidewalk / Flatwork Approx. 450 SF (Replacement From City Sidewalk To Porte Cochere) Approx. 225 SF (Driveway Paving Replacement) Approx. 50 SF (City Sidewalk Repair For Utility Tie In) (5) HVAC Condenser / Housekeeping Pads Landing & Stairs at Back of House (2) Exterior 8' Security Electrical Light Pole Bases Concrete Foundation For Bronze Statue | | |
| DIV 05 | METALS | \$ | 65,829 |
| | Elevator Structural Steel Columns, Beams, Roof "B" Deck, Bracing, Etc. Exterior Stair Railings Front Entrance (Approx. 12 LF) New Landing & Stairs at Back Entrance (Approx. 28 LF) | | |
| DIV 06 | WOODS, PLASTICS & COMPOSITES | \$ | 342,155 |
| | Millwork Warming Kitchen P-Lam Cabinets & Stainless Steel Countertops Mechanical Shrouds For VRF Fan Coil Units Roof Blocking For New Roof at Elevator Shaft Interior Trim & Casing Replacement / Repair Structural Framing Modifications 2x12 Joist Reinforcing (16 Locations) LVL Header on 3rd Floor with King Studs Down To Foundations Exterior Wood Repair & Restoration Cornice Paneled Walls Siding Doors Porches Railings Balustrades NOTE : Damaged Wood Framing To Be Replaced, Extent of Damage TBD In The Field; Called Out on S202 Is Excluded In This Division Cost. The Structural Framing Allowance Listed Below Will Be Used As Needed For This Condition. | | |
| DIV 07 | THERMAL & MOISTURE PROTECTION | \$ | 65,561 |
| | Elevator Shaft Roofing TPO Roof System | | |

| | | | |
|---------------|--|-----------|----------------|
| | 2nd Floor Balcony "Roofing" | | |
| | TPO Roof System | | |
| | Main Roof TPO Patch & Repair as Needed | | |
| | Flashings For New Through Roof Vents | | |
| | Gutters & Downspouts | | |
| | Elevator Exterior Door Canopy Roofing | | |
| | 24 Ga. Standing Seam | | |
| | Misc. Interior Caulking / Joint Sealants | | |
| DIV 08 | OPENINGS | \$ | 543,517 |
| | Window Replacement | | |
| | Anderson "Acclaim" Replacement Windows (Double Hung or Fixed to match existing fenestration) | | |
| | High Performance Smart Sun Glass | | |
| | White Window Hardware | | |
| | New Fiberglass Screens where Applicable | | |
| | Interior Doors & Cased Openings | | |
| | Restoration of Doors & Frames as Needed | | |
| | Furnish & Install (10) New Doors, Frames, Casing Trim To Historically Match Existing | | |
| | Furnish & Install (16) New Cased Openings & Trim To Historically Match Existing | | |
| | Hardware Restoration, Mortising & Re-Install | | |
| | New Hardware ONLY as Required | | |
| | Exterior Doors | | |
| | Replace "Non-Historic" Back Door With New To Match Existing Historic | | |
| | Door Modifications as Needed | | |
| | Hardware Restoration, Mortising & Re-Install | | |
| | Restoration of Doors & Frames as Needed | | |
| DIV 09 | FINISHES | \$ | 440,230 |
| | Exterior Plaster Repair & Restoration | | |
| | Match Plaster Where Missing | | |
| | Crack Seal Restoration | | |
| | Chimney Tuck Pointing & Analysis of Water Shed Mortar Wash | | |
| | Analysis of Existing Plaster For Additional Repair Beyond Obvious | | |
| | Stucco / Plaster of New Elevator Shaft To Match Existing | | |
| | Prime & Paint Complete Exterior | | |
| | New Framing / Infill of Gyp Board Walls & Ceilings as Needed | | |
| | Prime & Paint Complete Interior | | |
| | Wood Flooring Restoration | | |
| | 1st & 2nd Floor Refinishing | | |
| | Treads & Riser Refinishing | | |
| | Encaustic Tile Restoration | | |
| | Clean & Install New Finish | | |
| | Ceramic Tile | | |
| | New Restroom Floors | | |
| | Restroom Walls | | |
| DIV 10 | SPECIALTIES | \$ | 29,315 |
| | Restroom Accessories | | |
| | (6) Paper Towel Dispensers | | |
| | (5) Toilet Paper Dispensers | | |
| | (6) Soap Dispensers | | |
| | (5) Mirrors | | |
| | (5) 36" SS Grab Bars | | |
| | (5) 24" SS Grab Bars | | |
| | (2) Diaper Changing Station | | |
| | Signage | | |
| | (5) Restroom Door Signs | | |
| | (27) Misc. Room Signs | | |
| | (4) Fire Extinguishers & Cabinets | | |
| | (1) Folding Partition in Warming Kitchen | | |
| DIV 14 | ELEVATOR / CONVEYING EQUIPMENT | \$ | 151,517 |
| | Schindler Elevator | | |
| | 4 Stop Elevator (Exterior Access is 4th Stop) | | |
| | 3300 Machine Room-Less Traction Elevator | | |
| | Stainless Steel Entrance Frames | | |
| | Laminated Walls (Cab Interior) | | |
| | 2,100 lb. Capacity | | |
| | 5' - 9" x 4' - 4" Approx. Inside Cab Dimensions | | |
| | Code Compliant Pit Ladder | | |
| | Digital Phone Line (With 1 Year of Service) | | |
| | Provisions for Card Readers | | |
| | 30 KVA Diesel Emergency Power Generator | | |
| | Battery Powered Lowering "Rescue Feature" | | |
| DIV 21 | FIRE SPRINKLER | \$ | 167,229 |
| | Survey & Design | | |
| | Dry Pipe Double Interlock (Electric / Pneumatic) Pre-Action Fire Sprinkler System | | |

Throughout: Basement, 1st Floor, 2nd Floor, 3rd Floor & Attic Space

| | | | |
|---------------|--|-----------|----------------|
| DIV 22 | PLUMBING | \$ | 137,484 |
| | Make Safe For Demo Sub-Contractor | | |
| | Water Piping | | |
| | Sewer Piping | | |
| | Electric Water Heater With Circulation Pump | | |
| | Fixture Package | | |
| | Elevator Sump Pump & Piping | | |
| DIV 23 | MECHANICAL | \$ | 347,423 |
| | Make Safe For Demo Sub-Contractor | | |
| | Floor Mounted Radiators & Associated Piping | | |
| | Electric Wall Heater | | |
| | Ductwork, Diffusers & Supports | | |
| | Fan & Coil Unit, Condensing Unit & Associated Piping | | |
| | Electric Heaters In Basement | | |
| | VRF Units & Wall Mounted Thermostats | | |
| | VRF Branch Controllers | | |
| | Heat Recovery Unit | | |
| | HVAC Commissioning | | |
| DIV 26 | ELECTRICAL | \$ | 503,996 |
| | Make Safe For Demo Sub-Contractor | | |
| | Gear Package | | |
| | Lighting Package | | |
| | <i>Track Lighting Alternate Accepted and Included for 1/2 of Quantity Shown on Plans</i> | | |
| | Fixture Package | | |
| | Backup Generator For Elevator | | |
| | Lighting Commissioning | | |
| DIV 27 | COMMUNICATION SYSTEMS | \$ | 58,045 |
| | Structured Cabling | | |
| | Cat 6 Cabling | | |
| | MDF | | |
| | Plywood Backboards, Wall Mount Rack, Wire Management & Patch Panels | | |
| | Label & Test | | |
| | Area of Refuge Phone System | | |
| | Auto Dialer Phones at 2nd & 3rd Floor Elevator Lobbies & Front Door | | |
| | Testing & Certification | | |
| DIV 28 | SAFETY & SECURITY SYSTEMS | \$ | 30,202 |
| | Fire Alarm System | | |
| | Voice Evacuation in Fire Alarm System | | |
| | Security System | | |
| | Rough-In Only | | |
| | System By Owner | | |
| DIV 31 | EARTHWORK | \$ | 122,255 |
| | SWPPP | | |
| | (1) Concrete Washout Pit | | |
| | Silt Fence (Approx. 350 LF) | | |
| | Earthwork | | |
| | Demo / Clear Landscaping For Elevator & Flatwork | | |
| | Demo Sidewalk / Flatwork | | |
| | Base Course Prep For Flatwork | | |
| | Elevator Pit Excavation & Building Pad | | |
| | Elevator Pit Backfill with Clay Cap | | |
| | Demo & Replace Asphalt Driveway | | |
| | Spoil Haul Off From For All Trades | | |
| DIV 32 | EXTERIOR IMPROVEMENTS | \$ | 33,434 |
| | Security Fencing (South Property Line to Carriage House) | | |
| | To Prevent Visitors From Falling or Getting To River | | |
| | ~180 LF x 6' Tall Ameristar Perimeter Security Fence | | |
| | Type: ECHECLON II - Heavy Industrial Aluminum Ornamental Fence System | | |
| | Style: Majestic | | |
| | Profile: 3 Rails | | |
| | Color: Black | | |
| | Mechanical Screen Fence | | |
| | ~37 LF x 4' Tall | | |
| | Type: Wood Fence | | |

| | | | |
|---------------|---|-----------|----------------|
| DIV 33 | UTILITIES | \$ | 175,132 |
| | Existing Utility Lines to be Removed | | |
| | Gas Line | | |
| | Sanitary Sewer Line & Cleanout on Back of House (Approx. 25 LF Only) | | |
| | Existing Utility Lines to be Abandoned in Place | | |
| | Sewer Line | | |
| | Domestic Water Line | | |
| | 6" Fire Water Line to Basement Fire Riser | | |
| | 6" Fire Water Line From Basement To Remote FDC | | |
| | Tie Into Existing Sanitary Sewer Line | | |
| | 4" Sanitary Sewer Line & Cleanouts | | |
| | Tie Into Existing Domestic Water Meter | | |
| | "Option A" on C5 Assumes the Existing Meter is 1" or Larger | | |
| | 1 1-2" Domestic Water Line | | |
| | New Fire Hydrant & Tap | | |
| | Street Closure Permit | | |
| | Street Closure Signage, Steel Roadway Plates, Inspections, Etc. | | |
| | Cut & Remove Existing Asphalt Pavement | | |
| | Cut & Remove Existing Concrete Curb, Gutter & Sidewalk | | |
| | (1) 6" x 6" Tapping Sleeve | | |
| | 6" Water Main | | |
| | (1) 6" x 6" Tee (MJ) | | |
| | (1) 8" Gate Valve | | |
| | (1) City Standard Fire Hydrant Assembly | | |
| | Patch Asphalt Pavement | | |
| | Patch Concrete Curb, Gutter & Sidewalk | | |
| | ALLOWANCES / CONTINGENCIES | \$ | 345,000 |
| | Misc. Structural Framing Allowance Per General Note 13 on Sheet S101 (\$40,000) | | |
| | Landscape & Grounds Improvements & Arborist to provide guidance to existing trees Allowance (\$135,000) | | |
| | SOW To Be Determined Once Utilities & Exterior Work is Complete | | |
| | Asbestos Abatement, Monitoring & Reporting Allowance (\$15,000) | | |
| | Only Needed If Asbestos is Encountered | | |
| | Tile Repairs at Removed Wall Locations if Needed (\$10,000) | | |
| | Construction Contingency (\$145,000); An existing contingency balance of \$34,000 remains in the Contract from Ph2 that will carry over to make a total of \$179,000 Contingency) | | |

| | | |
|---|-----------|------------------|
| TOTAL COST OF WORK | \$ | 4,342,034 |
| DESIGN / CONSTRUCTION ADMIN FEES | \$ | 75,943 |
| SUB-TOTAL | \$ | 4,417,977 |
| INSURANCES | \$ | 144,649 |
| SUB-TOTAL | \$ | 4,562,626 |
| P&P BONDS | \$ | 44,500 |
| SUB-TOTAL | \$ | 4,607,126 |
| FEE (5.25%) | \$ | 241,874 |
| TOTAL BUDGET | \$ | 4,849,000 |

PROJECT OVERVIEW

| | | | |
|----------------------------|-----------|------------------|--|
| Phase 1 Design Fees: | \$ | 175,200 | |
| Phase 2 Design Fees: | \$ | 225,800 | (Balance of \$34,000 Remaining Contingency will be carried over to Construction Contingency) |
| Construction GMP: | \$ | 4,849,000 | |
| TOTAL PROJECT COST: | \$ | 5,250,000 | |

EXCLUSIONS

| | |
|--|--|
| City or Municipal Impact Fees | Window Treatments or Blinds |
| Building Permits or Plan Review Fees | IT/AV Equipment (Routers, Switches, Access Points, Etc. Rough In Only) |
| Utility Company Impact Fees or Usage Billings | Security Systems (Rough-In Only) |
| Temporary Utilities | Transformer Pad |
| 3rd Party Inspections or Testing | Masonry Work |
| Exhibit Design or Fixtures | Landscape / Irrigation / Arborist (Allowance Listed Above) |
| Site / Project Security | Railing Or Fencing Modification of Existing |
| Unforeseen Utility Conditions / Piping, Etc. | Lead Based Paint Abatement |
| Existing Metal Roofing Work / Repairs | Driveways or Approaches (Unless Listed in Scope of Work Above) |
| Carriage House Work of Any Kind | River Embankment Improvements / Shoring |
| Appliances of Any Kind (By Tenant) | Sales Tax |
| Exterior Building or Monument Signage | Any Other Labor or Materials Not Specifically Listed |
| Light Fixtures For Track Lighting (Tracks Only Included) | |

QUALIFICATIONS

- 1) Owner is responsible for any & all utility usage billings. (Electricity, Water, Sewer, Etc.)
- 2) Owner is responsible for any & all permitting fees.
- 3) 3rd Party Inspections and or Testing of any kind is to be by Owner.
- 4) City of Kerrville Prevailing Wage & Certified Payroll is included.
- 5) Site parking for workers is based on the City of Kerrville providing parking in the parking garage across the street at no charge to MGC.

SCHEDULE

| | |
|---|--|
| Submission of GMP to City of Kerrville: | Tuesday, September 17, 2024 at 12 Noon CST |
| City of Kerrville City Council Meeting: | Tuesday, October 8, 2024 at 6:00 PM CST |
| Anticipated Notice to Proceed: | Tuesday, October 22, 2024 |
| Anticipated Substantial Completion: | Friday, October 31, 2025 |

NOTE : See Preliminary Construction Schedule For Futher Clarification.

If you have any questions about our proposal, please do not hesitate to contact us.
Thank you for the opportunity to be your trusted partner!

Mark Baublitt
President / CEO
(210) 831-6650
MarkB@Marksmengc.com

Eric Stirm
Director of Preconstruction
(210) 416-4601
EricS@Marksmengc.com

Jorge Cabello
Preconstruction Manager
(210) 722-6879
JorgeC@Marksmengc.com

BUDGET IMPACT LOG

| CSI DIV | DESCRIPTION | DESIGN DEVELOPMENT BUDGET 05/16/2024 | ACTUAL GMP COST 09/28/2024 | DELTA | NOTES / CLARIFICATION |
|---------|-------------------------------|---|-------------------------------|------------|--|
| 01 | General Conditions | \$472,550 | \$491,104 | \$18,554 | |
| 02 | Demolition | \$95,000 | \$100,860 | \$5,860 | |
| 03 | Concrete | \$175,000 | \$191,748 | \$16,748 | |
| 05 | Metals | \$70,000 | \$65,829 | -\$4,171 | |
| 06 | Woods, Plastics & Composites | \$258,000 | \$342,155 | \$84,155 | |
| 07 | Thermal & Moisture Protection | \$95,000 | \$65,561 | -\$29,439 | |
| 08 | Openings | \$613,000 | \$543,517 | -\$69,483 | |
| 09 | Finishes | \$530,000 | \$440,230 | -\$89,770 | |
| 10 | Specialties | \$53,000 | \$29,315 | -\$23,685 | |
| 11 | Equipment | \$8,000 | \$0 | -\$8,000 | Appliances by Tenant |
| 14 | Conveying Equipment | \$163,000 | \$151,517 | -\$11,483 | |
| 21 | Fire Suppression | \$270,000 | \$167,229 | -\$102,771 | |
| 22 | Plumbing | \$122,000 | \$137,484 | \$15,484 | |
| 23 | HVAC | \$445,000 | \$347,423 | -\$97,577 | |
| 26 | Electrical | \$530,000 | \$503,996 | -\$26,004 | |
| 27 | Communications | \$76,000 | \$58,045 | -\$17,955 | |
| 28 | Electronic Safety & Security | \$82,000 | \$30,202 | -\$51,798 | |
| 31 | Earthwork | \$70,000 | \$122,255 | \$52,255 | |
| 32 | Exterior Improvements | \$81,500 | \$33,434 | -\$48,066 | |
| 33 | Utilities | \$142,000 | \$175,132 | \$33,132 | |
| ALLOW | Allowances | \$130,000 | \$345,000 | \$215,000 | |
| ALLOW | 2.5% Inflation Factor Per Qtr | \$25,000 | \$0 | -\$25,000 | |
| SOFT | Insurances / Soft Costs & Fee | \$422,450 | \$506,964 | \$84,514 | Increase due to P&P Bonds & Rising Insurance Costs |

| | | | | |
|-----------------|-------------|-------------|-----------|--|
| SUBTOTAL | \$4,928,500 | \$4,849,000 | -\$79,500 | |
|-----------------|-------------|-------------|-----------|--|

| | | |
|------------------------------|-----------|-----------|
| Phase 1 Design Fees Contract | \$175,200 | \$175,200 |
|------------------------------|-----------|-----------|

| | | |
|------------------------------|-----------|-----------|
| Phase 2 Design Fees Contract | \$225,800 | \$225,800 |
|------------------------------|-----------|-----------|

| | | | |
|---------------------|--------------------|--------------------|------------------|
| TOTAL BUDGET | \$5,329,500 | \$5,250,000 | -\$79,500 |
|---------------------|--------------------|--------------------|------------------|

ALLOWANCE / CONTINGENCY CLARIFICATION

| | |
|--|------------------|
| 1) GMP Allowance Total: | \$345,000 |
| <p>A. Misc. Structural Framing Allowance Per General Note 13 on Sheet S101: \$40,000</p> <p><i>To cover the cost of the damaged wood framing noted on S202.</i></p> <p>B. Arborist & Landscape / Irrigation Allowance \$135,000</p> <p><i>Due to not having a landscape & Irrigation plan based on previous budgets, this will cover re-establishing.</i></p> <p>D. Asbestos Abatement, Monitoring & Reporting Allowance \$15,000</p> <p><i>Only needed if asbestos is encountered</i></p> <p>E. Tile Repairs at Removed Wall Locations \$10,000</p> <p><i>Only needed if tile is damaged or missing at locations of walls being removed (Shown on sheet AD-101, Approx. 16 LF)</i></p> <p>F. Construction Contingency \$145,000</p> <p><i>This is to cover any unforeseen conditions during construction.</i></p> <p>G. Remaining Balance from the Planning & Schematic Design Phase 1A to be rolled into DB Amendment (\$34,000)</p> <p><i>Not included in total of \$300,000 but is included in the Phase 2 Design Fee of \$225,800</i></p> <p>Any unused funds from any of the contingency allowances listed above will be returned in full to the owner via deductive change order at the end of the Project.</p> | |

GENERAL CONDITIONS CLARIFICATION

General Conditions "GC's" increased from the previous budgets as payment & performance bond was not previously included broken out but built within the cost of work budgets. Additionally, insurance rates increased significantly at renewal as well as our staff salaries. The additional costs for "General Conditions" are broken out as follows:

| | |
|---|------------------|
| Payment & Performance Bond: | \$44,500 |
| Insurance Premium Increased: | \$40,014 |
| Staff Costs Increase w/ Reduced Construction Time for Window Replace: | <u>\$18,554</u> |
| Total General Conditions Increase: | \$103,068 |



A.C. Schreiner House & Grounds Renovation

Subcontractor Bid Summaries

DIVISION 2 - Demolition

Demolition

| | | | |
|---|--------------------|------------|--------------------------------|
| 1 | Minaya | \$ 100,560 | Best Value Selection (Low Bid) |
| 2 | American Abatement | \$ 104,075 | |
| 3 | White Rock | \$ 112,136 | |
| 4 | The Demo Co. | \$ 124,855 | |

Plywood Protection & Maintenance for Dumpsters

| | | | |
|---|------------|----------|--------------------------------|
| 1 | MGC | \$ 300 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 1,225 | |
| 3 | White Rock | \$ 2,900 | |

DIVISION 3 - Concrete

Concrete

| | | | |
|---|-------------------|------------|--------------------------------|
| 1 | Infinity Concrete | \$ 163,805 | Best Value Selection (Low Bid) |
| 2 | C&M | \$ 176,495 | |
| 3 | Magno | \$ 194,700 | |

Housekeeping Pads, Light Pole Bases, HVAC Condensor Pads, Concrete Layout, Batterboards & Verifications

| | | | |
|---|------------|-----------|--------------------------------|
| 1 | MGC | \$ 27,943 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 29,400 | |
| 3 | White Rock | - | No Bid |

DIVISION 5 - Metals

Structural Steel Fabrication & Erection

| | | | |
|---|-------------------------------------|------------|--|
| 1 | Danco | \$ 65,829 | Best Value Selection - Combo Fab & Erect (Low Bid) |
| 4 | Rancho Grande Fab & Debssteel Erect | \$ 128,522 | Combo Bid (Fabrication & Erection) |

Steel Embed Layout, Verifications & Setting

| | | | |
|---|------------|----------|--------------------------------|
| 1 | MGC | \$ 775 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 1,425 | |
| 3 | White Rock | \$ 2,800 | |

DIVISION 6 - Wood, Plastics, and Composites

Wood Casework (Millwork & Countertops)

| | | | |
|---|----------------------------|------------|----------------------|
| 1 | Restorhaus / Valcour Combo | \$ 210,830 | Best Value Selection |
|---|----------------------------|------------|----------------------|

Millwork Sealants & Stainless Steel Countertops

| | | | |
|---|------------|----------|--------------------------------|
| 1 | MGC | \$ 8,444 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 9,600 | |
| 3 | White Rock | - | No Bid |

Rough Carpentry

| | | | |
|---|----------|------------|--------------------------------|
| 1 | Minaya | \$ 131,325 | Best Value Selection (Low Bid) |
| 2 | Twin Oak | \$ 179,535 | |

DIVISION 7 - Thermal and Moisture Protection

Bituminous Dampproofing and Expansion Joints

| | | | |
|---|---------|-----------|--------------------------------|
| 1 | CHM | \$ 25,650 | Best Value Selection (Low Bid) |
| 2 | Angelus | \$ 36,634 | |

Firecaulking & Misc Sealants

| | | | |
|---|------------|----------|--------------------------------|
| 1 | MGC | \$ 2,208 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 3,090 | |
| 3 | White Rock | - | No Bid |

Roofing and Sheet Metal

| | | | |
|---|--------|-----------|----------------------|
| 1 | Eskola | \$ 31,195 | Best Value Selection |
|---|--------|-----------|----------------------|

Roof Flashings for Penetrations & At Balcony

| | | | |
|---|------------|----------|--------------------------------|
| 1 | MGC | \$ 6,508 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 7,750 | |
| 3 | White Rock | - | No Bid |

DIVISION 8 - Openings

Doors, Frames, and Hardware (Furnish)

| | | | |
|---|------------------|------------|--------------------------------|
| 1 | Restorhaus | \$ 178,342 | Best Value Selection (Low Bid) |
| 2 | Wessely-Thompson | \$ 191,637 | Best Value Selection |

Doors, Frames and Hardware Installation

| | | | |
|---|------------|-----------|--------------------------------|
| 1 | MGC | \$ 2,450 | Best Value Selection (Low Bid) |
| 2 | White Rock | \$ 5,600 | |
| 3 | Ryno Case | \$ 10,050 | |

| Glazing / Windows | | | |
|---|----------------------|------------|---|
| 1 | Anderson | \$ 362,725 | Best Value Selection (Low Bid) - Alternate Accepted |
| 2 | Pella | \$ 452,329 | |
| 3 | Southwest Exterior | \$ 406,702 | |
| 4 | Restorhaus | \$ 464,664 | Restore Existing/No Replacement |
| DIVISION 9 - Finishes | | | |
| Stucco | | | |
| 1 | TE Construction | \$ 77,754 | Best Value Selection (Low Bid) |
| 2 | Brit-Tex | \$ 86,700 | |
| 3 | Restorhaus | \$ 132,224 | |
| Gypsum and Acoustical Settings | | | |
| 1 | MGC | \$ 109,499 | Best Value Selection (Low Bid) |
| 2 | White Rock | \$ 125,852 | |
| Framing for Structural & Misc Rough Ins: Drywall Removal & Patching | | | |
| 1 | MGC | \$ 21,531 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 38,250 | |
| 3 | White Rock | \$ 3,000 | Incomplete - Only Bid 6 Hrs of Patching Instead of Quantified Scope |
| Tile | | | |
| 1 | Intertech | \$ 33,460 | Best Value Selection (Low Bid) |
| 2 | Restorhaus | \$ 58,240 | |
| Resilient Flooring | | | |
| 1 | Intertech | \$ 65,288 | Best Value Selection (Low Bid) |
| 2 | Restorhaus | \$ 70,298 | |
| Demo Sill & Flooring for 1:12 Slope for ADA at Existing Thresholds | | | |
| 1 | MGC | \$ 12,038 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 13,890 | |
| 3 | White Rock | \$ - | No Bid |
| Painting | | | |
| 1 | Silver Star Painting | \$ 120,660 | Best Value Selection (Low Bid) - Kerrville Sub |
| 2 | AGL Painting | \$ 131,022 | |
| 3 | Traugott | \$ 153,863 | |
| 4 | Restorhaus | \$ 280,735 | |
| DIVISION 10 - Specialties | | | |
| Signage | | | |
| 1 | Mission City | \$ 3,608 | Best Value Selection |
| Restroom Accessories & Fire Protection Accessories | | | |
| 1 | Mission City | \$ 12,371 | Best Value Selection (Low Bid) |
| 2 | MPS Construction | \$ 13,203 | |
| Miscellaneous Specialties / Accordion Doors | | | |
| 1 | DEA Specialties | \$ 13,336 | Best Value Selection |
| DIVISION 14 - Conveying Equipment | | | |
| Elevators | | | |
| 1 | Schindler Elevator | \$ 143,706 | Best Value Selection (Low Bid) |
| 2 | TK Elevator | \$ 151,000 | |
| 3 | Kone Elevator | \$ 153,900 | |
| Elevator Use Pre-Substantial Completion & Warranty | | | |
| 1 | MGC | \$ 7,811 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 9,450 | |
| 3 | White Rock | \$ - | No Bid |
| DIVISION 21 - Fire Suppression | | | |
| Fire Sprinkler System | | | |
| 1 | Prime Time | \$ 154,629 | Best Value Selection (Low Bid) |
| 2 | Texas Star Fire | \$ 158,297 | |
| 3 | Western States | \$ 266,810 | |
| Cutting & Patching for Fire Sprinkler System | | | |
| 1 | MGC | \$ 12,600 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 21,390 | |
| 3 | White Rock | \$ 22,000 | |
| DIVISION 22 - Plumbing | | | |
| Plumbing | | | |
| 1 | Royal Flush | \$ 136,015 | Best Value Selection (Low Bid) - Kerrville Sub |
| 2 | Consolidated | \$ 210,475 | |
| 3 | | | |
| Roof Deck Cutting for Plumbing Penetrations; Mop Sink Backsplash | | | |
| 1 | MGC | \$ 1,469 | Best Value Selection (Low Bid) |
| 2 | White Rock | \$ 2,200 | |
| 3 | Ryno Case | \$ 3,200 | |

| DIVISION 23 - HVAC | | | |
|---|-----------------|------------|--|
| HVAC | | | |
| 1 | K&R Heat & Cool | \$ 345,971 | Best Value Selection (Low Bid) - Kerrville Sub |
| 2 | Consolidated | \$ 422,690 | |
| 3 | AJ Monier | \$ 839,500 | |
| Temporary Filters for HVAC Equip | | | |
| 1 | MGC | \$ 1,451 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 2,625 | |
| 3 | White Rock | \$ - | No Bid |
| DIVISION 26 - Electrical | | | |
| Electrical Systems: | | | |
| 1 | DW Electric | \$ 479,886 | Best Value Selection (Low Bid) - Kerrville Sub |
| 2 | Klecka Elec. | \$ 799,470 | |
| Cutting & Patching for Electrical Work & Site Light Pole Standards | | | |
| 1 | MGC | \$ 24,110 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 26,250 | |
| 3 | White Rock | \$ 12,000 | Incomplete - Only Bid Labor and No Materials |
| DIVISION 27 - Communications | | | |
| Structured Cabling Systems | | | |
| 1 | Telepro | \$ 45,220 | Best Value Selection (Low Bid) |
| 2 | Ender Services | \$ 82,466 | |
| 3 | FSG | \$ 26,509 | Incomplete Bid |
| Cutting & Patching for Special Systems & Fire Rated Plywood BackBoards | | | |
| 1 | MGC | \$ 12,825 | Best Value Selection (Low Bid) |
| 2 | White Rock | \$ 14,200 | |
| 3 | Ryno Case | \$ 22,500 | |
| DIVISION 28 - Electronic Safety & Security | | | |
| Electronic Safety & Security | | | |
| 1 | Telepro | \$ 30,202 | Best Value Selection (Low Bid) |
| 2 | Everon | \$ 28,191 | |
| DIVISION 31 - Earthwork | | | |
| SWPPP / Erosion Control | | | |
| 1 | Q&A Diversified | \$ 11,800 | Best Value Selection (Low Bid) |
| 2 | Ensolum | \$ 13,005 | |
| SWPPP Maintenance, Removal & Disposal | | | |
| 1 | MGC | \$ 2,063 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 4,875 | |
| 3 | White Rock | \$ - | No Bid |
| Sitework, Asphalt | | | |
| 1 | Villarreal | \$ 97,798 | Best Value Selection |
| 2 | The Demo Co | \$ 20,525 | Site Strip Only; No Earthwork |
| Site Layout & Elevation Verifications. Conc & MEP Spoils Haul Off | | | |
| 1 | MGC | \$ 10,594 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 13,150 | |
| 3 | White Rock | \$ - | No Bid |
| DIVISION 32 - Exterior Improvements | | | |
| Fencing | | | |
| 1 | Anchor | \$ 33,434 | Best Value Selection |
| DIVISION 33 - Utilities | | | |
| Utilites | | | |
| 1 | Hill Country | \$ 171,945 | Best Value Selection (Low Bid) - Kerrville Sub |
| 2 | J3 Co. | \$ 188,940 | |
| 3 | JC Utilities | \$ 199,878 | |
| Utility Layout & Elevation Verifications. Coring For Fire Riser Into Basement | | | |
| 1 | MGC | \$ 3,187 | Best Value Selection (Low Bid) |
| 2 | Ryno Case | \$ 5,650 | |
| 3 | White Rock | \$ - | No Bid |



A.C. Schreiner Plan Log

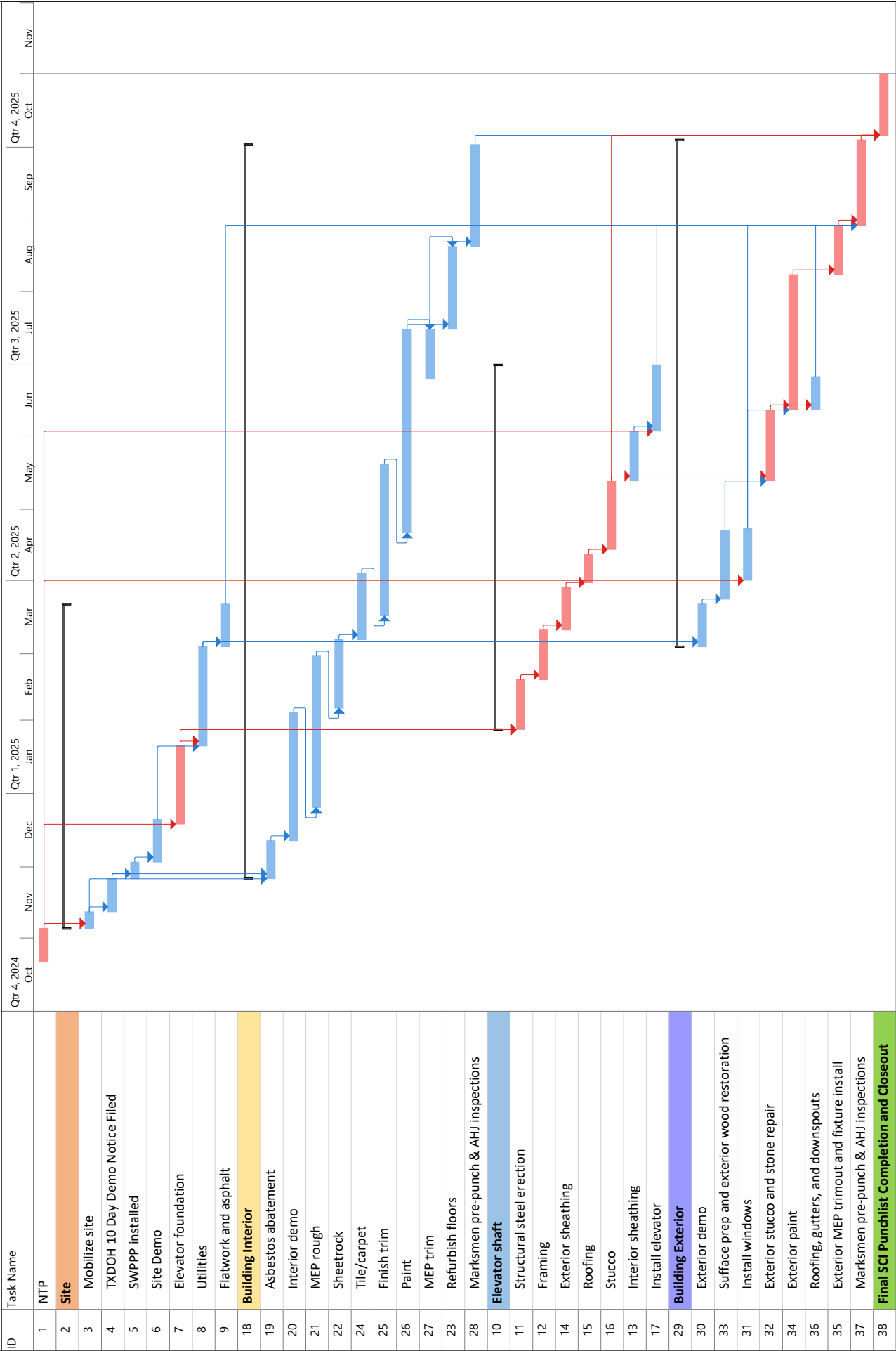
| Discipline | Sheet # | Sheet Date | Addn | Addn Date |
|----------------|------------------------|------------|-------|-----------|
| General | G-100 thru 103 | 8/21/2024 | | |
| General | G-101 | 8/21/2024 | | |
| General | G-102 | 8/21/2024 | | |
| General | G-103 | 8/21/2024 | | |
| Civil | C1, C3, C4 | 8/21/2024 | | |
| Civil | C2 | 8/21/2024 | ADD 1 | 8/30/2024 |
| Civil | C5 | 8/21/2024 | ADD 1 | 8/30/2024 |
| Civil | C6.1, C6.2 | 8/21/2024 | | |
| Civil | C6.3 | 8/21/2024 | ADD 1 | 9/6/2024 |
| Structural | S101 thru S103 | 8/21/2024 | | |
| Structural | S201 | 8/21/2024 | ADD 1 | 9/6/2024 |
| Structural | S202-S204 | 8/21/2024 | | |
| Structural | S301, S501 | 8/21/2024 | ADD 1 | 9/6/2024 |
| Structural | S401 | 8/21/2024 | | |
| Arch Demo | AD-100 thru AD-106 | 8/21/2024 | | |
| Arch Demo | AD-200 thru AD-201 | 8/21/2024 | | |
| Arch Demo | AD-201 | 8/21/2024 | | |
| Arch | A-100, A102 thru A-106 | 8/21/2024 | | |
| Arch | A-101 | 8/21/2024 | ADD 1 | 9/6/2024 |
| Arch | A-107 | 8/21/2024 | | |
| Arch | A-200 thru A-202 | 8/21/2024 | | |
| Arch | A-300 | 8/21/2024 | ADD 2 | 9/19/2024 |
| Arch | A-301 | 8/21/2024 | | |
| Arch | A-400 thru A-406 | 8/21/2024 | | |
| Arch | A-500 | 8/21/2024 | | |
| Arch | A-600 | 8/21/2024 | | |
| Arch | A-601 | 8/21/2024 | | |
| MEP | MEP-1 | 8/21/2024 | | |
| Mech Demo | MD-101 thru MD-103 | 8/21/2024 | | |
| Mechanical | M-100 thru M-103 | 8/21/2024 | | |
| Mechanical | M-201 thru M-203 | 8/21/2024 | | |
| Mechanical | M-301, 302 | 8/21/2024 | | |
| Mechanical | M-401 | 8/21/2024 | | |
| Mechanical | M-501 thru M507 | 8/21/2024 | | |
| Electr Demo | ED-101 thru ED-103 | 8/21/2024 | | |
| Electr Demo | ED-201 thru ED-203 | 8/21/2024 | | |
| Electrical | E-100 thru E-103 | 8/21/2024 | | |
| Electrical | E-201 thru E-203 | 8/21/2024 | | |
| Electrical | E-301 | 8/21/2024 | | |
| Electrical | E-401 | 8/21/2024 | | |
| Electrical | E-501 | 8/21/2024 | | |
| Electrical | E-601 | 8/21/2024 | | |
| Electr Special | ES-101 thru ES-103 | 8/21/2024 | | |
| Plumb Demo | PD-101 thru PD-103 | 8/21/2024 | | |
| Plumbing | P-100 thru P-103 | 8/21/2024 | | |
| Plumbing | P - 201, 202 | 8/21/2024 | | |
| Plumbing | P - 301, 302 | 8/21/2024 | | |
| Plumbing | P - 401, 402 | 8/21/2024 | | |
| Plumbing | P - 501 | 8/21/2024 | | |
| Technology | T - 000 | 8/21/2024 | | |
| Technology | T-100 thru T-103 | 8/21/2024 | | |
| Technology | T - 300 | 8/21/2024 | | |
| Technology | T - 400 | 8/21/2024 | | |
| Fire Sprinkler | FS-101 thru FS-104 | 8/21/2024 | | |

A.C. Schreiner SPEC Log

| Division | SPEC Title | SPEC Date | Addn | Addn Date |
|-------------|----------------------------|-----------|-------|-----------|
| Division 00 | Bidding & Contract Rqmnts | 8/22/2024 | ADD 1 | 9/6/2024 |
| Division 01 | General Requirements | 8/22/2024 | | |
| Division 02 | Existing Conditions | 8/22/2024 | | |
| Division 03 | Concrete - Noted on Plans | 8/22/2024 | | |
| Division 04 | Masonry | 8/22/2024 | | |
| Division 05 | Metals | 8/22/2024 | | |
| Division 06 | Wood/Plastics/Composites | 8/22/2024 | | |
| Division 07 | Thermal & Moist Protection | 8/22/2024 | ADD2 | 9/19/2024 |
| Division 08 | Openings | 8/22/2024 | | |
| Division 09 | Finishes | 8/22/2024 | ADD 1 | 9/6/2024 |
| Division 10 | Specialties | 8/22/2024 | | |
| Division 12 | Furnishings | 8/22/2024 | | |
| Division 14 | Conveying Systems | 8/22/2024 | | |
| Division 27 | Communications | 8/22/2024 | ADD1 | 9/6/2024 |
| Division 32 | Exterior Improvements | 8/22/2024 | | |



AC Schreiner Baseline Contract Schedule



FOCUSED ON EXCELLENCE

10609 IH-10 W. STE. 200, SAN ANTONIO, TX 78230 • 210-858-3125 • MARKSMENGCO.COM



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

SUBJECT: Board appointment to the Recovery Community Coalition. (*S McElhannon, City Secretary*)

AGENDA DATE OF: 10/8/2024 **DATE SUBMITTED:** 10/3/2024

SUBMITTED BY: Shelley McElhannon, City Secretary

EXHIBITS: [Click or tap here to enter text.](#)

| | | | |
|---------------------|-------------------------|-------------------------|------------------------|
| Expenditure: | Amount Budgeted: | Account Balance: | Account Number: |
| \$ | Enter \$ Amount. | Enter \$ Amount. | Enter Account #. |

PAYMENT TO BE MADE TO: [Click or tap here to enter text.](#)

| | | |
|-----------------------------|--------------------------------------|--|
| Kerrville 2050 Item? | Yes: <input type="checkbox"/> | No: <input checked="" type="checkbox"/> |
| Key Priority Area | Choose an item. | |

SUMMARY STATEMENT:

Due to a member resignation, a vacancy exists on the Recovery Community Coalition. One application has been received: Ryan Acosta.
Chief Maloney is staff liaison.

RECOMMENDED ACTION:

Appoint member.