



**City Council Meeting Agenda  
December 10, 2024 at 6:00 PM  
City Hall, 701 Main Street, Kerrville, Texas**



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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!

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**CALL TO ORDER: By Mayor Joe Herring, Jr.**

**INVOCATION AND PLEDGE OF ALLEGIANCE: Led by Councilmember Brenda Hughes**

**1. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

**2. PRESENTATIONS:**

- 2.A Kerrville Kindness: Retired Librarian John Ruth who championed artist Masha Rukhina for a stained glass project at Tivy High School. *(Mayor Herring, Councilmember Sigerman)*
- 2.B Kerrville Kindness: Tivy JROTC Students, Command Chief Galifaro and USAF (ret.) Colonel Apostolides presenting colors and participating in multiple community events. *(Mayor Herring, Councilmember Harris)*
- 2.C Proclamation recognizing the author of the 2024 Christmas In Kerrville poem. *(Mayor Herring)*
- 2.D Recognition of Kerr County Abstract and Title Company for 100 years of business. *(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 complete the speaker request form and submit it to the City Secretary. City Council may not discuss or take any action on an item but may place the issue on a future agenda. 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. 48-2024. A Resolution ordering that a General Election be held on May 3, 2025 for the election of two City Councilmembers for Place 1 and Place 2; providing details relating to the holding of such election; authorizing the Mayor to enter into an agreement with the Kerrville Independent School District for the holding of a joint election between the

two entities; and providing other matters related to the subject. (*S McElhannon, City Secretary*)

- 4.B Resolution No. 50-2024. A Resolution authorizing the City's participation in and authorizing certain officials to act on behalf of the City with respect to the Texas Parks & Wildlife Department's boating access grant. (*A Boyle, Director of Parks & Recreation*)
- 4.C Purchase of 2026 Dump Truck for Water Reclamation in an amount not to exceed \$150,000. (*J Chapman, Procurement Coordinator*)
- 4.D Purchase of 2026 Utility Service Truck for Water Distribution in an amount not to exceed \$168,000. (*J Chapman, Procurement Coordinator*)
- 4.E Purchase and relocation of radio and dispatch equipment with the Lower Colorado River Authority (LCRA) in an amount not to exceed \$135,000. (*C Tork, Director of Innovation and Technology*)
- 4.F City Council workshop minutes November 12, 2024. (*S McElhannon, City Secretary*)
- 4.G City Council meeting minutes November 12, 2024. (*S McElhannon, City Secretary*)

5. **INFORMATION AND DISCUSSION:**

- 5.A Presentation from Kerrville Public Utility Board (KPUB) as to its project to construct and own a proposed debt-funded, natural gas plant. (*D Rice, City Manager*)

6. **ORDINANCE(S), SECOND READING:**

- 6.A Ordinance No. 2024-30, second reading. An Ordinance amending Chapter 50 "Fire Prevention and Protection" of the Kerrville Code of Ordinances by adding a new Article III "Cost Recovery Program and Mitigation Rates", which will authorize the City to apply fees (mitigation rates) for various emergency services provided by the Kerrville Fire Department; providing a severability clause; and providing other matters related to the subject. (*E Maloney, Fire Chief*) **THIS ORDINANCE WAS UNANIMOUSLY APPROVED ON FIRST READING NOVEMBER 12, 2024.**

7. **CONSIDERATION AND POSSIBLE ACTION:**

- 7.A Service Agreement between the City of Kerrville and Fire Recovery USA for cost recovery services as to the City's application of mitigation rates (fees). (*E Maloney, Fire Chief*)
- 7.B Resolution No. 49-2024. A Resolution amending the City of Kerrville Fee Schedule by adding fees (Mitigation Rates) that the City will charge for emergency fire services provided by the City's Fire Department. (*J Behrens, Director of Finance*)
- 7.C Interlocal Transportation Agreement between the City of Kerrville and the Alamo Area Council of Governments furnishing the City with a public transportation Micro-Transit service. (*D Rice, City Manager*)
- 7.D Interlocal agreement relating to funding and construction of improvements through the water resources preservation grant program between the Upper Guadalupe River Authority and the City of Kerrville. (*M Hornes, Asst City Manager*)
- 7.E Banking Services Agreement between the City of Kerrville and Wells Fargo Bank, N.A. and



designation of Director of Finance as the "designated officer" pursuant to state law. (*J Behrens, Director of Finance*)

7.F The City's grant of a Wastewater (Sanitary Sewer) Service Line Easement on property it owns adjacent to Fire Station No. 3, 3225 Legion Dr. (*D Paxton, Director of Planning & Development*)

7.G Proposal with Consor Engineers for its provision of Water Resources Strategic Communication Service and authorizing the City Manager to negotiate and enter into a contract. (*D Rice, City Manager*)

8. **FINANCE:**

8.A Financial report for month-ending October 31, 2024. (*J Behrens, Director of Finance*)

8.B Update regarding City of Kerrville American Rescue Plan Act (ARPA) projects and proposed reallocation of excess funds. (*J Behrens, Director of Finance*)

9. **BOARD APPOINTMENTS:**

9.A Appoint Tax Increment Reinvestment Zone #1 Chair. (*S McElhannon, City Secretary*) *THIS ITEM ELIGIBLE FOR EXECUTIVE SESSION 551.074.*

9.B Appointment to the Food Service Advisory Board. (*S McElhannon, City Secretary*)

9.C Appointment to the Library Advisory Board. (*S McElhannon, City Secretary*)

9.D Appointment to the Main Street Advisory Board. (*S McElhannon, City Secretary*)

9.E Appointment to the Planning & Zoning Commission. (*S McElhannon, City Secretary*) *THIS ITEM ELIGIBLE FOR EXECUTIVE SESSION 551.074.*

9.F Appointment to the Recovery Community Coalition. (*S McElhannon, City Secretary*)

10. **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 in Chapter 551 of the Texas Government Code. Council also reserves the right to meet in Executive Session for the following:*

10.A Appoint Tax Increment Reinvestment Zone #1 Chair 551.074. (*S McElhannon, City Secretary*)

10.B Appointment to the Planning & Zoning Commission 551.074. (*S McElhannon, City Secretary*)

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

12. **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**

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**CAPTION:** Resolution No. 48-2024. A Resolution ordering that a General Election be held on May 3, 2025 for the election of two City Councilmembers for Place 1 and Place 2; providing details relating to the holding of such election; authorizing the Mayor to enter into an agreement with the Kerrville Independent School District for the holding of a joint election between the two entities; and providing other matters related to the subject. *(S McElhannon, City Secretary)*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/12/2024

**SUBMITTED BY:**

Shelley McElhannon, City Secretary

**EXHIBITS:**

1. 20241210\_Reso 48-2024 General Election

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

Ordering a General Election be held on May 3, 2025.

**Early Voting:** Monday April 21, 2025 through Friday April 25, 2025, 8:00am - 6:00pm.

**Early Voting:** Monday April 28, 2025 through Tuesday April 29, 2025, 8:00am - 6:00pm.

**Election Day:** Saturday, May 3, 2025, 7:00am - 7:00pm.

**Polling Location:** Municipal Court Building, 301 McFarland Street, Kerrville, Tx.

**Official Canvass:** Tuesday, May 13, 2025.

**Note:** This item is historically placed on the Consent Agenda, as this item is an annual routine item.

The Cailloux City Center is normally designated as the polling location for both early voting and Election Day voting; however the Cailloux City Center is scheduled for renovations during this time period. Due to citizen safety, a short-term safe and secure polling location has been designated at the Municipal Court Building located at 301 McFarland.

Candidate packets will be available for persons interested in being a candidate for Councilmember Place One or Councilmember Place Two. In accordance with the city charter, any person who is a registered voter of the city and lawfully qualifies may file an application for a place on the ballot for the May 3, 2025 election for city council.

(Qualifications are listed in the Texas Election Code and the Kerrville City Charter.)

Candidates are elected at large (meaning the City does not designate districts); and Councilmembers assume office without party or partisan mark or designation, and serve a two-year term.

For persons interested in running on the ballot for City Council, a candidate application packet will be available in the City Secretary's Office at City Hall, 701 Main St., beginning Monday, January 6, 2025.

Qualified persons (under the City Charter) may file for a place on the ballot by filing an application in the Office of the City Secretary during regular business hours from 8:00 AM to 5:00 PM each weekday beginning Wednesday January 15, 2025 and continuing until 5:00 PM on Friday, February 14, 2025.

**RECOMMENDED ACTION:**

Approve Resolution No. 48-2024, and authorize the Mayor to enter into a joint election agreement with the Kerrville KISD.

**CITY OF KERRVILLE, TEXAS  
RESOLUTION NO. 48-2024**

**A RESOLUTION ORDERING THAT A GENERAL ELECTION BE HELD ON MAY 3, 2025 FOR THE ELECTION OF TWO CITY COUNCILMEMBERS FOR PLACE 1 AND PLACE 2; PROVIDING DETAILS RELATING TO THE HOLDING OF SUCH ELECTION; AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH THE KERRVILLE INDEPENDENT SCHOOL DISTRICT FOR THE HOLDING OF A JOINT ELECTION BETWEEN THE TWO ENTITIES; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT**

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

**WHEREAS**, the terms of office for the Councilmembers Place One and Place Two will expire in May 2025; and

**WHEREAS**, Section 41.001 of the Texas Election Code, as amended (the “Code”) specifies that Saturday, May 3, 2025, will serve as the general election date for the State of Texas and that a general election of a city may be held on such date; and

**WHEREAS**, the City Council of the City of Kerrville, Texas (“City Council”) finds it to be in the public interest to call a general election to be held on May 3, 2025 for the election of persons to the offices of Councilmember Place One and Councilmember Place Two (the “Election”); and

**WHEREAS**, City Council is ordering the Election for the City of Kerrville, Texas, not later than 78 days before the election day pursuant to Section 3.005(c) of the Code; and

**WHEREAS**, City Council, pursuant to the Code, will contract with the Kerr County Elections Officer, who is the Kerr County Clerk (the “Elections Officer”), to conduct all aspects of the Election; and

**WHEREAS**, the Kerrville Independent School District (“KISD”) may also hold an election on May 3, 2025, and like the City, is entering into an agreement with the Elections Officer for services related to holding the election; and

**WHEREAS**, City Council, pursuant to Chapter 271 of the Code, will contract with KISD to jointly hold the Election under the authority of this law; and

**WHEREAS**, the City Council hereby finds and determines that the actions described above are in the best interests of the residents of the City;

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

**SECTION ONE.** The facts and matters contained in the preamble above are found to be true and correct and are incorporated herein and made a part hereof for all purposes.

**SECTION TWO.** City Council orders that a general election be held for the City of Kerrville, Texas, on Saturday, May 3, 2025, for the purpose of electing the following officials of the City:

**Councilmember, Place One  
Councilmember, Place Two**

**SECTION THREE.** City Council approves the *Interlocal Agreement for a Joint Election between the City and KISD* and authorizes the Mayor to sign same, such Agreement as authorized by Chapter 271 of the Code. The Agreement is attached as **Exhibit A**, and authorizes the City and KISD to conduct a joint election, should both entities hold elections.

**SECTION FOUR.** Qualified persons may file for a place on the ballot by filing an application in the Office of the City Secretary during regular business hours from 8:00 AM to 5:00 PM each weekday beginning Wednesday, January 15, 2025 and continuing until 5:00 PM on Friday, February 14, 2025.

**SECTION FIVE.** The present boundaries of the City, constituting one election precinct, the polls shall be open for voting on **Election Day, Saturday May 3, 2025, from 7:00 AM until 7:00 PM** at the following polling place:

**POLLING PLACE  
Municipal Court Building  
301 McFarland  
Kerrville, Texas 78028**

**SECTION SIX.** All resident qualified electors of the City shall be permitted to vote at said election. This election shall be held and conducted in accordance with the Agreement; the Code; the Federal Voting Rights Act of 1965, as amended; the City Charter; and as may be required by law. All election materials and proceedings shall be printed in both English and Spanish. Kerr County will utilize its voting equipment for this election.

**SECTION SEVEN.** The Elections Officer is hereby appointed as Early Voting Clerk and the City Secretary shall serve as the Deputy Early Voting Clerk.



Applications for ballot by mail must be received by mail no later than the close of business on Monday, April 14, 2025, at the following Mailing Address: Elections Officer, Attn: Early Voting Clerk, 700 Main Street, Kerrville, Texas, 78028.

**SECTION EIGHT.** The Elections Officer shall appoint the Election Judge and officers for the polling place and the Early Voting Ballot Board in accordance with the provisions of the Code and the Agreement. The City authorizes the Elections Officer to make changes, substitutions, or additions as to any voting official in accordance with the Code and the Agreement.


**SECTION NINE.** Early voting by personal appearance shall be conducted by Elections Officer in accordance with the Agreement. In accordance with the Code, the Elections Officer may appoint one or more deputy early voting clerks. Early voting shall be conducted at the Municipal Court Building, 301 McFarland, Kerrville, Texas, 78028, April 21, 2025 through April 29, 2025, and in accordance with the Code, as follows:

- **Monday, April 21, 2025, through Friday, April 25, 2025:** 8:00 AM to 6:00 PM
- **Monday, April 28, 2025, and Tuesday, April 29, 2025:** 8:00 AM to 6:00 PM

**SECTION TEN.** City Council will conduct the official canvass of the election at a special meeting on Tuesday, May 13, 2025, at the Arcadia Theater, 717 Water Street, Kerrville, Texas, where official notice of this election shall comply with state law, to include the Open Meetings Act.

**SECTION ELEVEN.** City Council hereby gives the City Secretary the authority to take any action(s) to ensure that the election is conducted in accordance with the Code and the Agreement, to include alternating the dates, places, or actions described above. Should the City Secretary be required to take action, which alters any of the information or actions described above, she shall provide written notice of the action to Council as soon as possible.

**PASSED AND APPROVED ON this the \_\_\_\_\_ day of \_\_\_\_\_ A.D., 2025.**

  
\_\_\_\_\_  
Michael C. Hayes, City Attorney

\_\_\_\_\_  
Joe Herring, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Shelley McElhannon, City Secretary

T:\LEGAL\CITY SECRETARY\ELECTION\YEARLY ELECTIONS\MAY 2025\RESOLUTION GENERAL ELECTION 2025\_111824.DOCX

**EXHIBIT A**

**INTERLOCAL AGREEMENT FOR A JOINT ELECTION  
BETWEEN THE CITY OF KERRVILLE, TEXAS AND  
KERRVILLE INDEPENDENT SCHOOL DISTRICT**

This Interlocal Agreement for a Joint Election (the "Agreement") is entered into by and between the City of Kerrville ("City"), a municipal corporation situated in Kerr County, Texas, and Kerrville Independent School District ("KISD"), a Texas Independent School District situated in Kerr County, Texas, pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code; and Chapter 271 of the Texas Election Code. The City and KISD may be referred to as "Party" or collectively as "Parties".

**WITNESSETH**

**WHEREAS**, the City and KISD will each hold elections on Saturday, May 3, 2025; and

**WHEREAS**, Section 271.002 of the Texas Election Code authorizes two or more political subdivisions holding elections on the same day in all or part of the same county to enter into an agreement to hold their elections jointly in the election precincts that can be served by common polling places; and

**WHEREAS**, the City and KISD believe it to be in the public interest to enter into this Agreement, which authorizes the parties, in conjunction with the Kerr County Clerk, to hold a joint election pursuant to Chapter 271, Texas Election Code;

**NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:**

**ARTICLE I - PURPOSE.** The purpose of this Agreement is to authorize the City and KISD to hold a joint election on May 3, 2025, pursuant to Chapter 271 of the Texas Election Code, and to share those common polling places that serve the voters of both jurisdictions. The Parties have each entered into separate agreements with the Kerr County Clerk who has agreed to conduct the elections. Each Party will continue to work with the Kerr County Clerk and each other to conduct their elections as productively and efficiently as possible. This Agreement shall also apply to any runoff election.

**ARTICLE II - TERM.** The term of this Agreement is to commence upon final execution of this Agreement by the Parties and shall end upon the final canvassing conducted by each Party pursuant to its election.

**ARTICLE III - LOCATION OF COMMON POLLING PLACES.** The voters of particular election precincts may be served in this joint election by a common polling place located outside the boundary of the election precinct, inasmuch as the parties hereto have determined that the locations of such polling places, as recommended by the Kerr County Clerk, will adequately and conveniently serve the affected voters and will facilitate the orderly



conduct of the elections, pursuant to Section 271.003 of the Texas Election Code.

**ARTICLE IV - ALLOCATION OF EXPENSES.** City and KISD shall provide to the Kerr County Clerk, from current revenues available to the paying party, their respective share of costs, as determined by the Kerr County Clerk, pursuant to Section 271.004 of the Texas Election Code. If a Party cancels an election, then its share of the costs shall be adjusted accordingly.

**ARTICLE V - EARLY VOTING.** The parties hereto agree to conduct early voting jointly, pursuant to Section 271.006 of the Texas Election Code.

**ARTICLE VI - AMENDMENTS.** This Agreement may be amended by mutual agreement of the parties hereto in writing to be attached to and incorporated into this Agreement.

**ARTICLE VII - LEGAL CONSTRUCTIONS.** In case any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

**ARTICLE VIII- ENTIRE AGREEMENT.** This Agreement supersedes any and all other agreements, either oral or in writing, between the Parties with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.

*(Signatures follow on next page)*

EXECUTED THIS \_\_\_\_ day of \_\_\_\_, 2024.

THE CITY OF KERRVILLE:

\_\_\_\_\_  
Joe Herring, Jr., Mayor

ATTEST:

APPROVED AS TO FORM:



\_\_\_\_\_  
Shelley McElhannon, City Secretary

\_\_\_\_\_  
Michael C. Hayes, City Attorney

EXECUTED THIS \_\_\_\_ day of \_\_\_\_, 2024.

KERRVILLE INDEPENDENT  
SCHOOL DISTRICT:

\_\_\_\_\_  
David Sprouse, M.D., President KISD  
Board of Trustees

ATTEST:

\_\_\_\_\_  
Greg Peschel, Secretary KISD  
Board of Trustees



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

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**CAPTION:** Resolution No. 50-2024. A Resolution authorizing the City's participation in and authorizing certain officials to act on behalf of the City with respect to the Texas Parks & Wildlife Department's boating access grant. (*A Boyle, Director of Parks & Recreation*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/20/2024

**SUBMITTED BY:**

Ashlea Boyle, Director of Parks & Recreation

**EXHIBITS:**

1. 20241210\_Reso 50-2024 TPW Boating Access Grant
2. Boating Access Program - Program Guidance v2024

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**Expenditure:** N/A

**Amount Budgeted:** N/A

**Account Number:** N/A

**Account Balance:** N/A

**Payment to/Vendor name:** N/A

**Kerrville 2050 Item?**

Yes

**Key Priority Area:**

P – Parks/Open Space/River Corridor

**SUMMARY:**

The Parks and Recreation Department plans to submit a Texas Parks and Wildlife Department (TPWD) Boating Access Grant application for the Granger MacDonald Park Project. The City of Kerrville owns the park. This authorizing resolution has no financial implications. The grant application requires a resolution approved by the City Council. The attached grant program guidance document has detailed information regarding the grant.

Staff recommends approval of the resolution as presented.

**RECOMMENDED ACTION:**

Approve resolution.

**CITY OF KERRVILLE, TEXAS  
RESOLUTION NO. 50-2024**

**A RESOLUTION AUTHORIZING THE CITY'S PARTICIPATION  
IN AND AUTHORIZING CERTAIN OFFICIALS TO ACT ON  
BEHALF OF THE CITY WITH RESPECT TO THE TEXAS PARKS  
& WILDLIFE DEPARTMENT'S BOATING ACCESS GRANT  
PROGRAM**

**WHEREAS**, the City of Kerrville, Texas ("City"), is working toward creating a boating access facility on Nimitz Lake in the new Granger MacDonald Park, which has been dedicated for public park and recreation purposes; and

**WHEREAS**, the City is fully eligible to act as an applicant and to receive assistance under the Boating Access Grant Program ("Program") of the Texas Parks & Wildlife Department ("Department") for the construction of the boating access facility; and

**WHEREAS**, the State of Texas, acting through the Department, under the authority of Sections 11.033 and 31.141 of the Texas Parks and Wildlife Code, would provide funding for such planning, design, and construction of the boating access facility; and

**WHEREAS**, as an applicant, the City is desirous of working with the Department and receiving funds from the Program;

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

**SECTION ONE.** The City hereby certifies that it is eligible to receive assistance under the Program.

**SECTION TWO.** The City hereby certifies that the Eighty Three Thousand Dollars (\$83,000.00), which constitutes the 25% matching share for this application, is readily available at this time.

**SECTION THREE.** The City hereby certifies that for the life of the boating access facility, which will be at least 25 years, the City will operate said facility; perform all necessary maintenance and repairs to ensure public use, health, and safety; and provide security surveillance to eliminate the creation of any nuisance or hazard to the public or adjacent property owners.

**SECTION FOUR.** The City hereby certifies that the boating access facility will be open at all reasonable times to the public, and that revenue from any user fees will only be used to offset operation and maintenance costs of any supported facilities.

**SECTION FIVE.** The City hereby authorizes and directs the City's Assistant Director of Parks and Recreation to act for it in dealing with the Department for the purposes of the Program and that this person is hereby officially designated as the City's representative in this regard.


**PASSED AND APPROVED** this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2024.

\_\_\_\_\_  
Joe Herring, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
William L. Tatsch, Assistant City Attorney



# TEXAS PARKS AND WILDLIFE DEPARTMENT

RECREATION GRANTS BRANCH

BOATING ACCESS  
PROGRAM GUIDANCE 2024



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## Definitions

For the purposes of this document, the following definitions apply:

*Closeout* means the process by which the Federal awarding agency or pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed and takes actions as described in [§ 200.344](#).

*Cost sharing* means the portion of project costs not paid by Federal funds or contributions (unless otherwise authorized by Federal statute). This term includes *matching*, which refers to required levels of cost share that must be provided. See also [§ 200.306](#).

*Pass-through entity (PTE)* means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a federal program.

*Period of performance* means the time interval between the start and end date of a Federal award, which may include one or more budget periods. Identification of the period of performance in the Federal award per [§ 200.211\(b\)\(5\)](#) does not commit the awarding agency to fund the award beyond the currently approved budget period.

*Public access* refers to people in general and is not limited to a particular group.

*Real property* means land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.

*Redevelopment* means “to develop again.” Redevelopment of existing boating access areas includes demolition of obsolete facilities and the construction of new facilities.

*Renovation* is defined in terms of “to renew or make over”. Work on existing facilities to completely renew, update, or modernize such facilities so the finished product will meet present-day standards and be comparable with newly constructed similar facilities.

*Repair and maintenance* normally consist of minor work intended to mend a specific part of a facility which has become broken or otherwise inoperative, to return it to a useful state. **NOT** eligible for grant funding.

*Subaward* means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

*Subrecipient* means an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a federal award; but does not include an individual that is a beneficiary of such an award. A subrecipient may also be a recipient of other Federal awards directly from a federal awarding agency.

## Overview

The purpose of this Program Guidance is to provide an overview of the standards and requirements for the application, evaluation and award of Boat Access Grants administered by the Texas Parks and Wildlife Department's Recreation Grants Branch.

## About

The Boat Access Grant Program awards federal grant funds for projects that provide public access to waterways. The Texas Parks and Wildlife Department (TPWD) acts as the pass-through entity by partnering with local governments to fund new construction, renovation, or redevelopment of public boat ramps and support facilities that provide benefits to recreational boaters.

The Boat Access Grant Program is administered through two phases:

**Phase 1:** Planning & Design Grant – to complete all pre-construction compliance requirements and receive a Notice to Proceed with Construction from the Federal agency.

**Phase 2:** Construction Grant – to complete project elements approved through the Phase 1, Planning and Design Grant.

Applicants must apply for and complete a Phase 1 Planning & Design Grant before they can be considered for a Phase 2 Construction Grant. All awards and phases are subject to available funding.

## Funding

Funding for the Boat Access Program comes from the Sport Fish Restoration & Boating Trust Fund which is derived from:

- Federal excise taxes on boating and angling equipment
- Import duties on boating and angling equipment
- Portion of gasoline tax attributable to motorboats and small engines
- Interest earned on the Trust Fund

These funds are apportioned to each state based on a formula which includes land area, number of paid license holders, minimums, and maximums. This funding is utilized internally by TPWD, as well as externally for projects through the Boat Access Grant Program.

The maximum amount which may be requested for the Phase 1: Planning & Design Grant is \$250,000 in grant funds.

To receive the Phase 2 Construction Grant, the subrecipient must successfully complete Phase 1 and request funding for Phase 2. Projects ready for Phase 2 will be funded on a first come first serve basis, as funding becomes available. Receiving a Planning and

Design Grant does not guarantee that funding will be immediately available for the Construction Phase.

Both phases require a 25% cost share or match.

## Authority

TPWD authority for the Boating Access Program is provided in the following Federal and State Statutes:

1. [Parks and Wildlife Code Chapter 13 Subchapter D Participation in Federal Programs](#)
2. [Federal Aid in Sport Fish Restoration Act of 1950 aka Dingell Johnson Sport Fish Restoration Act](#)

## Policy and Guidance

1. [2 CFR 200](#) contains the uniform administrative requirements, cost principles and audit requirements for federal grant funds
2. [50 CFR 80](#) contains the administrative requirements of the Pittman-Robertson Wildlife Restoration and Dingell-Johnson Sport Fish Restoration Acts
3. [Texas Grant Management Standards \(TxGMS\)](#) contains uniform assurances and standard financial management conditions to promote the efficient use of public funds in programs requiring cooperation among local, state, and federal agencies.

## Application

**The application deadline is 5:00pm CST, FEBRUARY 3, 2025.**

## Recreation Grants Online

[Recreation Grants Online \(RGO\)](#) is an integrated grants management system. All competitive grant opportunities offered by the Recreation Grants Branch (Branch) are made available and administered through Recreation Grants Online.

Notice of Funding Opportunities are announced via the Recreation Grants Newsletter. Sign up for Grant Opportunities from Texas Parks and Wildlife Department here: [TPWD Updates](#) .

To apply for the Boating Access grant competition the local government entity must create an account in RGO if it does not already have one. An account can be created at <http://tpwd-recgrants.intelligrants.com/>.

Additional resources can be found in RGO through the “[RGO Resources](#)” link located at the top, right-hand portion of your screen. If you have any technical questions about how to use the online application site, contact [rec.grants@tpwd.texas.gov](mailto:rec.grants@tpwd.texas.gov). Technical support is available Monday through Friday, 8:00 a.m. to 5:00 p.m. CST.

Once in RGO, the designated administrator for an organization can assign and manage other user accounts to specific grant opportunities. More information on getting started in RGO can be found on the RGO [Resources](#) tab.

## Eligibility Requirements

The Recreation Grants Branch will not accept or evaluate a project proposal that is not submitted via Recreation Grants Online.

The Branch will not score an application that is submitted by an ineligible entity.

The Branch will not score an application that is not administratively complete. An administratively complete application is an application that is in substantive compliance with the requirements determined by the Branch.

If an applicant is compliant with the conditions of previous grant agreements with the Branch, the application will be reviewed and considered for funding. If the applicant is not in compliance with previous grant agreements, Branch Management may request the applicant submit an action plan for addressing deficiencies or problematic issues. If the applicant is unable to provide, to Branch Management's satisfaction, evidence that the deficiencies or problematic issues in question can or will be resolved, the Branch may choose not to score the application or consider it further.

## Eligible Applicants

Eligible applicants include political subdivisions of the State of Texas legally responsible for providing public recreation services to their citizens. This includes cities, counties, river authorities, water districts, and other political subdivisions organized under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution.

## Legal Authority to Apply for the Grant

According to the Texas Grant Management Standards the applicant must represent that it possesses legal authority to apply for the grant. A resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the position identified as the official representative, or the designee of applicant to act in connection with the application and to provide such additional information as may be required.

1. A copy of the resolution, motion or similar action must be submitted at the time of application and should include the following:
2. Certification that the applicant is eligible to receive assistance under the Boat Access Program.
3. Identifies the title/position designated to act for the subrecipient in dealing with TPWD for the purposes of the grant.

4. Certifies that sufficient funds are available to meet applicant's share, if any, of the cost of the project.
5. Developed areas will be operated and maintained at the expense of the applicant for public outdoor recreation use.

## Unique Entity Identifier

Applicants must obtain and provide a valid Unique Entity Identifier (UEI) from SAM.gov <https://sam.gov/content/home> to apply and receive a grant through the Recreation Grants Branch. Applicants are not required to complete a full SAM registration to obtain a UEI.

## Legal Control of Property

Applicants requesting funds are required to have full legal control of the property proposed for development. According to 50 CFR 80.132:

The subrecipient must control the parcel of land and water on which it completes a grant-funded capital improvement. The subrecipient must exercise this control by holding title to a fee or leasehold interest or through another legally binding agreement. Control must be adequate for the protection, maintenance, and use of the improvement for its authorized purpose during its useful life even if the subrecipient did not acquire the parcel with grant funds.

## Match Requirements

Grant funds are provided on a matching basis with the subrecipient providing 25% of the project costs. The match **MUST** be available at the time of application. According to [50 CFR Part 80.85](#) the requirements that apply to match include:

1. Match may be in the form of cash or in-kind contributions.
2. Unless authorized by Federal law, the subrecipient must **not**:
  - Use as match Federal funds or the value of an in-kind contribution acquired with Federal funds; or
  - Use the cost or value of an in-kind contribution to satisfy a match requirement if the cost or value has been or will be used to satisfy a match requirement of another Federal grant, cooperative agreement, or contract.

In kind contributions must provide letters of commitment from project partners. All letters of commitment must state what they are providing, the total value of the contribution, how the value was assessed, and be signed on official letterhead by the organization's governing body.

## Project Standards

Construction projects may be individual or multi-site projects and may include new construction, renovation and/or redevelopment. General repair and maintenance projects are **not** eligible.

Boating access facilities should be attractive to the public and harmonious with the natural environment. In general, new developments and improvements should be designed to avoid or minimize harm to the natural setting, accommodate the number and types of proposed uses, and be consistent with topographic limitations of the site. Emphasis should be given to public health, safety, the natural environment, barrier-free access, and the protection of recreational and community values of the area.

All recreational facilities acquired and/or developed with grant assistance must be designed in accordance with the Texas Architectural Barriers Act and must comply with the Americans with Disabilities Act (ADA). Texas Accessibility Standards can be found on the Texas Department of Licensing & Registration's website

<https://www.tdlr.texas.gov/ab/abtas.htm>

## Cost Principles

Except where otherwise authorized by statute, costs must meet the following criteria to be allowed under Federal awards:

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the recipient or subrecipient.
- (d) Be accorded consistent treatment. For example, a cost must not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for State and local governments and Indian Tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing requirements of any other federally financed program in either the current or a prior period. See [§ 200.306\(b\)](#).
- (g) Be adequately documented. See [§§ 200.300](#) through [200.309](#).



(h) Administrative closeout costs may be incurred until the due date of the final report(s). If incurred, these costs must be liquidated prior to the due date of the final report(s) and charged to the final budget period of the award unless otherwise specified by the Federal agency. All other costs must be incurred during the approved budget period. At its discretion, the Federal agency is authorized to waive prior written approvals to carry forward unobligated balances to subsequent budget periods. See [§ 200.308\(g\)\(3\)](#).

#### Factors affecting allowability of costs

<https://www.ecfr.gov/current/title-2/section-200.403>

A cost is reasonable if it does not exceed an amount that a prudent person would incur under the circumstances prevailing when the decision was made to incur the cost.

<https://www.ecfr.gov/current/title-2/section-200.404>

A cost is allocable to a Federal award or other cost objective if the cost is assignable to that Federal award or other cost objective in accordance with the relative benefits received. This standard is met if the cost satisfies any of the following criteria:

- (1) Is incurred specifically for the Federal award;
- (2) Benefits both the Federal award and other work of the recipient or subrecipient and can be distributed in proportions that may be approximated using reasonable methods; or
- (3) Is necessary to the overall operation of the recipient or subrecipient and is assignable in part to the Federal award in accordance with these cost principles.

<https://www.ecfr.gov/current/title-2/section-200.405>

## Allowable and Unallowable Costs

This section details the allowable and unallowable expenses for Boating Access grants. Read these instructions carefully as any unallowable expenses on the proposed budget may result in the removal of your application from consideration.

Primary project purpose must be to benefit recreational boaters, and other uses must be incidental or secondary. If the primary project purpose is to benefit users who are not recreational boaters, program funds may only be used to the extent that recreational boaters use a facility, and other expenses must be matched through other methods. For example, if survey information shows that only 40% of facility's users are recreational boaters, program funds can account for no more than 40% of project costs

In accordance with [50 CFR 80.54](#), the following activities are ineligible for funding:

- (a) Law enforcement activities.
- (b) Public relations activities to promote the organization.
- (c) Activities conducted for the primary purpose of producing income.
- (d) Activities, projects, or programs that promote or encourage opposition to the regulated taking of fish, hunting, or the trapping of wildlife.

## Pre-Award Costs

Pre-Award costs are allowable for professional services during Phase 1, Planning and Design Grant only. Organizations must submit all pre-award costs to TPWD prior to the application being submitted to FWS. All pre-award costs being requested MUST have the actual INVOICE as well as the PROOF OF PAYMENT, to be considered as allowable costs of the grant.

The applicant may incur costs before the beginning of the grant period according to [50 CFR Part 80.94](#).

A subrecipient may incur costs of a proposed project before the beginning of the grant period. However, the applicant has no assurance that it will receive reimbursement until a grant agreement is awarded that incorporates a project statement demonstrating that the pre-award costs conform to all the following conditions:

- (1) The costs are necessary and reasonable for accomplishing the grant objectives.
- (2) The costs would have been approved if the subrecipient incurred them during the grant period.
- (3) The subrecipient incurs these costs in anticipation of the grant and in conformity with the negotiation of the award with TPWD.
- (4) The activities associated with the pre-award costs comply with all laws, regulations, and policies applicable to a grant-funded project.
- (5) The subrecipient must not complete the project before the beginning of the grant period unless TPWD concurs that doing so is necessary to take advantage of temporary circumstances favorable to the project or to meet legal deadlines. A subrecipient completes a project when it incurs all costs and finishes all work necessary to achieve the project objectives.

The subrecipient can receive reimbursement for pre-award costs only after the beginning of the grant period.

## Phase 1 Planning and Design Allowable Costs

Planning elements can only cover costs associated with allowable construction items in Phase 2 - Construction. Below is a list of common allowable planning and design costs.

- Design Plans and Specifications

- Cultural Resources/Surveys/Permits
- Environmental Resources/Surveys
- U.S. Corps of Engineers (USACE) Permits/Applications
- Texas Department of Licensing and Regulations registration
- Mapping/Surveying

## Phase 2 Construction Allowable Costs

Below is a list of common allowable construction costs:

- Signage
- Restrooms serving the recreational boaters
- Parking areas associated with access facilities (car and trailer)
- Boat Ramp/slips/launch
- Fish Cleaning Stations
- Courtesy Docks
- Access roads directly to boating facility
- Retaining walls/Erosion Control
- Dredging, stump removal and aquatic weed control
- Benches, shade structures, picnic tables in proximity of the boat launch facility
- Fencing or bollards to delineate property lines
- Gates for security purposes only
- Break waters/wave attenuation
- Educational/Interpretive signage
- Carry down facilities for hand launched watercraft
- ADA Launch slip

## Phase 2 Construction Unallowable Costs

Below is a list of common unallowable construction costs:

- Fishing Piers/Fishing docks
- Fee paying stations
- Offices
- Law Enforcement facilities
- RV parking/overnight camping
- Application preparation
- Competitive sport elements

## Application Timeline

Application deadline is **5:00pm on FEBRUARY 3, 2025, CST**

ACTIVITY	TIME FRAME
Applications Open	November 1 <sup>st</sup>
Application Deadline	February 3 <sup>rd</sup>

### Timeline Phase 1 – Planning and Design

Applications submitted to US Fish and Wildlife (USFWS)	July 30 <sup>th</sup> annually – approximately
US Fish and Wildlife Review of project	3 to 6 weeks – approximately
US Fish and Wildlife Approval	September – approximately
TPWD Planning Grant Agreement available to the Subrecipient.	Must be returned to TPWD within 30 days of date of subrecipient signature. If not received within 90 days, grant agreement is null and void.
Begin - Architectural & Engineering Plans, Environmental Compliance, Environmental Assessment permits	Within 90 days of execution of Subaward
Quarterly Status Reports <ul style="list-style-type: none"> <li>January 1-March 31</li> <li>April 1-June 30</li> <li>July 1-September 30</li> <li>October 1-December 31</li> </ul>	On or before January 30th, April 30th, July 30th, and October 30th
Reimbursement Request	Every 90 days if possible. Minimum once per year.
Close Planning Grant	Once all required project compliance is completed.

## Application Documentation

Clear and easy to understand documentation is important to the success of your proposal. PDF documents are the appropriate file type for all uploads.

Clearly identify your distinct project location in every map you include in your proposal, regardless of the scale. Legible hand-drawn and scanned documents are appropriate if

you have no other way to include or markup your maps and photographs. Please make sure all documents are not pixelated and are easy to read. Your project's maps and photographs are important documents used during funding discussions by the Boating Access Committee regarding your grant proposal and should be well-planned visual aids supporting your proposed project.

## Phase 1 Planning and Design

Your application must include:

- ☐ Proof of ownership/legal land control
- ☐ Resolution authorizing application submission
- ☐ Site plan
- ☐ Site photographs
- ☐ Location map
- ☐ Map of other available public boat ramps in the vicinity

Additional uploads if available:

- ☐ Environmental Clearance
- ☐ U.S. Army Corp of Engineers (USACE) Permit
- ☐ Texas Historical Commission (THC) Clearance
- ☐ Design and Specifications
- ☐ Texas Department of Licensing and Regulation (TDLR) registration
- ☐ USFWS/OCI Clearance

## Phase 2 Construction

Your application must include:

- ☐ Notice to Proceed issued through Office of Conservation Investment (OCI)
- ☐ Vicinity map
- ☐ USGS topographic map
- ☐ Aerial photo or satellite image, identifying boundaries and all existing conditions
- ☐ Flood plain/wetlands map

## Evaluation

All applications are initially reviewed for eligibility by Recreation Grants Branch staff. (See Eligibility Section for more information.) All eligible applications are then ranked by an internal Boating Access Review Committee consisting of TPWD staff deemed subject matter experts.

Projects will be evaluated in terms of their eligibility, application quality, overall project quality, ability to serve recreational needs, public benefits, community support, innovation, connectivity, geographic scope and distribution, and accommodation of barrier free access.

The Committee will submit a list of recommended projects to the TPWD Executive Office and Branch staff will submit the project to the U.S. Fish and Wildlife Service (USFWS) for final approval.

## Award

Once approved by USFWS, a grant agreement will be awarded to TPWD. Subrecipients will then be provided with a subaward from TPWD.

## Agreement Process

The official Grant Agreement will be made available in the Recreation Grants Online (RGO) system for review and approval.

The subrecipient may only initiate activities to undertake the approved scope of work *after* a Grant Agreement is signed and executed. All grant funded activities, with the exception of prior approved pre-award costs, must be completed during the Period of Performance. *Period of performance* means the total estimated time interval between the start of an initial award and the planned end date, which may include one or more funded portions, or budget periods. Identification of the period of performance in the Federal award per [§200.211\(b\)\(5\)](#) does not commit the awarding agency to fund the award beyond the currently approved budget period.

## Risk Assessment

A subrecipient may be considered “high risk” based on financial stability or non-conforming management standards requiring additional special conditions and restrictions as determined by grant management standards.

## Term Agreements

In conjunction with the execution of the grant agreement, all subrecipients will be required to sign a Term Agreement outlining the requirements for:

- Compliance: with Federal and State Law
- Conditions for responsibility: includes, operations and maintenance, public use and restrictions on use, safety standards, and insurance
- Credit and Signage: Federal and State Project Acknowledgement
- Duration: term must be long enough to align with the useful life for the federal investment
- Liability: landowner liability issues for public access
- Fees: include information on user fees and how they are used
- Maps/Site plan: need to address geographic location to include structures, level of public access, and public benefits prior to project improvements; amenities or access added with project funding

- Monitoring: includes long-term monitoring plan
- Notice of Federal Participation (NOFP): projects that meet the criteria for a capital improvement
- Operations and Maintenance: provide responsibilities of all parties involved
- Proprietary Interest: acknowledging that the Federal Government has a legally prescribed interest in the improvements throughout its useful life
- Public Access: include the operating hours and the hours available to the public, and how the public can access the site
- Useful Life: establish useful life; define process if organization removes project elements prior to end of useful life; define process if unexpected circumstances reduce the useful life

Prior to closing the Phase I – Planning and Design grant and requesting a Notice to Proceed with construction, a fully signed and executed Term Agreement must be submitted and approved.

## Certification and Assurances

According to [50 CFR 80.90](#) the subrecipient is responsible for the following:

1. Compliance with all applicable Federal, State, and local laws and regulations.
2. Supervision to ensure that the work follows the terms of the grant, including:
  - Proper and effective use of funds;
  - Maintenance of records;
  - Submission of complete and accurate financial reports and performance reports by the due dates in the terms and conditions of the grant; and
  - Regular inspection and monitoring of work in progress.
3. Selection and supervision of personnel to ensure that:
  - Adequate and competent personnel are available to complete the grant-funded work on schedule; and
  - Project personnel meet time schedules, accomplish the proposed work, meet objectives, and submit the required reports.
4. Settlement of all procurement-related contractual and administrative issues.
5. Giving reasonable access to work sites and records by employees and contractual auditors of TPWD, the Department of the Interior, and the Comptroller General of the United States.
  - Access is for the purpose of:
    - Monitoring progress, conducting audits, or other reviews of grant-funded projects; and
    - Monitoring the use of license revenue.
  - Regulations on the uniform administrative requirements for grants awarded by the Department of the Interior describe the records that are subject to these access requirements.



- The closeout of an award does not affect the grantee's responsibilities described in this section.
6. Control of all assets acquired under the grant to ensure that they serve the purpose for which they are acquired throughout their useful life.

## Financial Management Requirements

The financial management system of each non-Federal entity must provide for the following (see also [§§ 200.334](#), [200.335](#), [200.336](#), and [200.337](#)):

- (1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the Assistance Listings title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity.
- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in [§§ 200.328](#) and [200.329](#). If a federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.
- (3) Records that identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
- (4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and ensure that they are used solely for authorized purposes. See [§ 200.303](#).
- (5) Comparison of expenditures with budget amounts for each Federal award.
- (6) Written procedures to implement the requirements of [§ 200.305](#).
- (7) Written procedures for determining the allowability of costs in accordance with [subpart E of this part](#) and the terms and conditions of the Federal award.

## Reporting Requirements

Subrecipients must submit quarterly reports to evaluate progress on grant requirements throughout the life of their active project. Quarterly reports are due within 30 days of each quarter's end. Reports must be submitted regardless of grant inactivity for that quarter and are considered late if received after the due date. A final report is due no later than 60 days

after the period of performance ends. Reimbursements may be placed on hold if reports are delinquent.

<i>DATE DUE</i>	<i>REPORTING PERIOD</i>
APRIL 30	January 1 – March 31
JULY 30	April 1 – June 30
OCTOBER 30	July 1 – September 30
JANUARY 30	October 1 – December 31

## Payment

Funding provided by this program is on a cost reimbursement basis. Subrecipients must initiate their approved projects with their own funds and can be reimbursed up to 75% of allowable costs after submitting documentation of expenses.

Subrecipients must comply with all Local Government Codes governing advertisement for bids by municipalities and counties. If a contract is to be awarded to anyone other than the lowest bidder, information must be furnished to TPWD as to the reason the contract should not be awarded to the lowest bidder. (NOTE: It is the subrecipient's responsibility to adhere to all local, state, and federal laws and regulations concerning the procurement process).

Since this is a reimbursement program the subrecipient is required to initially pay for project expenditures which are then reimbursed by the State. It will be necessary for the subrecipient to keep careful financial records and submit adequate proof of payment to receive reimbursement for eligible project expenditures. Cash payment for invoices is not allowed. Due to the utilization of federal funds for this program, the State and subrecipients will be required to meet financial standards of [2 CFR 200.305](#) Payments.

Texas Parks and Wildlife will reimburse a subrecipient up to 95% of the federal share of the grant amount until a final inspection and audit are completed. (5% of the federal share will be withheld pending final inspection and approval of the project.)

In general, TPWD will reimburse the subrecipient for up to the award amount provided:

- The costs are for allowable expenditures as outlined in the subrecipient's application and approved in the subaward signed by TPWD and the subrecipient
- The subrecipient supplies adequate documentation that fully accounts for out-

of-pocket expenditures

- Properly documents and reports donated labor or materials for in-kind match.
- Certifies that the expenditures have been incurred on the project.
- Provide proof of payment for all invoices.
- Quarterly Progress Reports are submitted, and regular progress is made on the project.

Subrecipient shall submit reimbursement requests to TPWD, through the RGO system, on a regular and timely basis by submitting receipts and other documentation of expenditures and work undertaken. After processing the billing, TPWD will make a payment to the subrecipient for the federal portion of the allowable costs submitted.

## Amendments

Amendments can be requested within the Recreation Grants Online (RGO) system. TPWD will review amendment requests and will either approve or deny within the RGO system. Amendments can include change to time, scope, budget, or any combination of these elements. Amendments for time, major scope change, and budget will require the Federal Awarding Agency approval and can take 2-3 weeks.

## Closeout

*Closeout* means the process by which the pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed and takes actions as described in [§ 200.344](#)

(a) The pass-through entity must close out the Federal award when it determines that all administrative actions and required work of the Federal award have been completed. When the subrecipient fails to complete the necessary administrative actions or the required work for an award, the pass-through entity must proceed with closeout based on the information available.

(b) A subrecipient must submit all reports (financial, performance, and other reports required by a subaward) to the pass-through entity no later than 90 calendar days after the conclusion of the period of performance of the subaward (or an earlier date as agreed upon by the pass-through entity and subrecipient). When justified, the pass-through entity may approve extensions for the subrecipient.

(c) A subrecipient must liquidate all financial obligations incurred under a subaward no later than 90 calendar days after the conclusion of the period of performance of the subaward (or an earlier date as agreed upon by the pass-through entity and subrecipient). When justified, the pass-through entity may approve extensions for the subrecipient.

(d) The subrecipient must promptly refund any unobligated funds that the pass-through entity paid and that are not authorized to be retained.

(e) The subrecipient must account for any property acquired with Federal funds or received from the Federal Government in accordance with [§§ 200.310](#) through [200.316](#) and [200.330](#).

## Project Termination and Non-Compliance

Failure to follow a state or federal law applicable to the disbursement of grant funds may subject the subrecipient to statutory, common law, and contractual remedies that may include administrative action, suspension of grant payments, termination, and ineligibility for future grants.

## Post Closeout Compliance and Stewardship

### Audits

It is the responsibility of the grantee to have a Single Audit done annually according to the Texas Single Audit Circular for state funded projects, and according to 2 [CFR](#) 200.501 Audit Requirements for federally funded projects.

### Record Retention

The subrecipient must retain all Federal award records for three years from the date of submission of their final financial report. Records to be retained include but are not limited to financial records, supporting documentation, and statistical records.

(a) The records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken if any litigation, claim, or audit is started before the expiration of the three-year period.

(b) When the subrecipient is notified in writing by the pass-through entity, cognizant agency for audit, oversight agency for audit, or cognizant agency for indirect costs to extend the retention period.

(c) The records for property and equipment acquired with the support of Federal funds must be retained for three years after final disposition.

## Capital Improvements and Real Property

A subrecipient is responsible for maintaining capital improvements acquired or completed under a grant to ensure that each capital improvement continues to serve its authorized

purpose during its useful life. The subrecipient must do this even if it did not use grant funds to:

- (1) Acquire the parcel on which the capital improvement is located; or
- (2) Build the original structure in which the capital improvement is a component.

A subrecipient may allow commercial, recreational, and other secondary uses of a grant-funded parcel of land or water or capital improvement if these secondary uses do not interfere with the authorized purpose of the grant.

If a subrecipient allows a use of real property that interferes with its authorized purpose under a grant, the subrecipient must fully restore the real property to its authorized purpose.

If the subrecipient cannot fully restore the real property to its authorized purpose, it must replace the real property using non-Federal funds. The subrecipient must determine that the replacement property is of at least equal value at current market prices; and has fish, wildlife, and public use benefits consistent with the purposes of the original grant.

TPWD may require the subrecipient to obtain an appraisal to estimate the value of the replacement property at current market prices. The Subrecipient must obtain TPWD's approval of its determination of the value and benefits of the replacement property; and the documentation supporting this determination.

The subrecipient may have up to 3 years from the date of notification, to restore the real property to its authorized purpose or acquire replacement property. If the subrecipient does not restore the real property to its authorized purpose or acquire replacement property within 3 years, TPWD may declare the subrecipient ineligible to receive new grants through the Recreation Grants Branch.

## Contact Information

Julie Dillard  
Boating Access/Target Program Manager  
512-389-8773  
[Julie.Dillard@tpwd.texas.gov](mailto:Julie.Dillard@tpwd.texas.gov)

Blake Powers  
RGO System Technical Support  
512-389-8725  
[Blake.Powers@tpwd.texas.gov](mailto:Blake.Powers@tpwd.texas.gov)

TPWD receives federal assistance from the U.S. Fish and Wildlife Service and other federal agencies and is subject to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1972, and state anti-discrimination laws which prohibit discrimination the basis of race, color, national origin, age, sex or disability. If you believe that you have been discriminated against in any TPWD program, activity or facility, or need more information, please contact Civil Rights Coordinator for Public Access, U.S. Fish and Wildlife Service, 4401 N. Fairfax Drive, Mail Stop: MBSP-4020, Arlington, VA 22203.



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

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**CAPTION:** Purchase of 2026 Dump Truck for Water Reclamation in an amount not to exceed \$150,000. (*J Chapman, Procurement Coordinator*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/04/2024

**SUBMITTED BY:**

Janelle Chapman, Procurement Coordinator

**EXHIBITS:**

1. prop\_10408\_HV507\_10ft\_Dump

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<b>Expenditure:</b>	Not to exceed \$150,000	<b>Amount Budgeted:</b>	\$150,000
<b>Account Number:</b>	19-1904-5200	<b>Account Balance:</b>	\$155,027
<b>Payment to/Vendor name:</b>	Holt Truck Centers of TX LLC,		

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

The Water Reclamation Division requests to purchase a dump truck in an amount not to exceed \$150,000. This vehicle is included in the FY2025 adopted budget. Holt Truck Centers of Texas, LLC is a BuyBoard vendor which satisfies purchasing compliance. Holt Trucks submitted a proposal in the amount of \$137,318, which is a cost savings of \$12,682 compared to budget. However, staff is requesting approval of an amount not to exceed \$150,000 to ensure adequate funding remains for any safety lighting and other unfitting will need to occur upon delivery of the vehicle prior to putting it into service. The new dump truck will replace the 2005 Dump Truck. Because the cost of the vehicle exceeds \$50,000, City Council approval is required to proceed with this purchase.

**RECOMMENDED ACTION:**

Authorize the City Manager to finalize purchase.

**Prepared For:**

City of Kerrville  
Janelle Chapman  
701 Main St.  
Kerrville, TX 78028-  
(830)257 - 8000  
Reference ID: HGAC: HT06-20

**Presented By:**

HOLT TRK CTRS OF TX, LLC  
Cody J Partain  
5665 SE LOOP 410  
SAN ANTONIO TX 782223903  
512-389-1111

Thank you for the opportunity to provide you with the following quotation on a new International truck. I am sure the following detailed specification will meet your operational requirements, and I look forward to serving your business needs.

**Model Profile**  
**2026 HV507 SFA (HV507)**

<b>AXLE CONFIG:</b>	4X2
<b>APPLICATION:</b>	Construction Dump
<b>MISSION:</b>	Requested GVWR: 35000. Calc. GVWR: 35000. Calc. GCWR: 80000 Calc. Start / Grade Ability: 32.83% / 3.61% @ 55 MPH Calc. Geared Speed: 76.4 MPH
<b>DIMENSION:</b>	Wheelbase: 160.00, CA: 85.00, Axle to Frame: 63.00
<b>ENGINE, DIESEL:</b>	{Cummins L9 330} EPA 2024, 330HP @ 2200 RPM, 1000 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 330 Peak HP (Max)
<b>TRANSMISSION, AUTOMATIC:</b>	{Allison 3000 RDS} 6th Generation Controls, Close Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
<b>CLUTCH:</b>	Omit Item (Clutch & Control)
<b>AXLE, FRONT NON-DRIVING:</b>	{Meritor MFS-12-143A} Wide Track, I-Beam Type, 12,000-lb Capacity
<b>AXLE, REAR, SINGLE:</b>	{Meritor RS-23-160} Single Reduction, 23,000-lb Capacity, 200 Wheel Ends Gear Ratio: 5.38
<b>CAB:</b>	Conventional, Day Cab
<b>TIRE, FRONT:</b>	(2) 11R22.5 Load Range G HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position
<b>TIRE, REAR:</b>	(4) 11R22.5 Load Range G HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position
<b>SUSPENSION, REAR, SINGLE:</b>	23,500-lb Capacity, Vari-Rate Springs, with 4500-lb Capacity Auxiliary Rubber Springs
<b>PAINT:</b>	Cab schematic 100WK Location 1: 9219, Winter White (Std) Chassis schematic N/A



<b>Code</b>	<b>Description</b>
HV50700	Base Chassis, Model HV507 SFA with 160.00 Wheelbase, 85.00 CA, and 63.00 Axle to Frame.
1570	TOW HOOK, FRONT (2) Frame Mounted
1ANA	AXLE CONFIGURATION 4x2
	<u>Notes</u> : Pricing may change if axle configuration is changed.
1CAG	FRAME RAILS Heat Treated Alloy Steel (120,000 PSI Yield); 10.250" x 3.610" x 0.375" (260.4mm x 91.7mm x 9.5mm); 456.0" (11582mm) Maximum OAL
1LLA	BUMPER, FRONT Swept Back, Steel, Heavy Duty
1WEV	WHEELBASE RANGE 146" (370cm) Through and Including 195" (495cm)
2ARW	AXLE, FRONT NON-DRIVING {Meritor MFS-12-143A} Wide Track, I-Beam Type, 12,000-lb Capacity
3ADC	SUSPENSION, FRONT, SPRING Parabolic Taper Leaf, Shackle Type, 12,000-lb Capacity, with Shock Absorbers
4091	BRAKE SYSTEM, AIR Dual System for Straight Truck Applications
	<u>Includes</u> : BRAKE LINES Color and Size Coded Nylon : DRAIN VALVE Twist-Type : GAUGE, AIR PRESSURE (2) Air 1 and Air 2 Gauges; Located in Instrument Cluster : PARKING BRAKE CONTROL Yellow Knob, Located on Instrument Panel : PARKING BRAKE VALVE For Truck : QUICK RELEASE VALVE On Rear Axle for Spring Brake Release: 1 for 4x2, 2 for 6x4 : SPRING BRAKE MODULATOR VALVE R-7 for 4x2, SR-7 with relay valve for 6x4/8x6
4619	TRAILER CONNECTIONS Four-Wheel, with Hand Control Valve and Tractor Protection Valve, for Straight Truck
	<u>Notes</u> : When electronic stability control is ordered with trailer connections on a 4x2 truck, please check the operator manual for trailer weight restrictions.
4AZA	AIR BRAKE ABS {Bendix AntiLock Brake System} 4-Channel (4 Sensor/4 Modulator) Full Vehicle Wheel Control System
4EBD	AIR DRYER {Wabco System Saver 1200} with Heater
4EXP	BRAKE CHAMBERS, FRONT AXLE {Bendix} 20 Sqln
4EXU	BRAKE CHAMBERS, REAR AXLE {Bendix EverSure} 30/30 Sqln Spring Brake
4GBM	BRAKE, PARKING Manual Push-Pull Pneumatic Parking Brake
4LAG	SLACK ADJUSTERS, FRONT {Gunite} Automatic
4LGG	SLACK ADJUSTERS, REAR {Gunite} Automatic
4SPA	AIR COMPRESSOR {Cummins} 18.7 CFM
4VKC	AIR DRYER LOCATION Mounted Inside Left Rail, Back of Cab
4VKK	AIR TANK LOCATION (2) Mounted Under Battery Box, Outside Right Rail, Back of Cab, Perpendicular to Rail
4WBX	DUST SHIELDS, FRONT BRAKE for Air Cam Brakes
4WDA	DRAIN VALVE (3) Petcocks, for Air Tanks
4WDM	DUST SHIELDS, REAR BRAKE for Air Cam Brakes

<b><u>Code</u></b>	<b><u>Description</u></b>
4XDC	BRAKES, FRONT {Meritor 15X4 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 15" X 4", 13,200-lb Capacity
4XDR	BRAKES, REAR {Meritor 16.5X7 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 16.5" X 7", 23,000-lb Capacity per Axle
5708	STEERING COLUMN Tilting
5CAW	STEERING WHEEL 4-Spoke; 18" Dia., Black
5PSA	STEERING GEAR {Sheppard M100} Power
6DGC	DRIVELINE SYSTEM {Dana Spicer} SPL170, for 4x2/6x2
7BEV	AFTERTREATMENT COVER Steel, Black
7BLW	EXHAUST SYSTEM Horizontal Aftertreatment System, Frame Mounted Right Side Under Cab, for Single Vertical Tail Pipe, Frame Mounted Right Side Back of Cab
7WAZ	TAIL PIPE (1) Turnback Type
7WCM	EXHAUST HEIGHT 8' 10"
7WDN	MUFFLER/TAIL PIPE GUARD (1) Aluminum
8000	ELECTRICAL SYSTEM 12-Volt, Standard Equipment
	<b><u>Includes</u></b>
	: DATA LINK CONNECTOR For Vehicle Programming and Diagnostics In Cab
	: HAZARD SWITCH Push On/Push Off, Located on Instrument Panel to Right of Steering Wheel
	: HEADLIGHT DIMMER SWITCH Integral with Turn Signal Lever
	: PARKING LIGHT Integral with Front Turn Signal and Rear Tail Light
	: STARTER SWITCH Electric, Key Operated
	: STOP, TURN, TAIL & B/U LIGHTS Dual, Rear, Combination with Reflector
	: TURN SIGNAL SWITCH Self-Cancelling for Trucks, Manual Cancelling for Tractors, with Lane Change Feature
	: WINDSHIELD WIPER SWITCH 2-Speed with Wash and Intermittent Feature (5 Pre-Set Delays), Integral with Turn Signal Lever
	: WINDSHIELD WIPERS Single Motor, Electric, Cowl Mounted
	: WIRING, CHASSIS Color Coded and Continuously Numbered
8518	CIGAR LIGHTER Includes Ash Cup
8GXD	ALTERNATOR {Leece-Neville AVI160P2013} Brush Type, 12 Volt, 160 Amp Capacity, Pad Mount, with Remote Sense
8HAB	BODY BUILDER WIRING Back of Day Cab at Left Frame or Under Sleeper, Extended or Crew Cab at Left Frame; Includes Sealed Connectors for Tail/Amber Turn/Marker/ Backup/Accessory Power/Ground and Sealed Connector for Stop/Turn
8MSG	BATTERY SYSTEM {Fleetrite} Maintenance-Free, (3) 12-Volt 1980CCA Total, Top Threaded Stud
8RGA	2-WAY RADIO Wiring Effects; Wiring with 20 Amp Fuse Protection, Includes Ignition Wire with 5 Amp Fuse, Wire Ends Heat Shrink and Routed to Center of Header Console in Cab
8RMV	SPEAKERS (2) 6.5" Dual Cone Mounted in Doors
8RPP	ANTENNA Shark Fin, Roof Mounted
8RPT	RADIO AM/FM/WB/Clock/USB Input/Auxiliary Input
8THB	BACK-UP ALARM Electric, 102 dBA
8TKB	STOP, TURN, TAIL & B/U LIGHTS {Truck Lite} Super 44, with LED Lights for Stop, Turn & Tail Lights, Truck Lite Super 40 for Backup Lights, with Power Module, "International" Termination and Less Junction Box, Includes Incandescent License Plate Light

<b><u>Code</u></b>	<b><u>Description</u></b>
8TMG	TRAILER CONNECTION SOCKET {Phillips} 7-Way, Mounted at Rear of Frame, Wired for Turn Signals Combined with Stop, Compatible with Trailers with Combined Stop, Tail, Turn Lamps
8VAY	HORN, ELECTRIC Disc Style
8VUJ	BATTERY BOX Steel, with Plastic Cover, 18" Wide, 2-4 Battery Capacity, Mounted Right Side Back of Cab
8WGL	WINDSHIELD WIPER SPD CONTROL Force Wipers to Slowest Intermittent Speed When Park Brake Set and Wipers Left on for a Predetermined Time
8WPH	CLEARANCE/MARKER LIGHTS (5) {Truck Lite} Amber LED Lights, Flush Mounted on Cab or Sunshade
8WPZ	TEST EXTERIOR LIGHTS Pre-Trip Inspection will Cycle all Exterior Lamps Except Back-up Lights
8WRB	HEADLIGHTS ON W/WIPERS Headlights Will Automatically Turn On if Windshield Wipers are Turned On
8WTK	STARTING MOTOR {Delco Remy 38MT Type 300} 12 Volt, Less Thermal Over-Crank Protection
8WWJ	INDICATOR, LOW COOLANT LEVEL with Audible Alarm
8XAH	CIRCUIT BREAKERS Manual-Reset (Main Panel) SAE Type III with Trip Indicators, Replaces All Fuses
8XGT	TURN SIGNALS, FRONT Includes LED Side Turn Lights Mounted on Fender
8XHC	ALARM, PARKING BRAKE Electric Horn Sounds in Repetitive Manner when Vehicle Park Brake is "NOT" Set, with Ignition "ON" or "OFF" and any Door Opened and Brake Pedal Released
8XNY	HEADLIGHTS Halogen
9AAB	LOGOS EXTERIOR Model Badges
9AAE	LOGOS EXTERIOR, ENGINE Badges
9HBM	GRILLE Stationary, Chrome
9WAC	BUG SCREEN Mounted Behind Grille
9WBC	FRONT END Tilting, Fiberglass, with Three Piece Construction, for WorkStar/HV
10060	PAINT SCHEMATIC, PT-1 Single Color, Design 100
	<b><u>Includes</u></b> : PAINT SCHEMATIC ID LETTERS "WK"
10761	PAINT TYPE Base Coat/Clear Coat, 1-2 Tone
10AGB	COMMUNICATIONS MODULE Telematics Device with Over the Air Programming; Includes Five Year Data Plan and International 360
10SLV	PROMOTIONAL PACKAGE Government Silver Package
10UAV	VEHICLE REGISTRATION IDENTITY ID for Non-CARB Omnibus and/or Non-ACT Adopting State or Exempt Vehicle. Not for use on vehicles registering in CA/MA /OR/NJ/NY/WA. Contains non-mitigated legacy engine & cannot be registered in CA unless exempt. You may be held liable under state law for failure to properly register vehicle.
	<b><u>Notes</u></b> : CANNOT BE REGISTERED IN CA. For vehicles that will be registered in States other than CA.
10WCY	SAFETY TRIANGLES
11001	CLUTCH Omit Item (Clutch & Control)
12703	ANTI-FREEZE Red, Extended Life Coolant; To -40 Degrees F/ -40 Degrees C, Freeze Protection
12EYX	ENGINE, DIESEL {Cummins L9 330} EPA 2024, 330HP @ 2200 RPM, 1000 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 330 Peak HP (Max)

<b><u>Code</u></b>	<b><u>Description</u></b>
12THT	FAN DRIVE {Horton Drivemaster} Two-Speed Type, Direct Drive, with Residual Torque Device for Disengaged Fan Speed  <u>Includes</u> : FAN Nylon
12UWZ	RADIATOR Aluminum, Cross Flow, Front to Back System, 1228 SqIn, with 1167 SqIn Charge Air Cooler, Includes In-Tank Oil Cooler  <u>Includes</u> : DEAERATION SYSTEM with Surge Tank : HOSE CLAMPS, RADIATOR HOSES Gates Shrink Band Type; Thermoplastic Coolant Hose Clamps : RADIATOR HOSES Premium, Rubber
12VBB	AIR CLEANER Dual Element
12VJS	EMISSION, CALENDAR YEAR {Cummins L9} EPA, OBD and GHG Certified for Calendar Year 2024
12VXT	THROTTLE, HAND CONTROL Engine Speed Control; Electronic, Stationary, Variable Speed; Mounted on Steering Wheel
12VYP	ENGINE CONTROL, REMOTE MOUNTED No Provision for Remote Mounted Engine Control
12WVG	EPA IDLE COMPLIANCE Low NOx Idle Engine, Complies with EPA Clean Air Regulations; Includes "Certified Clean Idle" Decal on Hood
12WZE	CARB IDLE COMPLIANCE Does Not Comply with California Clean Air Idle Regulations
12XCS	CARB EMISSION WARR COMPLIANCE Does Not Comply with CARB Emission Warranty
13BCS	TRANSMISSION, AUTOMATIC {Allison 3000 RDS} 6th Generation Controls, Close Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
13WDZ	SHIFT CONTROL PARAMETERS {Allison} 3000 or 4000 Series Transmissions, S1 Performance in Primary and Fixed Programming in Secondary
13WET	TRANSMISSION SHIFT CONTROL Column Mounted Stalk Shifter, Not for Use with Allison 1000 & 2000 Series Transmission
13WLP	TRANSMISSION OIL Synthetic; 29 thru 42 Pints
13WUC	ALLISON SPARE INPUT/OUTPUT for Rugged Duty Series (RDS) and Regional Haul Series (RHS), General Purpose Trucks, Construction, Package Number 223
13WVV	NEUTRAL AT STOP Allison Transmission Shifts to Neutral When Service Brake is Depressed and Vehicle is at Stop; Remains in Neutral Until Service Brake is Released
13XAM	PTO LOCATION Dual, Customer Intends to Install PTO at Left and/or Right Side of Transmission
14051	AXLE, REAR, SINGLE {Meritor RS-23-160} Single Reduction, 23,000-lb Capacity, 200 Wheel Ends . Gear Ratio: 5.38
14VAH	SUSPENSION, REAR, SINGLE 23,500-lb Capacity, Vari-Rate Springs, with 4500-lb Capacity Auxiliary Rubber Springs
14WMG	AXLE, REAR, LUBE {EmGard FE-75W-90} Synthetic Oil; 30 thru 39.99 Pints
15LNR	FUEL/WATER SEPARATOR {Racor 400 Series} with Primer Pump, Includes Water-in-Fuel Sensor, Mounted on Engine
15SWE	FUEL TANK Top Draw, Non-Polished Aluminum, 26" Dia, 70 US Gal (265L), Mounted Left Side, Under Cab
15WDG	DEF TANK 7 US Gal (26L) Capacity, Frame Mounted Outside Left Rail, Under Cab
16030	CAB Conventional, Day Cab

<b><u>Code</u></b>	<b><u>Description</u></b>
16BAM	AIR CONDITIONER with Integral Heater and Defroster
16GED	GAUGE CLUSTER Base Level; English with English Electronic Speedometer  <u>Includes</u> : GAUGE CLUSTER DISPLAY: Base Level (3" Monochromatic Display), Premium Level (5" LCD Color Display); Odometer, Voltmeter, Diagnostic Messages, Gear Indicator, Trip Odometer, Total Engine Hours, Trip Hours, MPG, Distance to Empty/Refill for : GAUGE CLUSTER Speedometer, Tachometer, Engine Coolant Temp, Fuel Gauge, DEF Gauge, Oil Pressure Gauge, Primary and Secondary Air Pressure : WARNING SYSTEM Low Fuel, Low DEF, Low Oil Pressure, High Engine Coolant Temp, Low Battery Voltage (Visual and Audible), Low Air Pressure (Primary and Secondary)
16HGH	GAUGE, OIL TEMP, AUTO TRANS for Allison Transmission
16HHE	GAUGE, AIR CLEANER RESTRICTION {Filter-Minder} Mounted in Instrument Panel
16HKT	IP CLUSTER DISPLAY On Board Diagnostics Display of Fault Codes in Gauge Cluster
16JNT	SEAT, DRIVER {National 2000} Air Suspension, High Back with Integral Headrest, Vinyl, Isolator, 1 Chamber Lumbar, with 2 Position Front Cushion Adjust, -3 to +14 Degree Angle Back Adjust
16LUM	SEAT, PASSENGER {National} Non Suspension, High Back with Integral Headrest, Vinyl, with Fixed Back, with Under Seat Storage
16SNL	MIRRORS (2) C-Loop, Black Heads and Arms, 7.5" x 14" Flat Glass, Includes 7.5" x 7" Convex Mirrors, for 102" Load Width  <u>Notes</u> : Mirror Dimensions are Rounded to the Nearest 0.5"
16VKB	CAB INTERIOR TRIM Classic, for Day Cab  <u>Includes</u> : CONSOLE, OVERHEAD Molded Plastic with Dual Storage Pockets, Retainer Nets and CB Radio Pocket; Located Above Driver and Passenger : DOME LIGHT, CAB Door Activated and Push On-Off at Light Lens, Timed Theater Dimming, Integral to Overhead Console, Center Mounted : SUN VISOR (2) Padded Vinyl; 2 Moveable (Front-to-Side) Primary Visors, Driver Side with Toll Ticket Strap
16VLV	MONITOR, TIRE PRESSURE Omit
16WLS	FRESH AIR FILTER Attached to Air Intake Cover on Cowl Tray in Front of Windshield Under Hood
16WSK	CAB REAR SUSPENSION Air Bag Type
16WSL	MIRROR, CONVEX, HOOD MOUNTED {Lang Mekra} (2) Right and Left Sides, Black 7.5" Sq.
16XCK	WINDOW, MANUAL (2) and Manual Door Locks, Left and Right Doors
16XJN	INSTRUMENT PANEL Flat Panel
16ZBT	ACCESS, CAB Steel, Driver & Passenger Sides, Two Steps per Door, for use with Day Cab and Extended Cab
27DUK	WHEELS, FRONT {Accuride 29169} DISC; 22.5x8.25 Rims, Powder Coat Steel, 5-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with .472" Thick Increased Capacity Disc and Steel Hubs
28DUK	WHEELS, REAR {Accuride 29169} DUAL DISC; 22.5x8.25 Rims, Powder Coat Steel, 5-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with .472" Thick Increased Capacity Disc and Steel Hubs
60AAA	BDY INTG, REMOTE POWER MODULE Mounted Under Cab or On Battery Box, Up to 6 Outputs & 6 Inputs, Max 20 amp per Channel, Max 80 amp Total; Includes 1 Switch Pack with Latched Switches

<b><u>Code</u></b>	<b><u>Description</u></b>
60ABE	BDY INTG, PTO ACCOMMODATION for Electric over Hydraulic PTO, Does Not Include Solenoids, with Latched Switch Mounted on Dash Includes Audible Alarm and Indicator Light in Gauge Cluster (Requires 1 Remote Power Module input & 1 output)
7372135439	(2) TIRE, FRONT 11R22.5 Load Range G HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position
7372135439	(4) TIRE, REAR 11R22.5 Load Range G HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position

**Services Section:**

40128	WARRANTY Standard for HV507, HV50B, HV607 Models, Effective with Vehicles Built July 1, 2017 or Later, CTS-2025A
1	Body: NEW 10'L 6/8 yard Dump Body from Warren Truck and Trailer, LLC: includes Electric Tarp, 50T Pintle Hitch, see Quote WTTLLC00016188 for detailed body specs
2	HGAC Order Processing Fee.  HGAC Contract No.: HT06-20 by Santex Truck Centers, LTD, now HOLT Truck Centers



<u>Description</u>	(US DOLLAR)	<u>Price</u>
Net Sales Price:		\$137,318.00

Please feel free to contact me regarding these specifications should your interests or needs change. I am confident you will be pleased with the quality and service of an International vehicle.

Approved by Seller:

Accepted by Purchaser:

\_\_\_\_\_  
Official Title and Date

\_\_\_\_\_  
Firm or Business Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature and Date

This proposal is not binding upon the seller without  
Seller's Authorized Signature

\_\_\_\_\_  
Official Title and Date

The TOPS FET calculation is an estimate for reference purposes only. The seller or retailer is responsible for calculating and reporting/paying appropriate FET to the IRS.

The limited warranties applicable to the vehicles described herein are Navistar, Inc.'s standard printed warranties which are incorporated herein by reference and to which you have been provided a copy and hereby agree to their terms and conditions.



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

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**CAPTION:** Purchase of 2026 Utility Service Truck for Water Distribution in an amount not to exceed \$168,000. (*J Chapman, Procurement Coordinator*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/04/2024

**SUBMITTED BY:**

Janelle Chapman, Procurement Coordinator

**EXHIBITS:**

1. proposal\_HV607\_Ext\_Cab\_Svc\_Truck

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<b>Expenditure:</b>	Not to exceed \$167,000	<b>Amount Budgeted:</b>	\$175,000
<b>Account Number:</b>	19-1903-5200	<b>Account Balance:</b>	\$175,000
<b>Payment to/Vendor name:</b>	Holt Truck Centers of TX LLC		

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

The Water Distribution Division requests to purchase a utility service truck not to exceed \$168,000. This vehicle is included in the FY2025 adopted budget. Holt Truck Centers of Texas LLC is a BuyBoard vendor which satisfies purchasing compliance. Holt Trucks submitted a proposal in the amount of \$151,898, which is a cost savings of \$23,102 compared to budget. However, staff is requesting approval of an amount not to exceed \$168,000 to ensure adequate funding remains for any safety lighting and other unfitting that needs to occur upon delivery of the vehicle prior to putting it into service. The new service truck will replace the current 2006 Freightliner Service Truck. Because the cost of the vehicle exceeds \$50,000, City Council approval is required to proceed with this purchase.

**RECOMMENDED ACTION:**

Authorize the City Manager to proceed with purchase.

**Prepared For:**

City of Kerrville  
 Janelle Chapman  
 701 Main St.  
 Kerrville, TX 78028-  
 (830)257 - 8000  
 Reference ID: HGAC: HT06-20

**Presented By:**

HOLT TRK CTRS OF TX, LLC  
 Cody J Partain  
 5665 SE LOOP 410  
 SAN ANTONIO TX 782223903  
 512-389-1111

Thank you for the opportunity to provide you with the following quotation on a new International truck. I am sure the following detailed specification will meet your operational requirements, and I look forward to serving your business needs.

**Model Profile**  
**2026 HV607 SBA (HV607)**

<b>AXLE CONFIG:</b>	4X2
<b>APPLICATION:</b>	Service Body
<b>MISSION:</b>	Requested GVWR: 33000. Calc. GVWR: 35000. Calc. GCWR: 80000 Calc. Start / Grade Ability: 35.11% / 3.89% @ 55 MPH Calc. Geared Speed: 76.4 MPH
<b>DIMENSION:</b>	Wheelbase: 183.00, CA: 89.90, Axle to Frame: 61.00
<b>ENGINE, DIESEL:</b>	{Cummins L9 330} EPA 2024, 330HP @ 2200 RPM, 1000 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 330 Peak HP (Max)
<b>TRANSMISSION, AUTOMATIC:</b>	{Allison 3000 RDS} 6th Generation Controls, Close Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
<b>CLUTCH:</b>	Omit Item (Clutch & Control)
<b>AXLE, FRONT NON-DRIVING:</b>	{Meritor MFS-12-143A} Wide Track, I-Beam Type, 12,000-lb Capacity
<b>AXLE, REAR, SINGLE:</b>	{Meritor RS-23-160} Single Reduction, 23,000-lb Capacity, 200 Wheel Ends Gear Ratio: 5.38
<b>CAB:</b>	Conventional, Extended
<b>TIRE, FRONT:</b>	(2) 11R22.5 Load Range H HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position
<b>TIRE, REAR:</b>	(4) 11R22.5 Load Range G HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position
<b>SUSPENSION, REAR, SINGLE:</b>	23,500-lb Capacity, Vari-Rate Springs, with 4500-lb Capacity Auxiliary Rubber Springs
<b>PAINT:</b>	Cab schematic 100WL Location 1: 9219, Winter White (Std) Chassis schematic N/A

<b>Code</b>	<b>Description</b>
HV60700	Base Chassis, Model HV607 SBA with 183.00 Wheelbase, 89.90 CA, and 61.00 Axle to Frame.
1570	TOW HOOK, FRONT (2) Frame Mounted
1ANA	AXLE CONFIGURATION 4x2
	<u>Notes</u> : Pricing may change if axle configuration is changed.
1CAG	FRAME RAILS Heat Treated Alloy Steel (120,000 PSI Yield); 10.250" x 3.610" x 0.375" (260.4mm x 91.7mm x 9.5mm); 456.0" (11582mm) Maximum OAL
1LLA	BUMPER, FRONT Swept Back, Steel, Heavy Duty
1WGR	WHEELBASE RANGE 138" (350cm) Through and Including 187" (475cm)
2ARW	AXLE, FRONT NON-DRIVING {Meritor MFS-12-143A} Wide Track, I-Beam Type, 12,000-lb Capacity
3ADC	SUSPENSION, FRONT, SPRING Parabolic Taper Leaf, Shackle Type, 12,000-lb Capacity, with Shock Absorbers
4091	BRAKE SYSTEM, AIR Dual System for Straight Truck Applications
	<u>Includes</u> : BRAKE LINES Color and Size Coded Nylon : DRAIN VALVE Twist-Type : GAUGE, AIR PRESSURE (2) Air 1 and Air 2 Gauges; Located in Instrument Cluster : PARKING BRAKE CONTROL Yellow Knob, Located on Instrument Panel : PARKING BRAKE VALVE For Truck : QUICK RELEASE VALVE On Rear Axle for Spring Brake Release: 1 for 4x2, 2 for 6x4 : SPRING BRAKE MODULATOR VALVE R-7 for 4x2, SR-7 with relay valve for 6x4/8x6
4619	TRAILER CONNECTIONS Four-Wheel, with Hand Control Valve and Tractor Protection Valve, for Straight Truck
	<u>Notes</u> : When electronic stability control is ordered with trailer connections on a 4x2 truck, please check the operator manual for trailer weight restrictions.
4AZA	AIR BRAKE ABS {Bendix AntiLock Brake System} 4-Channel (4 Sensor/4 Modulator) Full Vehicle Wheel Control System
4EBD	AIR DRYER {Wabco System Saver 1200} with Heater
4EXP	BRAKE CHAMBERS, FRONT AXLE {Bendix} 20 SqIn
4EXU	BRAKE CHAMBERS, REAR AXLE {Bendix EverSure} 30/30 SqIn Spring Brake
4GBM	BRAKE, PARKING Manual Push-Pull Pneumatic Parking Brake
4LAG	SLACK ADJUSTERS, FRONT {Gunite} Automatic
4LGG	SLACK ADJUSTERS, REAR {Gunite} Automatic
4SPA	AIR COMPRESSOR {Cummins} 18.7 CFM
4VKC	AIR DRYER LOCATION Mounted Inside Left Rail, Back of Cab
4WBX	DUST SHIELDS, FRONT BRAKE for Air Cam Brakes
4WDA	DRAIN VALVE (3) Petcocks, for Air Tanks
4WDM	DUST SHIELDS, REAR BRAKE for Air Cam Brakes
4WZJ	AIR TANK LOCATION (2) : One Mounted Under Each Rail, Front of Rear Suspension, Parallel to Rail

<b><u>Code</u></b>	<b><u>Description</u></b>
4XDC	BRAKES, FRONT {Meritor 15X4 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 15" X 4", 13,200-lb Capacity
4XDR	BRAKES, REAR {Meritor 16.5X7 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 16.5" X 7", 23,000-lb Capacity per Axle
5708	STEERING COLUMN Tilting
5CAW	STEERING WHEEL 4-Spoke; 18" Dia., Black
5PSA	STEERING GEAR {Sheppard M100} Power
6DGC	DRIVELINE SYSTEM {Dana Spicer} SPL170, for 4x2/6x2
7BEV	AFTERTREATMENT COVER Steel, Black
7BLW	EXHAUST SYSTEM Horizontal Aftertreatment System, Frame Mounted Right Side Under Cab, for Single Vertical Tail Pipe, Frame Mounted Right Side Back of Cab
7WAZ	TAIL PIPE (1) Turnback Type
7WCM	EXHAUST HEIGHT 8' 10"
7WDN	MUFFLER/TAIL PIPE GUARD (1) Aluminum
8000	ELECTRICAL SYSTEM 12-Volt, Standard Equipment
	<b><u>Includes</u></b>
	: DATA LINK CONNECTOR For Vehicle Programming and Diagnostics In Cab
	: HAZARD SWITCH Push On/Push Off, Located on Instrument Panel to Right of Steering Wheel
	: HEADLIGHT DIMMER SWITCH Integral with Turn Signal Lever
	: PARKING LIGHT Integral with Front Turn Signal and Rear Tail Light
	: STARTER SWITCH Electric, Key Operated
	: STOP, TURN, TAIL & B/U LIGHTS Dual, Rear, Combination with Reflector
	: TURN SIGNAL SWITCH Self-Cancelling for Trucks, Manual Cancelling for Tractors, with Lane Change Feature
	: WINDSHIELD WIPER SWITCH 2-Speed with Wash and Intermittent Feature (5 Pre-Set Delays), Integral with Turn Signal Lever
	: WINDSHIELD WIPERS Single Motor, Electric, Cowl Mounted
	: WIRING, CHASSIS Color Coded and Continuously Numbered
8518	CIGAR LIGHTER Includes Ash Cup
8GXD	ALTERNATOR {Leece-Neville AVI160P2013} Brush Type, 12 Volt, 160 Amp Capacity, Pad Mount, with Remote Sense
8HAB	BODY BUILDER WIRING Back of Day Cab at Left Frame or Under Sleeper, Extended or Crew Cab at Left Frame; Includes Sealed Connectors for Tail/Amber Turn/Marker/ Backup/Accessory Power/Ground and Sealed Connector for Stop/Turn
8MSG	BATTERY SYSTEM {Fleetrite} Maintenance-Free, (3) 12-Volt 1980CCA Total, Top Threaded Stud
8RGA	2-WAY RADIO Wiring Effects; Wiring with 20 Amp Fuse Protection, Includes Ignition Wire with 5 Amp Fuse, Wire Ends Heat Shrink and Routed to Center of Header Console in Cab
8RMV	SPEAKERS (2) 6.5" Dual Cone Mounted in Doors
8RPP	ANTENNA Shark Fin, Roof Mounted
8RPT	RADIO AM/FM/WB/Clock/USB Input/Auxiliary Input
8THB	BACK-UP ALARM Electric, 102 dBA
8TKB	STOP, TURN, TAIL & B/U LIGHTS {Truck Lite} Super 44, with LED Lights for Stop, Turn & Tail Lights, Truck Lite Super 40 for Backup Lights, with Power Module, "International" Termination and Less Junction Box, Includes Incandescent License Plate Light

<b><u>Code</u></b>	<b><u>Description</u></b>
8TMG	TRAILER CONNECTION SOCKET {Phillips} 7-Way, Mounted at Rear of Frame, Wired for Turn Signals Combined with Stop, Compatible with Trailers with Combined Stop, Tail, Turn Lamps
8VAY	HORN, ELECTRIC Disc Style
8WGL	WINDSHIELD WIPER SPD CONTROL Force Wipers to Slowest Intermittent Speed When Park Brake Set and Wipers Left on for a Predetermined Time
8WPH	CLEARANCE/MARKER LIGHTS (5) {Truck Lite} Amber LED Lights, Flush Mounted on Cab or Sunshade
8WPZ	TEST EXTERIOR LIGHTS Pre-Trip Inspection will Cycle all Exterior Lamps Except Back-up Lights
8WRB	HEADLIGHTS ON W/WIPERS Headlights Will Automatically Turn On if Windshield Wipers are Turned On
8WTK	STARTING MOTOR {Delco Remy 38MT Type 300} 12 Volt, Less Thermal Over-Crank Protection
8WWJ	INDICATOR, LOW COOLANT LEVEL with Audible Alarm
8XAH	CIRCUIT BREAKERS Manual-Reset (Main Panel) SAE Type III with Trip Indicators, Replaces All Fuses
8XDU	BATTERY BOX Steel, with Aluminum Cover, 14" Wide, 2-3 Battery Capacity, Mounted Left Side Under Cab
8XGT	TURN SIGNALS, FRONT Includes LED Side Turn Lights Mounted on Fender
8XHC	ALARM, PARKING BRAKE Electric Horn Sounds in Repetitive Manner when Vehicle Park Brake is "NOT" Set, with Ignition "ON" or "OFF" and any Door Opened and Brake Pedal Released
8XNY	HEADLIGHTS Halogen
9AAB	LOGOS EXTERIOR Model Badges
9AAE	LOGOS EXTERIOR, ENGINE Badges
9HBM	GRILLE Stationary, Chrome
9WAC	BUG SCREEN Mounted Behind Grille
9WBC	FRONT END Tilting, Fiberglass, with Three Piece Construction, for WorkStar/HV
10060	PAINT SCHEMATIC, PT-1 Single Color, Design 100
	<b><u>Includes</u></b> : PAINT SCHEMATIC ID LETTERS "WL"
10761	PAINT TYPE Base Coat/Clear Coat, 1-2 Tone
10AGB	COMMUNICATIONS MODULE Telematics Device with Over the Air Programming; Includes Five Year Data Plan and International 360
10SLV	PROMOTIONAL PACKAGE Government Silver Package
10UAV	VEHICLE REGISTRATION IDENTITY ID for Non-CARB Omnibus and/or Non-ACT Adopting State or Exempt Vehicle. Not for use on vehicles registering in CA/MA /OR/NJ/NY/WA. Contains non-mitigated legacy engine & cannot be registered in CA unless exempt. You may be held liable under state law for failure to properly register vehicle.
	<b><u>Notes</u></b> : CANNOT BE REGISTERED IN CA. For vehicles that will be registered in States other than CA.
10WCY	SAFETY TRIANGLES
11001	CLUTCH Omit Item (Clutch & Control)
12703	ANTI-FREEZE Red, Extended Life Coolant; To -40 Degrees F/ -40 Degrees C, Freeze Protection
12EYX	ENGINE, DIESEL {Cummins L9 330} EPA 2024, 330HP @ 2200 RPM, 1000 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 330 Peak HP (Max)



<b>Code</b>	<b>Description</b>
12THT	FAN DRIVE {Horton Drivemaster} Two-Speed Type, Direct Drive, with Residual Torque Device for Disengaged Fan Speed  <u>Includes</u> : FAN Nylon
12UWZ	RADIATOR Aluminum, Cross Flow, Front to Back System, 1228 SqIn, with 1167 SqIn Charge Air Cooler, Includes In-Tank Oil Cooler  <u>Includes</u> : DEAERATION SYSTEM with Surge Tank : HOSE CLAMPS, RADIATOR HOSES Gates Shrink Band Type; Thermoplastic Coolant Hose Clamps : RADIATOR HOSES Premium, Rubber
12VBB	AIR CLEANER Dual Element
12VJS	EMISSION, CALENDAR YEAR {Cummins L9} EPA, OBD and GHG Certified for Calendar Year 2024
12VXT	THROTTLE, HAND CONTROL Engine Speed Control; Electronic, Stationary, Variable Speed; Mounted on Steering Wheel
12VYP	ENGINE CONTROL, REMOTE MOUNTED No Provision for Remote Mounted Engine Control
12WVG	EPA IDLE COMPLIANCE Low NOx Idle Engine, Complies with EPA Clean Air Regulations; Includes "Certified Clean Idle" Decal on Hood
12WZE	CARB IDLE COMPLIANCE Does Not Comply with California Clean Air Idle Regulations
12XCS	CARB EMISSION WARR COMPLIANCE Does Not Comply with CARB Emission Warranty
13BCS	TRANSMISSION, AUTOMATIC {Allison 3000 RDS} 6th Generation Controls, Close Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
13WET	TRANSMISSION SHIFT CONTROL Column Mounted Stalk Shifter, Not for Use with Allison 1000 & 2000 Series Transmission
13WLP	TRANSMISSION OIL Synthetic; 29 thru 42 Pints
13WUC	ALLISON SPARE INPUT/OUTPUT for Rugged Duty Series (RDS) and Regional Haul Series (RHS), General Purpose Trucks, Construction, Package Number 223
13WVV	NEUTRAL AT STOP Allison Transmission Shifts to Neutral When Service Brake is Depressed and Vehicle is at Stop; Remains in Neutral Until Service Brake is Released
13WYU	SHIFT CONTROL PARAMETERS {Allison} 3000 or 4000 Series Transmissions, Performance Programming
13XAM	PTO LOCATION Dual, Customer Intends to Install PTO at Left and/or Right Side of Transmission
14051	AXLE, REAR, SINGLE {Meritor RS-23-160} Single Reduction, 23,000-lb Capacity, 200 Wheel Ends . Gear Ratio: 5.38
14VAH	SUSPENSION, REAR, SINGLE 23,500-lb Capacity, Vari-Rate Springs, with 4500-lb Capacity Auxiliary Rubber Springs
14WMG	AXLE, REAR, LUBE {EmGard FE-75W-90} Synthetic Oil; 30 thru 39.99 Pints
15LNR	FUEL/WATER SEPARATOR {Racor 400 Series} with Primer Pump, Includes Water-in-Fuel Sensor, Mounted on Engine
15SXJ	FUEL TANK Top Draw, Non-Polished Aluminum, 24" Dia, 50 US Gal (189L), Mounted Left Side, Under Cab
15WCN	DEF TANK 5 US Gal (19L) Capacity, Frame Mounted Outside Left Rail, Under Cab
16BAM	AIR CONDITIONER with Integral Heater and Defroster
16CAB	CAB Conventional, Extended

<b>Code</b>	<b>Description</b>
16GED	GAUGE CLUSTER Base Level; English with English Electronic Speedometer  <u>Includes</u> : GAUGE CLUSTER DISPLAY: Base Level (3" Monochromatic Display), Premium Level (5" LCD Color Display); Odometer, Voltmeter, Diagnostic Messages, Gear Indicator, Trip Odometer, Total Engine Hours, Trip Hours, MPG, Distance to Empty/Refill for : GAUGE CLUSTER Speedometer, Tachometer, Engine Coolant Temp, Fuel Gauge, DEF Gauge, Oil Pressure Gauge, Primary and Secondary Air Pressure : WARNING SYSTEM Low Fuel, Low DEF, Low Oil Pressure, High Engine Coolant Temp, Low Battery Voltage (Visual and Audible), Low Air Pressure (Primary and Secondary)
16HGH	GAUGE, OIL TEMP, AUTO TRANS for Allison Transmission
16HHE	GAUGE, AIR CLEANER RESTRICTION {Filter-Minder} Mounted in Instrument Panel
16HKT	IP CLUSTER DISPLAY On Board Diagnostics Display of Fault Codes in Gauge Cluster
16JNT	SEAT, DRIVER {National 2000} Air Suspension, High Back with Integral Headrest, Vinyl, Isolator, 1 Chamber Lumbar, with 2 Position Front Cushion Adjust, -3 to +14 Degree Angle Back Adjust
16RPV	SEAT, PASSENGER {National 2000} Air Suspension, High Back with Integral Headrest, Vinyl, Isolated, 1 Chamber Lumbar, 2 Position Front Cushion Adjustment, -3 to +14 Degree Back Adjust
16SMV	SEAT, REAR {National} BENCH; Full Width; Vinyl, with Fixed Mid Back
16SNL	MIRRORS (2) C-Loop, Black Heads and Arms, 7.5" x 14" Flat Glass, Includes 7.5" x 7" Convex Mirrors, for 102" Load Width  <u>Notes</u> : Mirror Dimensions are Rounded to the Nearest 0.5"
16VKC	CAB INTERIOR TRIM Classic, for Extended Cab  <u>Includes</u> : CONSOLE, OVERHEAD Molded Plastic with Dual Storage Pockets, Retainer Nets and CB Radio Pocket; Located Above Driver and Passenger : DOME LIGHT, CAB Door Activated and Push On-Off at Light Lens, Timed Theater Dimming, Integral to Overhead Console, Center Mounted : SUN VISOR (2) Padded Vinyl; 2 Moveable (Front-to-Side) Primary Visors, Driver Side with Toll Ticket Strap
16VLV	MONITOR, TIRE PRESSURE Omit
16WLS	FRESH AIR FILTER Attached to Air Intake Cover on Cowl Tray in Front of Windshield Under Hood
16WSK	CAB REAR SUSPENSION Air Bag Type
16WSL	MIRROR, CONVEX, HOOD MOUNTED {Lang Mekra} (2) Right and Left Sides, Black 7.5" Sq.
16XCK	WINDOW, MANUAL (2) and Manual Door Locks, Left and Right Doors
16XJN	INSTRUMENT PANEL Flat Panel
16ZBT	ACCESS, CAB Steel, Driver & Passenger Sides, Two Steps per Door, for use with Day Cab and Extended Cab
27DUK	WHEELS, FRONT {Accuride 29169} DISC; 22.5x8.25 Rims, Powder Coat Steel, 5-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with .472" Thick Increased Capacity Disc and Steel Hubs
28DUK	WHEELS, REAR {Accuride 29169} DUAL DISC; 22.5x8.25 Rims, Powder Coat Steel, 5-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with .472" Thick Increased Capacity Disc and Steel Hubs
60AAG	BDY INTG, REMOTE POWER MODULE Mounted Inside Cab Behind Driver Seat, Up to 6 Outputs & 6 Inputs, Max 20 amp per Channel, Max 80 amp Total; Includes 1 Switch Pack with Latched Switches

<b><u>Code</u></b>	<b><u>Description</u></b>
60ABE	BDY INTG, PTO ACCOMMODATION for Electric over Hydraulic PTO, Does Not Include Solenoids, with Latched Switch Mounted on Dash Includes Audible Alarm and Indicator Light in Gauge Cluster (Requires 1 Remote Power Module input & 1 output)
7372135439	(4) TIRE, REAR 11R22.5 Load Range G HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position
7382135439	(2) TIRE, FRONT 11R22.5 Load Range H HSR 3 (CONTINENTAL), 494 rev/mile, 75 MPH, All-Position

**Services Section:**

40128	WARRANTY Standard for HV507, HV50B, HV607 Models, Effective with Vehicles Built July 1, 2017 or Later, CTS-2025A
1	BODY/ALLIED EQUIPMENT: Warren Truck & Trailer E Series Service Body
2	HGAC Order Processing Fee:  HGAC Contract No.: HT06-20 by Santex Truck Centers, LTD, now HOLT Truck Centers

<u>Description</u>	(US DOLLAR)	<u>Price</u>
Net Sales Price:		\$151,898.00

Please feel free to contact me regarding these specifications should your interests or needs change. I am confident you will be pleased with the quality and service of an International vehicle.

Approved by Seller:

Accepted by Purchaser:

\_\_\_\_\_  
Official Title and Date

\_\_\_\_\_  
Firm or Business Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature and Date

This proposal is not binding upon the seller without  
Seller's Authorized Signature

\_\_\_\_\_  
Official Title and Date

The TOPS FET calculation is an estimate for reference purposes only. The seller or retailer is responsible for calculating and reporting/paying appropriate FET to the IRS.

The limited warranties applicable to the vehicles described herein are Navistar, Inc.'s standard printed warranties which are incorporated herein by reference and to which you have been provided a copy and hereby agree to their terms and conditions.



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

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**CAPTION:** Purchase and relocation of radio and dispatch equipment with the Lower Colorado River Authority (LCRA) in an amount not to exceed \$135,000. (*C Tork, Director of Innovation and Technology*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/08/2024

**SUBMITTED BY:**

Charvy Tork, Director of Innovation and Technology

**EXHIBITS:**

1. ILA\_LCRA Relocation to New PSF\_120324
2. ILA\_LCRA Relocation to New PSF\_120324\_Confidential

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**Expenditure:** \$123,000

**Amount Budgeted:** \$45,000,000

**Account Number:** 70-22005

**Account Balance:**

**Payment to/Vendor name:** LCRA

**Kerrville 2050 Item?**

Yes

**Key Priority Area:**

F – Public Facilities/Services

**SUMMARY:**

The relocation to the new Public Safety Facility at 345 Clearwater Paseo requires moving current radio equipment and installing additional hardware to ensure continuous, reliable communication capabilities for Police, Fire, and Emergency Services. The proposal with Lower Colorado River Authority (LCRA) includes the following key components:

- Radio Network Equipment
- Console Relocation
- Additional Console Installation
- Radio Equipment
- Base Station Relocation
- Microwave and Radio Antennae Relocation
- Redundant Fiber Pathways

The equipment and services in this proposal is critical for us to ensure all equipment,

especially the redundant fiber pathway for radio communications, integrates seamlessly with infrastructure at the new public safety facility.

This item was brought to the Council ahead of the new year to avoid anticipated process increases for radio equipment. The total cost of the proposal is \$123,000. This includes all design services, installation and mileage. The budget has been allocated out of the Public Safety Facility project. The purchase and work will be through LCRA, with whom we currently have an inter-local agreement (2022-17).

**RECOMMENDED ACTION:**

Staff recommends approval of the proposal and associated budget allocation for the radio equipment relocation and installation of additional radio communications hardware required for the move to the new Public Safety Facility.



**Binding Construction / Installation Proposal****LCRA and City of Kerrville ("Customer")**

This Binding Construction / Installation Proposal (this "Proposal") is issued under and subject to that certain Interlocal Cooperation Act Agreement for Mobile Radio Services and Equipment between the Parties listed above (the "Interlocal Agreement"). This Proposal is further subject to the Terms and Conditions attached hereto.

In the event of any conflict or inconsistency between the terms and provisions of this Proposal and the terms and provisions of the Interlocal Agreement, with respect to the Project identified below only, the terms and provisions of this Proposal shall control.

**CUSTOMER: Attn: Charvy Tork**

City of Kerrville

701 Main Street

Kerrville, Texas 78028

**PROJECT: RELOCATION OF PUBLIC SAFETY DISPATCH TO NEW PUBLIC SAFETY FACILITY****DATE SUBMITTED: November 18, 2024****SERVICES:****1. Network Equipment:**

Purchase and install 1 pair of new Cisco C1111 routers and switches to facilitate the move from the current dispatch center on Sidney Baker Street to the new Public Safety Facility at 345 Clearwater Paseo near Rio Monte Drive in Kerrville, Texas.

**2. Console Relocation:**

Remove, relocate, and install 5 Symphony dispatch consoles and 5 radio base stations from the current dispatch center to the new Public Safety Facility. Relocation to be coordinated with the City so that emergency services can continue with minimal disruption.

**3. Kerrville Emergency Operations Center:**

Install 1 Symphony dispatch console and 1 radio base station, both provided by the City of Kerrville, in the new Dispatch Center in the Public Safety Facility.

**4. Radio Equipment:**

Purchase and installation of 2 new L3Harris XL-200M radio base stations;

a. one radio base station to be installed in the new Emergency Operations Room. This new mobile will be used for dispatch to monitor & communicate to the field. The Ops. Chiefs (Fire & Police) will monitor traffic using their portable radio.

b. one radio base station to be installed in the Radio Room (providing Kerrville Police audio), along with an interface to the Public Safety Facility public address system.

**5. Base Station Relocation:**

Relocate the existing radio base station from the Kerrville Fire Administration Building in the Copy Room adjacent to the Fire Chief's new office in the new Public Safety Facility, with an interface to the Public Safety Facility public address system (for Fire Department/Emergency Medical Services audio).

**6. Microwave and Radio Antennae:**

Relocate Cambium microwave and LCRA radio-specific antennae to the new Public Safety Facility.

Installation of antennae and microwave on non-penetrating roof mount sleds.

**7. Fiber Pathways into new Public Safety Facility (See Exhibit A1 and A2)**

Design and install 2 new fiber pathways between the Public Safety Facility demarcation room and Kerrville Public Utilities Board (KPUB) electric distribution poles adjacent to the Public Safety Facility. Install 48 port fiber patch panel and terminate 12 fibers from each distribution pole (24 total) in the demarcation room. 12 strands of fiber on each cable will remain in terminated form for future splicing if needed. LCRA will splice the fiber at KPUB distribution poles and install jumpers necessary to tie into LCRA's MPLS transport network. The City of Kerrville will provide 2 diverse underground conduit pathways from the new Public Safety Facility's demarcation room to designated KPUB electric distribution poles at (1) Rio Monte & Clearwater Paseo, and (2) Rio Monte near Meadowview.

**8. Includes all design services, installation, and mileage.**

**Assumptions:**

LCRA and KPUB will need to review the fiber pathways and amend the fiber share agreement between LCRA and KPUB to reflect any impacts from this project.

**Exclusions:**

- Removal and disposal of furniture or other equipment not related to the relocation of the dispatch consoles and radios.
- Move of the Exacom call recorder which is on the City's network.

**SCHEDULE:**

**Begins:** The work can begin any time after this Proposal is signed.

**Completion:** This Proposal will end on September 30, 2025, or when all services contemplated hereunder have been successfully completed, or this Proposal has been terminated.

**PRICE:**

**Total Cost:** \$123,000

**Billing Method:** Invoice

**Payment Terms:** 50% upon signature; 50% upon completion.

Customer and the Lower Colorado River Authority agree that the work described above shall be performed in accordance with the terms and conditions in this Proposal.

**City of Kerrville**

**Lower Colorado River Authority**

By:

By:

Title:

Title:

Date:

Date:

APPROVED AS TO FORM

  
William L. Tatsch, Assistant City Attorney



## **BINDING CONSTRUCTION / INSTALLATION PROPOSAL** **TERMS AND CONDITIONS**

This Proposal is subject to the following terms and conditions:

1. Agreement. This Proposal, including these terms and condition, and any other documents attached hereto (collectively, this "Proposal"), contains the entire agreement and understanding between LCRA and Customer with respect to the subject matter of this Proposal and supersedes any and all prior or contemporaneous oral and written agreements and understandings regarding the defined scope of services. Additional terms and conditions on Customer's forms (including those accompanying any purchase order, invoice or payment) are a material alteration of this Proposal and are rejected and null and void unless expressly agreed to by LCRA in writing. In the case of any conflicts between the terms of this Proposal and the terms of any applicable Customer form, the terms of this Proposal will control.

2. Services. LCRA will perform services for the Customer as detailed in the Scope of Services section of the Project Proposal ("Services"). Customer will review and respond as appropriate, to all reports, studies, recommendations, requests and other submissions of LCRA so as not to delay the performance of the Services.

3. Notices. Correspondence, notices and invoices will be in writing and mailed or delivered to the other party as identified in the Customer and LCRA Contact sections of the Project Proposal, or at such other address as a party may from time to time designate in writing. All notices, correspondence or invoices will be effective upon receipt.

4. Changes Orders. Changes in the scope of the Services may only be made by written agreement of the Customer and LCRA. Verbal changes will not be given or accepted, except in cases of emergencies which pose a risk of personal injury or property damage, and such changes will be followed up with a written confirmation as soon as practicable.

5. Term; Termination. This Proposal will commence on the date of the last signature by the parties ("Effective Date") and will govern LCRA's performance of the Services. Either party may terminate this Proposal for its convenience at any time by providing written notice to the other party. In the event of such termination, Customer will pay LCRA for all Services performed up to the date of termination, plus (in the case of termination by Customer) any cancellation charges or other termination expenses as may be reasonably identified by LCRA.

6. Costs; Invoicing. As compensation for the Services, Customer will pay LCRA in accordance with one of the following, as identified in the Price section of the Project Proposal: (a) All (i) direct costs incurred by LCRA in performing the Services, including, (1) costs for materials and supplies, (2) labor costs, including salary and benefits, paid to LCRA employees, (3) travel, meal and lodging expenses reimbursed or paid on behalf of LCRA employees within established LCRA expense guidelines, and (4) any third party costs, plus (ii) indirect costs that LCRA normally applies to Services of this nature, including general and administrative costs and other internal expenses and contributions; or (b) A fixed price. Any changes to the scope of the Services may require an increase in the fixed price. Such change to the scope and the correlating fixed price will be agreed to in writing by

the parties. LCRA may invoice Customer for progress payments for the Services completed to date during the term of this Proposal. All payments by Customer under this Proposal will be due and payable within 30 days after receipt of invoice. If payment is not timely made, interest will accrue on the unpaid balance at the lesser of the maximum lawful rate, or one percent per month, from the due date until paid.

### 7. Warranty; Disclaimer.

(a) During the term of this Proposal, and for a period of 30 days after completion of the Services, LCRA will correct or reperform any Services not conforming to the requirements of this Proposal. Upon completion of the Services, LCRA will assign to Customer all contractor, manufacturer and supplier warranties related to the Services, to the extent LCRA has the right to do so. After such assignment, LCRA will have no continuing obligations to Customer with respect to the good or service to which the warranty applies, and Customer will look solely to the applicable contractor, manufacturer or supplier for relief regarding any claims or remedies, whether based on a warranty or otherwise.

(b) Any law, code or standard referenced in this Proposal will refer to the version of such law, code or standard in effect as of the Effective Date.

(c) **THE WARRANTIES CONTAINED IN THIS SECTION 7 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR GOOD AND WORKMANLIKE PERFORMANCE, AND LCRA'S OBLIGATION UNDER SECTION 7(A) IS CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR ANY BREACH OR LIABILITY OF LCRA ARISING UNDER THIS PROPOSAL.**

8. Environmental Conditions. Prior to LCRA starting any Services on-site, Customer will provide documentation that identifies the presence and condition of any hazardous materials or environmental conditions existing in or about Customer's equipment or the site that LCRA may encounter while performing the Services and will keep LCRA informed of changes in any such conditions. If LCRA encounters hazardous materials in Customer's equipment or on-site, LCRA is not obligated to perform any Services affected by the hazardous conditions. To the extent permitted by applicable law, Customer will indemnify and hold LCRA, its affiliates and their respective directors and employees, harmless for any and all claims, damages, losses, and expenses arising out of or relating to any hazardous materials which are or were (i) present in or about Customer's equipment or the site prior to the commencement of LCRA's work, (ii) improperly handled or disposed of by Customer or Customer's employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on-site by parties other than LCRA.

9. Schedule. Unless otherwise expressly stated in the Proposal documents, time is *not* of the essence and LCRA will not be liable to Customer for any damages arising out of LCRA's delay in providing the Services, including any failure to meet schedules contained in this Proposal.

10. Force Majeure. Neither party will be responsible or liable for any delay or failure in its performance under this Proposal to the extent such delay or failure is caused by conditions or



events of Force Majeure. The term "Force Majeure" means causes or events beyond the reasonable control of, and without the fault or negligence of the party claiming Force Majeure, including (to the extent satisfying the foregoing requirements) (i) acts of God or sudden actions of the elements such as floods, earthquakes, hurricanes, tornadoes, ice storms, or wildfires; (ii) terrorism; war; riots; blockades; insurrection; strike at a regional level; labor disruption at a regional level (even if such difficulties could be resolved by conceding to the demands of a labor group); (iii) any action by a governmental or regulatory entity, including ERCOT or the PUCT; and (iv) pandemic, including the current Coronavirus Disease 2019 outbreak.

11. LIMITATION OF LIABILITY. THE TOTAL LIABILITY OF LCRA ARISING OUT OF THIS PROPOSAL AND THE SERVICES WILL NOT EXCEED AN AMOUNT EQUAL TO THE FEES PAID TO LCRA UNDER THIS PROPOSAL, AND LCRA WILL NOT BE LIABLE FOR INDIRECT, PUNITIVE, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS. IN NO EVENT WILL ANY OFFICER, DIRECTOR, EMPLOYEE OR AFFILIATE (OR AFFILIATE'S OFFICER, DIRECTOR OR EMPLOYEE) OF LCRA BE LIABLE TO CUSTOMER UNDER THIS PROPOSAL, AND CUSTOMER'S SOLE RECOURSE UNDER THIS PROPOSAL WILL BE AGAINST LCRA AND NOT AGAINST SUCH OTHER PERSONS. THE LIMITATIONS ON LIABILITY AND REMEDIES IN THIS PARAGRAPH WILL APPLY REGARDLESS OF WHETHER THE LIABILITY OR CAUSE OF ACTION ARISES IN PROPOSAL, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. NOTHING IN THIS PROPOSAL WILL BE CONSTRUED TO WAIVE LCRA'S GOVERNMENTAL IMMUNITY.

12. Amendment. This Proposal may only be amended or modified through written agreement of the parties signed by an authorized representative of LCRA and by an authorized representative of the Customer.

13. Assignment. This Proposal will be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided, however, that neither party may assign this Proposal, in whole or part, without the prior written consent of the other party.

14. Non-Waiver. No failure or delay on the part of a party to exercise any right or remedy will operate as a waiver of such right or remedy, nor will any single or partial exercise of any right or remedy preclude any further or other exercise of any such right or remedy.

15. Partial Invalidity. If any section or part of this Proposal is declared invalid by any court of competent jurisdiction, the court's decree will not affect the remainder of this Proposal, and the remainder of this Proposal will remain in full force and effect with the deletion of the part declared invalid.

16. Choice of Law; Venue; Waiver of Jury Trial. This Proposal will be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles. Each party irrevocably consents and agrees that any legal action or proceeding arising out of this Proposal will be brought exclusively in a court of competent jurisdiction in Travis County, Texas. LCRA AND CUSTOMER IRREVOCABLY WAIVE ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS PROPOSAL.

17. Ownership. Intellectual property and rights to intellectual property owned by any party on the Effective Date will remain the property of that party. All deliverables, including plans, drawings, designs, specifications, computer programs or applications photographs, studies, data, schedules, test readings, technical reports, and calculations developed or utilized by LCRA or its subcontractors which are developed and specified to be delivered under this Proposal and which are paid for by Customer are the property of Customer, but subject to LCRA's intellectual property rights. Customer recognizes that no deliverables will be suitable for reuse at any Customer facility or in connection with any project other than that for which the deliverable was prepared. LCRA DISCLAIMS LIABILITY FOR ANY REUSE OF THE DELIVERABLES ON ANY OTHER FACILITY OR PROJECT THAT IS DONE WITHOUT THE EXPLICIT, WRITTEN APPROVAL OF LCRA.

18. Confidentiality. "Confidential Information" means information marked or otherwise designated as "confidential" by a party. Confidential Information may only be used by the parties for purposes related to the performance of this Proposal, and each party agrees not to disclose Confidential Information of the other party to any other person (other than its affiliates, and the party's and affiliate's respective employees and directors, or to contractors who agree to be bound by the provisions of this Section), provided that either party may disclose Confidential Information if and to the extent such disclosure is required by law (including the Texas Public Information Act). In the event a party is requested under law to disclose Confidential Information, such party will to the extent possible notify the other party within three business days of such request.

19. Municipally Owned Utilities. If Customer is a municipally owned utility, the following additional terms will apply:

(a) This Proposal is entered into under the authority of Chapter 791 of the Texas Government Code; (b) Customer pledges the revenues of its electric utility system to pay its obligations under this Proposal. In addition, the amounts payable by Customer to LCRA under this Proposal are operation and maintenance expenses as contemplated by Section 1502.056 of the Texas Government Code and, as a result, are a first lien against the revenues of Customer to secure the Customer's payment obligations to LCRA hereunder. Customer agrees that it will not request Services for which funds have not been appropriated and are not available.

(c) Payments made under this Proposal (1) are based on cost recovery, (2) will fairly compensate LCRA for the Services, and (3) will be made from current revenues available to Customer.

20. Survival. Termination or expiration of this Proposal will not relieve, reduce, or impair any rights or obligations of a party which expressly or by implication survive termination or expiration of this Proposal. Without limiting the generality of the foregoing, the following sections will survive the termination or expiration of this Proposal: Costs; Invoicing, Warranty; Disclaimer, Environmental Conditions, Schedule, Limitation of Liability, Choice of Law; Venue; Waiver of Jury Trial, Ownership, Confidentiality, and Municipally Owned Utilities



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

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**CAPTION:** City Council workshop minutes November 12, 2024. (*S McElhannon, City Secretary*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/18/2024

**SUBMITTED BY:**

**EXHIBITS:**

1. 20241210\_Minutes CC workshop 11-12-24

---

**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

November 12, 2024 4:00pm, City Council workshop minutes.

**RECOMMENDED ACTION:**

Approve minutes as presented.

**CITY COUNCIL MINUTES  
WORKSHOP**

**KERRVILLE, TEXAS  
NOVEMBER 12, 2024 4:00 PM**

**CALL TO ORDER:** On November 12, 2024 at 4:00 PM, Mayor Joe Herring, Jr. called the Kerrville City Council workshop to order in City Hall Council Chambers, 701 Main Street.

**COUNCILMEMBERS PRESENT:**

Mayor Joe Herring, Jr  
Councilmember Delayne Sigerman  
Councilmember Jeff Harris  
Councilmember Kent McKinney  
Mayor Pro-Tem Brenda Hughes

**COUNCILMEMBERS ABSENT:**

**CITY EXECUTIVE STAFF:**

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

David Barrera, Director of Utilities  
Stuart Barron, Executive Director  
Chris Clark, Asst Director Public Works  
Drew Paxton, Director of  
Planning/Development

**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.  
Zach Stein, HGR Water Resource Engineer

1. **PUBLIC COMMENTS:** *A member of the public may address City Council regarding an item on this agenda. Comments must be relevant to the agenda item. This is not intended to be a question and answer session. Citizens wishing to speak during a workshop shall submit a completed "speaker request form" to the City Secretary before the workshop begins. Each speaker is limited to four minutes.*

No person(s) spoke.

2. **INFORMATION AND DISCUSSION:**

2.A City of Kerrville's Long Range Water Plan. (*S Barron, Executive Director of Public Works and Engineering*)

Stuart Barron, Zach Stein, David Barrera, and Chris Clark provided information and responded to questions.

3. **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 in Chapter 551 of the Texas Government Code. City Council also reserves the right to meet in executive session on the following issues:*

Executive Session was not called nor convened.

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

N/A.

**ADJOURN.**

The workshop adjourned at 5:42 p.m.

**APPROVED BY CITY COUNCIL:** \_\_\_\_\_

APPROVED:

ATTEST:

\_\_\_\_\_  
Joe Herring Jr., Mayor

\_\_\_\_\_  
Shelley McElhannon, City Secretary





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

---

**CAPTION:** City Council meeting minutes November 12, 2024. (*S McElhannon, City Secretary*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/18/2024

**SUBMITTED BY:**

**EXHIBITS:**

1. 20241210\_Minutes CC meeting 11-12-24

---

**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

November 12, 2024 6:00pm, City Council meeting minutes.

**RECOMMENDED ACTION:**

Approve minutes as presented.

**CITY COUNCIL MINUTES  
REGULAR MEETING**

**KERRVILLE, TEXAS  
NOVEMBER 12, 2024 6:00 PM**

On November 12, 2024 at 6:00 PM, Mayor Joe Herring, Jr. called the Kerrville City Council meeting to order in City Hall Council Chambers, 701 Main Street. Councilmember Kent McKinney provided the invocation, and led the Pledge of Allegiance.

**COUNCILMEMBERS PRESENT:**

Mayor Joe Herring, Jr  
Councilmember Delayne Sigerman  
Councilmember Jeff Harris  
Councilmember Kent McKinney  
Mayor Pro-Tem Brenda Hughes

**COUNCILMEMBERS ABSENT:**

**CITY EXECUTIVE STAFF:**

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

Stuart Cunyus, Public Information Officer  
Shane Heffernon, Asst Director Parks & Rec  
Eric Maloney, Fire Chief  
Chris McCall, Police Chief  
Drew Paxton, Director of Planning

**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.

Crystal Ceynowa, Airport Executive Assistant      Andrew Muniz, Airport Manager

**CALL TO ORDER:** By Mayor Joe Herring, Jr.

**INVOCATION AND PLEDGE OF ALLEGIANCE:** Councilmember Kent McKinney

**1. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Stuart Cunyus, Mayor Herring, Councilmember Delayne Sigerman, Councilmember Jeff Harris, Councilmember McKinney, and Councilmember Brenda Hughes provided information and announcements.

**2. PRESENTATIONS:**

2.A Kerrville Recovery Community Coalition Presentation. *(E Maloney, Fire Chief)*

Chief Eric Maloney introduced Co-Chair of the Recovery Community Coalition Randi Benno, who provided information and responded to questions.

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

No person(s) spoke.

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:*

A citizen requested to pull item 4A, and Mayor Herring complied to pull item 4A. Shelley McElhannon advised item 4H workshop minutes have been corrected to reflect the correct spelling of Rachel Johnston's name. Councilmember Hughes made a motion to approve consent agenda items 4B through 4I, seconded by Councilmember McKinney. Motion passed 5-0.

- 4.A Ordinance No. 2024-29, second reading. An Ordinance amending Ordinance No. 2024-10, which, subject to conditions not having occurred, authorized the vacation, abandonment, and closure of all right, title, and interest in a segment of a public right-of-way known as Knapp Rd; but only to that portion of Knapp Rd located south of the Guadalupe River; amending such Ordinance by revising the conditions required to take final action to cause the vacation, abandonment, and closure. *(D Paxton, Director of Planning & Development)*  
**THIS ORDINANCE WAS UNANIMOUSLY APPROVED ON FIRST READING 10/22/24.**

This item was pulled from the Consent Agenda for discussion.  
Shelley McElhannon read Ordinance No. 2024-29 into record.

- The following person(s) spoke:  
George Baroody

Dalton Rice provided clarification.

Councilmember McKinney made a motion to approve Ordinance No. 2024-29 on second reading, seconded by Councilmember Sigerman. The motion passed 5-0.

- 4.B Resolution No.46-2024. A Resolution authorizing the City to submit an application to the Texas Commission on the Arts for it to designate an area within the City's downtown as a Cultural District; such grant and designation is intended to harness the power of cultural resources to stimulate economic development and community vitality; and authorizing the Mayor and City Manager to act as the City's Executive Officers and authorized representatives in all matters pertaining to the City's participation in the Cultural Districts

Designation Program. (*M Hornes, City Manager*)

4.C Construction Agreement between City of Kerrville, Tx. and J3 Company, LLC for the Texas Department of Transportation for a Transportation Alternatives Set-Aside (TASA) Sidewalk Improvement Project, in an amount of \$755,218. (*K Burow, Director of Engineering*)

4.D Construction Agreement between the City of Kerrville, Tx. and with M&C Fonseca Construction Company, Inc. for the Schreiner Golf Course Bridge Replacement Project, in an amount of \$438,395. (*K Burow, Director of Engineering*)

4.E Non-Emergency Ambulance Transfer Agreement between City of Kerrville and Peterson Regional Medical Center. (*E Maloney, Kerrville Fire Chief*)

4.F Purchase of one (1) Type 1 Ambulance from Sterling McCall Ford through the HGAC Buy Cooperative Contracts in an amount not to exceed \$355,325. (*E Maloney, Fire Chief*)

4.G Joint Election Agreement between City of Kerrville and Kerr County. (*S McElhannon, City Secretary*)

4.H City Council workshop minutes October 22, 2024. (*S McElhannon, City Secretary*)

4.I City Council meeting minutes October 22, 2024. (*S McElhannon, City Secretary*)

#### **END OF CONSENT AGENDA.**

#### **5. ORDINANCES, FIRST READING:**

5.A Ordinance No. 2024-11. An Ordinance amending Chapter 46 "Environment" of the City's Code of Ordinances by adding a new Article II "Tree Preservation", which adopts regulations for the preservation of trees; providing for penalties not to exceed \$2000.00; ordering publication; providing an effective date; and providing other matters related to the subject. (*D Paxton, Director of Planning & Development*)

Shelley McElhannon read Ordinance No. 2024-11 caption into record.

- The following person(s) spoke:
- George Baroody
- Dr William Rector
- Rodney Bacon

Mayor Herring provided clarification.

Drew Paxton provided information and responded to questions.

No motion was made by City Council. Mayor Herring advised that City Council's general consensus is to direct staff to revise Ordinance and present during the December workshop.

- 5.B Ordinance No. 2024-30. An Ordinance amending Chapter 50 "Fire Prevention and Protection" of the Kerrville Code of Ordinances by adding a new Article III "Cost Recovery Program and Mitigation Rates", which will authorize the City to apply fees (mitigation rates) for various emergency services provided by the Kerrville Fire Department; providing a severability clause; and providing other matters related to the subject. (*E Maloney, Fire Chief*)

Shelley McElhannon read Ordinance No. 2024-30 caption into record.  
Chief Maloney provided information and responded to questions.

Councilmember Harris made a motion to approve Ordinance No. 2024-30 on first reading, seconded by Councilmember Hughes. The motion passed 5-0.

## 6. **CONSIDERATION AND POSSIBLE ACTION:**

- 6.A Resolution No. 45-2024. A Resolution authorizing the City of Kerrville, Texas to enter into a contract with Grantworks, Inc. for its Administrative/ Project Delivery Services for the 2025-2026 Texas Community Development Block Grant (CDBG) Fund Project. (*A Zanoni, Management Analyst*)

Michael Hornes and Dalton Rice provided information and responded to questions.

Councilmember Sigerman made a motion to approve Resolution No. 45-2024, seconded by Councilmember Hughes. The motion passed 5-0.

- 6.B Resolution No. 47-2024. A Resolution where City Council makes a finding of public convenience and necessity for and authorizing Eminent Domain proceedings, if necessary, for the acquisition of a fee simple estate totaling 54.9 acres, situated in the John Matchette Survey No. 243, Abstract No. 43, Kerr County, TX, for runway expansion, safety areas, and other improvements of a privately owned real property; authorizing all appropriate action by the Joint Airport Board, staff, retained attorneys and engineers and technical consultants in the institution and prosecution of condemnation proceedings to acquire the necessary fee simple estate that cannot be acquired through negotiation; declaring further negotiations futile; ratifying and affirming all acts and proceedings heretofore done or initiated by employees, agents, and attorneys of the City through its joint ownership with Kerr County of the Kerrville-Kerr County Airport to acquire such property interest including necessary acts for any applicable lienholders for the property; authorizing all other lawful action necessary and incidental to such acquisition or eminent domain proceedings to survey, specify, define, and secure the necessary interest in real property; declaring the sections of the resolution to be

severable one from the other in the event any section of the resolution is determined to be invalid; establishing an effective date; and finding; and determining that the meeting at which this resolution is passed with notice and is open to the public as required by law. *(M Hornes, Assistant City Manager)*

Shelley McElhannon read Resolution No. 47-2024 caption into record.

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

Councilmember McKinney made a motion to approve Resolution No. 47-2024, seconded by Councilmember Sigerman. The motion passed 5-0.

6.C Kerrville Kerr County Joint Airport Board Fiscal Year 2025 Operating Budget Amendment. *(J Behrens, Director of Finance)*

Airport Executive Assistant Crystal Ceynow provided information and responded to questions.

Councilmember Hughes made a motion to approve the Kerrville Kerr County Joint Airport Board Fiscal Year 2025 Operating Budget amendment, seconded by Councilmember McKinney. The motion passed 5-0.

6.D General Contract - Vendor (with) Green Flush Technologies LLC / Construction of Golf Course Bathroom. *(A Boyle, Director of Parks & Recreation)*

Shane Heffernan provided information and responded to questions.

Councilmember McKinney made a motion to authorize the City Manager to finalize and execute an agreement, seconded by Councilmember Harris. The motion passed 5-0.

7. **BOARD APPOINTMENTS:**

7.A Appointment to the Food Service Advisory Board. *(S McElhannon, City Secretary)*

Councilmember Hughes made a motion to reappoint Shonna Ebert (eligible for reappointment) and Elena Reyes (eligible for reappointment), and newly appoint Jeremy Repinski, seconded by Councilmember Sigerman. The motion passed 5-0.

8. **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.*

Executive Session not called nor convened.

9. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.** N/A

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

None.

**ADJOURN.**

The meeting adjourned at 7:10 p.m.

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

APPROVED:

ATTEST:

\_\_\_\_\_  
Joe Herring Jr., Mayor

\_\_\_\_\_  
Shelley McElhannon, City Secretary



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

---

**CAPTION:** Presentation from Kerrville Public Utility Board (KPUB) as to its project to construct and own a proposed debt-funded, natural gas plant. *(D Rice, City Manager)*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/27/2024

**SUBMITTED BY:**

Dalton Rice, City Manager

**EXHIBITS:**

1. 20241210\_Presentation: KPUB Financial Overview
2. KPUB Reso. 24-19 - Power Generation Ownership

---

**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

**BACKGROUND:** KPUB is seeking outside power generation options. KPUB passed a resolution pursuing power generation ownership on 11/20/2024.

**FINANCING:** Estimated Project Cost, \$145 million

KPUB has been shortlisted for the Texas Energy Fund in-ERCOR Generation Loan Program

- Low interest, 20 year term loan (fixed annual rate 3%)
- loan will fund 60% of project (\$80 million)
- Open Market Taxable Issuance (\$65 million)

**TIMELINE:**

February 2025- Board will consider authorizing the issuance

March 2025- Request bond ratings

April 2025- Sign TEF loan agreement/ receive quotes

May 2025- Final pricing / closing on Open Market Issuance

**RECOMMENDED ACTION:**

Informative Presentation.



# Project Update

- Overall the power generation project remains on track with no significant issues or delays encountered.
- November 20, 2024 – KPUB Board unanimously passed a resolution in support of the power generation project.
- Texas Energy Fund due diligence process is progressing and on schedule.
- Today's presentation from KPUB's Financial Advisor, Specialized Public Finance, will provide information about the project financing process and timeline.



Kerrville Public Utility Board | Safe • Reliable • Yours



Similar natural gas-fired reciprocating internal combustion engine plant owned and operated by Denton Municipal Electric.

*Financing Overview – Proposed 2025 Electric Revenue Bonds*

**Kerrville Public Utility Board**

*December 10, 2024*



**SPECIALIZED PUBLIC FINANCE INC.**  
FINANCIAL ADVISORY SERVICES

Steven Adams | Managing Director  
Office 214.373.3911 | Cell 214.608.2293  
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William J. Smith | Director  
Office 214.373.3911 | Cell 936.524.3618  
will@spfmuni.com

# Financing Overview

## Texas Energy Fund



- Kerrville Public Utility Board (“KPUB”) is currently a shortlisted applicant to the Texas Energy Fund In-ERCOT Generation Loan Program.
  - The Generation Loan Program offers low-interest loans to finance the construction of electric generating facilities in the ERCOT region. Qualifying projects must add at least 100 MW of new dispatchable generation to the grid.
- The Generation Loan Program will fund up to 60% of the project construction and commissioning costs. KPUB would be required to commitment of the balance of no less than 40% of the costs.
- The total project cost is estimated to be \$145 million and to be funded as follows:
  - Texas Energy Fund Loan Program: \$80 million – 20 year term
  - Open Market Taxable Issuance: \$65 million – 20 year term, callable after 10 years
- Specialized Public Finance, Inc (“SPFI”) has prepared the following financing overview:
  - Example terms and debt covenants
  - Preliminary financing timeline.



# Texas Energy Fund In-ERCOT Generation Loan Program

## Loan Terms and Agreements \*



### ➤ Security:

- The Issuer of the Bonds will be a Public Facility Corporation (“PFC”). The Bonds will be secured by a Power Purchase Agreement between the PFC and KPUB. KPUB will pledge payments, as an operating expense, to the PFC.

### ➤ General Terms:

- Repayment Term of 20-years with interest on the loan at a fixed annual rate of 3%.
- Payable starting by the third anniversary of the estimated commercial operations date.
- The borrower may voluntarily prepay the total loan amount in whole or in part at any time without premium or penalty, except that the loan agreement may require that applicants pay any breakage costs associated with the loan.
- Standby letter of credit equal to 3% of project cost required prior to ERCOT interconnection.

### ➤ Performance Covenants:

- Performance covenants - the borrower must agree to adhere to the terms of the performance covenant for the duration of the term (regardless if the loan is outstanding). Each generation resource must be available at least 90% of the time, evaluated monthly.

# Example Financing Covenants for an Open Market Bond Issuance

## Greenville Electric Utility System



Presented below are example covenants from a similar issuer:

### Example Covenants – Greenville Electric Utility System

#### **Debt Service Coverage:**

- **Bond Rate Covenant:** GEUS has covenanted to maintain rates and charges for the System to produce Net Revenues each year not less than the greater of (i) 1.25 times the Average Annual Debt Service or (ii) 1.25 times the upcoming Annual Debt Service after O&M expenses.
- **GEUS Internal Policy:** To maintain Net Revenues of at least 1.50x Average Annual Debt Service.

#### **Liquidity:**

- **Bond Liquidity Covenant:** GEUS has covenanted to maintain a minimum of 120 Days Cash on Hand.
- **GEUS Internal Policy:** To maintain at least 250 Days Cash on Hand.
- **Additional Bonds Test:** GEUS must certify that the Net Earnings of the System for either the completed Fiscal Year or a consecutive twelve month period out of the last fifteen months is equal to at least 1.25 times the Average Annual Debt Service Requirements (calculated on a Fiscal Year basis) of all outstanding and proposed obligations. In making a determination of the Net Earnings, GEUS may include rate changes that became effective at least sixty (60) days prior.



# Preliminary Financing Timeline

February							March							April							May						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1							1			1	2	3	4	5							
2	3	4	5	6	7	8	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
9	10	11	12	13	14	15	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
16	17	18	19	20	21	22	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
23	24	25	26	27	28		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
							30	31																			

Denotes City Council Meeting Date  
Denotes the Public Facility Corp and KPUB's Board Meeting Date  
Denotes Closing Date

Date	Task
Wednesday, February 19, 2025	<b>KPUB Board Meeting-</b> <ul style="list-style-type: none"><li>➤ Specialized Public Finance Inc. ("SPFI") will provide an update on the plan of finance for the issuance of the Bonds.</li><li>➤ The Board will consider authorizing the issuance of the TEF Debt and Contract Revenue Bonds through a Parameters Sale.</li></ul> <b>Kerrville Public Utility Board Public Facility Corporation Meeting</b> <ul style="list-style-type: none"><li>➤ The Corporation will consider authorizing the issuance of the TEF Debt and Contract Revenue Bonds through a Parameters Sale.</li></ul>
Tuesday, February 25, 2025	<b>Kerrville City Council Meeting</b> <ul style="list-style-type: none"><li>➤ Kerrville City Council will consider authorizing the issuance of the TEF Debt and Contract Revenue Bonds through a parameters sale.</li></ul>
Week of: Monday, March 10, 2025	Distribute Preliminary Official Statement ("POS") for comments. SPFI requests bond ratings from rating agencies. SPFI requests bond insurance premium quotes from the bond insurance companies.
Week of: Monday, March 31, 2025	Rating conference calls with rating agencies.
Wednesday, April 16, 2025	<b>TEF Financial Close</b> <ul style="list-style-type: none"><li>➤ TEF loan agreement signed; draws from TEF under loan agreement become available to KPUB PFC.</li></ul>





## Preliminary Financing Timeline, Continued

February							March							April							May						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1							1			1	2	3	4	5							
2	3	4	5	6	7	8																					
9	10	11	12	13	14	15																					
16	17	18	19	20	21	22																					
23	24	25	26	27	28																						
							30	31																			

Denotes City Council Meeting Date

Denotes the Public Facility Corp and KPUB's Board Meeting Date

Denotes Closing Date

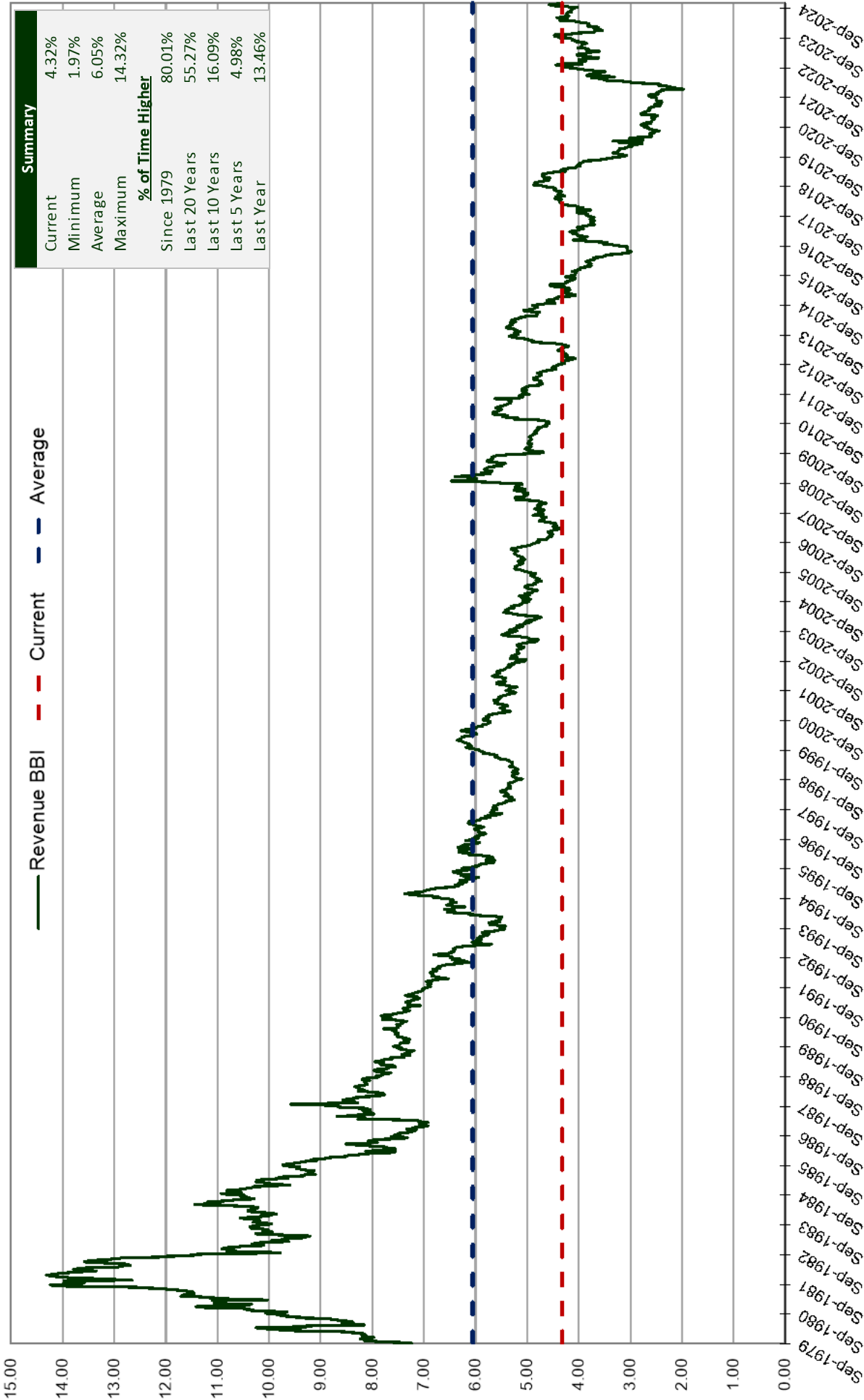
Date	Task
Thursday, April 17, 2025	Receive bond rating from rating agencies. SPFI posts the POS for prospective bidders.
Friday, April 18, 2025	Receive quotes on the insurance premium from bond insurance companies.
Thursday, April 24, 2025	<u>Negotiated Sale</u> – Interest rates are negotiated in the open market transaction between SPFI and the Underwriter(s). (9:30 a.m.)
Tuesday, May 13, 2025	<u>City Council Meeting</u> – Final pricing results presented by SPFI. (6:00 p.m.)
Monday, May 19, 2025	<u>KPUB Board Meeting</u> – Final pricing results presented by SPFI.
Tuesday, May 20, 2025	<u>Closing on Open Market Issuance</u> – Proceeds from the Bonds are deposited into the project fund.





# Historical Municipal Rates – Bond Buyer’s Bond Index

History of Municipal Interest Rates





## **RESOLUTION NO. 24-19**

### **A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD (KPUB) DIRECTING MANAGEMENT TO PURSUE POWER GENERATION OWNERSHIP IN THE ERCOT MARKET BY BUILDING A NATURAL GAS-FIRED, RECIPROCATING INTERNAL COMBUSTION ENGINE PEAKING PLANT**

**WHEREAS**, in 1987 the citizens of Kerrville voted to form KPUB, issue \$29.5 million in debt and purchase the electric distribution system from the Lower Colorado River Authority (LCRA) in order to maintain local control of the electric system that serves our communities; and

**WHEREAS**, KPUB is committed to its mission of providing safe and reliable utility service at the lowest responsible price to its ratepayers; and

**WHEREAS**, at 60-70% of the total annual operating and maintenance budget for KPUB, power supply costs are historically the largest cost that KPUB and its customers incur; and

**WHEREAS**, managing KPUB's power supply options and costs has been a priority of KPUB's management and board since inception, including the 2010 decision to terminate the wholesale power agreement with LCRA in favor of more competitive power supply options in the ERCOT market; and

**WHEREAS**, KPUB's only load following Power Purchase Agreement (PPA) with CPS Energy, which adjusts output to match fluctuations in our demand for energy, ends in December 2026, and KPUB must develop a strategy to replace that energy; and

**WHEREAS**, at its regular Board meeting in April 2024, Pablo Vegas, the CEO of the Electric Reliability Council of Texas (ERCOT), announced the need to adapt and plan differently to meet future electricity demand on the grid, citing an estimated additional 40,000 MW of load growth by 2030 compared to last year's forecast. Vegas also testified before the Texas Senate Business and Commerce Committee in June 2024, explaining the ERCOT previously projected peak demand in 2029 was 110,000 MW. However, due to changes in growth planning and rapid advancements in areas like AI and the green hydrogen economy, that peak demand figure has now risen to approximately 150,000 MW; Mr. Vegas' remarks underscore the escalating challenges on the grid for meeting future electricity needs in Texas; and

**WHEREAS**, a peaking plant is expected to enhance, though not fully ensure, financial protection from price volatility resulting from extreme weather events and high demand, combined with limited supply, as demonstrated during ERCOT load shed events – or rolling outages – implemented to stabilize the grid during emergencies, such as Winter Storm Uri in February 2021 and a severe cold front in February 2011; and

**WHEREAS**, recognizing the need to provide incentives to build dispatchable natural gas generation capacity in order to meet forecasted demand and ensure the reliability and stability of the electrical grid, Texas voters and the Texas legislature established the Texas Energy Fund in 2023; and



**WHEREAS**, KPUB has continuously evaluated the option of building power generation versus purchasing power through PPAs since leaving LCRA in 2012; and

**WHEREAS**, KPUB engaged SEnergy, an energy focused consulting firm that has served as KPUB's engineering consultant for over 20 years and as KPUB's ERCOT market consultant for over 15 years, to evaluate strategic options including load following PPAs and power generation ownership, and to create comprehensive financial projections and conduct an in-depth assessment of the financial benefits of building a peaking power plant versus entering into load following PPAs; and

**WHEREAS**, SEnergy concluded in its Generation Evaluation Memo that: (a) the proposed peaking power plant adds significant value and protection from market volatility, (b) that the project risks are outweighed by the value that the project provides to the KPUB energy portfolio and its customers, and (c) that SEnergy recommends negotiations to facilitate the development of the project; and

**WHEREAS**, KPUB engaged NewGen Strategies and Solutions, LLC (NewGen), a nationally recognized independent management and economic consulting firm specializing in the public utility industry and market services, with no financial or other vested interest in the project's future outcomes; and

**WHEREAS**, NewGen was fully empowered to impartially evaluate SEnergy's methodology, financial model, and projections without any restrictions or predetermined guidelines, ensuring an unbiased and comprehensive analysis; and

**WHEREAS**, NewGen concluded that the peaking power plant would be a physical and financial hedge against elevated ERCOT market prices and that SEnergy used reasonable capacity heat rate, operating and maintenance expense, fuel price, and capital cost assumptions, in reaching its conclusions; and

**WHEREAS**, KPUB engaged Forvis Mazars, the 8<sup>th</sup> largest public accounting firm in the United States, to perform additional due diligence and risk assessment; and

**WHEREAS**, Forvis Mazars concluded that ownership of a peaking power plant would provide KPUB with the capability to generate its own energy during times of demand or supply stress, which would potentially save costs during those times based on current market conditions, and that the estimated costs of the project are consistent with similar projects; and

**WHEREAS**, KPUB engaged John Bonnin, an independent consultant with 32 years of electric power industry experience and extensive experience with power plant construction and operation and PPA negotiations while Vice President of Energy Supply and Market Operations with CPS Energy, voting member of ERCOT's Technical Advisory Committee, member of ERCOT's Wholesale Market Committee and member of the Public Utilities Commission of Texas Aggregated Distribution Energy Task Force, to assist with contract negotiations and provide detailed risk assessments and corresponding mitigation strategies for the project; and



**WHEREAS**, KPUB management, including Mike Wittler, P.E., who has served as KPUB's CEO since 2015 and has extensive industry expertise and active participation on numerous industry boards, including serving as president of the Texas Public Power Association, recommends investing in a peaking power plant; and

**WHEREAS**, KPUB has engaged in multiple initiatives to educate its ratepayers about the power generation project, including a social media campaign, project information and FAQs on KPUB's website, and seventeen presentations between June and October 2024 to a wide variety of community groups; and

**WHEREAS**, since July of 2024, KPUB has conducted an online survey of its ratepayers regarding its supply portfolio, with 76% of almost 1,000 respondents indicating a preference for KPUB to ensure stable, competitive rates even if it requires borrowing funds to invest in owning a power generating plant; and

**WHEREAS**, due to the factors mentioned above and upon the analysis of outside experts, KPUB now seeks to diversify its power supply by entering the power generation market through the construction of a peaking power plant, which will provide fast-responding, on-demand energy during periods of peak load, thereby enhancing grid reliability and supporting KPUB'S mission of delivering safe, reliable power at the lowest responsible price to its customers; and

**WHEREAS**, the City of Kerrville has formed a new entity, Kerrville Public Utility Board Public Facility Corporation (PFC), to provide a legal structure to own and operate a power generation plant for the benefit of KPUB, and through which the debt issuance will be executed; and

**WHEREAS**, KPUB has identified and is engaged in negotiations with a power plant developer and operator with extensive experience, including proven capabilities within the ERCOT market; and

**WHEREAS**, KPUB has applied for the Texas Energy Fund In-ERCOT Loan Program, and after an extensive application and review process, was selected by the Public Utility Commission of Texas as one of the 16 projects to advance to the due diligence phase out of 72 applicants, securing the opportunity for low-interest rate financing for over half of the project costs; and

**WHEREAS**, the remaining project funding will require the issuance of debt in the form of bonds or other financing instruments, which KPUB intends to structure in a manner that will maintain an "A" credit rating; and

**WHEREAS**, the Board of Directors, after thorough consideration of recommendations from KPUB's executive management, analysis by outside professionals, and the majority opinion of customers expressed in the power supply portfolio Survey, has determined that constructing the peaking plant is in the best interest of KPUB and its customers/ratepayers, offering strategic benefits through enhanced control over long-term costs, increased revenue via direct market participation, and flexibility to meet peak demand during high-price periods, thereby reducing risks tied to power price volatility; now therefore,



**BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:**

**Section 1.** The Board fully supports moving forward with the construction of the proposed project, marking a key transition from purchasing 100% of its power from external suppliers to owning and controlling a generation resource to meet a portion of its energy supply needs.

**Section 2.** The CEO is directed to complete negotiations and plans for construction and ownership of the proposed debt-funded, natural gas-fired, reciprocating internal combustion engine peaking plant in order to address the needs of the ERCOT grid and generate power during periods of peak demand, with the ultimate goal of providing the lowest responsible rates for KPUB's customers consistent with KPUB's mission.

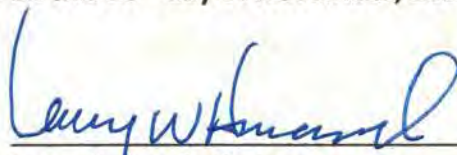
**Section 3.** The Board delegates authority to the CEO and senior management to:

- (a) negotiate agreements for the benefit of KPUB and the PFC;
- (b) oversee the selection of technology, site location, and all aspects of project development;
- (c) engage in discussions with regulators, stakeholders, and communities to secure the necessary approvals and support for the project;
- (d) implement financial and operational strategies to ensure project success, including securing long-term revenue contracts and managing construction and operational risks; and
- (e) Implement the project according to the approved timeline, with commercial operations of the peaking plant expected to begin within three years, subject to any regulatory or market adjustments that may arise.

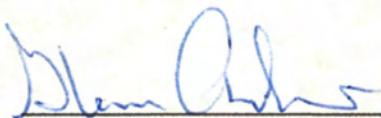
**Section 4.** The Board requires KPUB management to provide:

- (a) monthly updates on the project's progress, including key operational and financial metrics;
- (b) continued risk mitigation and management of risks associated with natural gas price volatility, market fluctuations, and plant ownership and operational challenges by implementing hedging strategies, securing long-term fuel supply agreements and maintaining business and risk mitigation plans for the plant; and
- (c) ongoing monitoring of regulatory and market developments to ensure compliance with ERCOT's evolving requirements, and maintain flexibility in KPUB's operations to adapt to any future policy changes.

**PASSED, APPROVED AND ADOPTED on this 20<sup>th</sup> day of November, 2024**

  
Larry Howard, Chairman

ATTEST:

A handwritten signature in blue ink, appearing to read "Glenn Andrew", is written over a horizontal line.

Glenn Andrew, Secretary





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

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**CAPTION:** Ordinance No. 2024-30, second reading. An Ordinance amending Chapter 50 "Fire Prevention and Protection" of the Kerrville Code of Ordinances by adding a new Article III "Cost Recovery Program and Mitigation Rates", which will authorize the City to apply fees (mitigation rates) for various emergency services provided by the Kerrville Fire Department; providing a severability clause; and providing other matters related to the subject. *(E Maloney, Fire Chief) THIS ORDINANCE WAS UNANIMOUSLY APPROVED ON FIRST READING NOVEMBER 12, 2024.*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/18/2024

**SUBMITTED BY:**

Eric Maloney, Fire Chief

**EXHIBITS:**

1. 20241210\_Ord No 2024-30 Fire Mitigation Rates

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

Yes

**Key Priority Area:**

F – Public Facilities/Services

**SUMMARY:**

Background: The Fire Department is constantly balancing the rising cost of fire apparatus, extrication tools, rescue equipment, specialized supplies and personnel. We provide incident stabilization, extrication, fluid cleanup, hazardous material management, and other extended operations that are high risk of damaging equipment, high demand of limited specialized supplies and require additional personnel to manage the incident. The replacement of specialized supplies and damaged equipment for motor vehicle accidents, car fires, and hazardous material spills can dramatically impact our budget. A portion of these motor vehicle accidents and hazardous material cleanup are allocated to visitors, travelers and trucking companies on Interstate 10 or on our city roadways.

On November 12, 2024, City Council unanimously approved Ordinance No. 2024-30 on first reading. A revision from the original ordinance to remove "Mutual Aid" from Section

## 50-41 Mitigation Rates.

With the additional expenses for fire responses, the Fire Chief believes it necessary to require an alternate means to generate revenue for costs associated with asset replacement and supplies. A fee for fire services would be assessed for all emergency responses, to include motor vehicle accidents, car fires, hazardous material spills, and gas leaks. The fee for services is paid through the at-fault customer's insurance. For accidents within our service area, the Fire Department would apply the fee to persons that do not reside within the City; or a district or area that the City has an interlocal agreement to provide emergency fire services. These charges are considered usual, customary and reasonable charges to include services, personnel, supplies, and equipment.

We have submitted an RFP for Cost Recovery Services and will award at the December 10, 2024 regular City Council meeting.

### **RECOMMENDED ACTION:**

Approve Ordinance No. 2024-30 second reading.

**CITY OF KERRVILLE, TEXAS  
ORDINANCE NO. 2024-30**

**AN ORDINANCE AMENDING CHAPTER 50 “FIRE PREVENTION AND PROTECTION” OF THE KERRVILLE CODE OF ORDINANCES BY ADDING A NEW ARTICLE III “COST RECOVERY PROGRAM AND MITIGATION RATES”, WHICH WILL AUTHORIZE THE CITY TO APPLY FEES (MITIGATION RATES) FOR VARIOUS EMERGENCY SERVICES PROVIDED BY THE KERRVILLE FIRE DEPARTMENT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT**

**WHEREAS**, the City of Kerrville, Texas (City) is a home-rule municipality acting under its Charter adopted, and amended, by the electorate pursuant to Article 11, Section 5 of the Texas Constitution and Chapter 9 of the Texas Local Government Code; and

**WHEREAS**, as a home-rule municipality, the City has full power of local self-government pursuant to Section 51.072 of the Texas Local Government Code and Article I of the City Charter; and

**WHEREAS**, pursuant to Section 54.004 of the Texas Local Government Code, the City may adopt and enforce ordinances necessary to protect health, life, and property and to preserve good government, order, and security of the City and its inhabitants; and

**WHEREAS**, the Kerrville Fire Department (Fire Department) provides emergency and non-emergency services in connection with motor vehicle incidents and other emergencies; and

**WHEREAS**, the Fire Department’s response to incidents continues to increase each year, while environmental protection requirements involving equipment and training also add additional demands on all operational aspects of the Fire Department’s emergency and non-emergency services; and

**WHEREAS**, the Fire Department has investigated different methods to maintain a level of high quality of emergency service capabilities throughout times of constantly increasing service demands, where maintaining an effective response by the Fire Department decreases the overall cost of incidents to insurance carriers, businesses, and individuals through timely and effective management of emergency situations, saving lives and reducing property and environmental damage; and



**WHEREAS**, the City seeks to implement a fair and equitable policy by which to bill persons for mitigation rates and establish a cost recovery program in accordance with applicable laws, regulations, and guidelines; and

**WHEREAS**, the Fire Chief, along with City staff, recommends that City Council amend the City's Code of Ordinances for the purpose of authorizing a schedule of mitigation rates for Fire Department services and to implement a cost recovery program; and

**WHEREAS**, based upon information provided above, City Council finds it to be in the public interest to amend Chapter 50 of the City's Code of Ordinances by the adoption of a new Article III, as provided herein;

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

**SECTION ONE.** The facts and matters set forth in the preamble to this Ordinance are found to be true and correct.

**SECTION TWO.** Chapter 50 "Fire Prevention and Protection" of the City's Code of Ordinances is amended by adding a new Article III "Cost Recovery Program and Mitigation Rates", this new article indicated by underlined language (additions) as follows:

**"Chapter 50 - FIRE PREVENTION AND PROTECTION**

**:**

**ARTICLE III. – COST RECOVERY PROGRAM AND MITIGATION RATES**

**Sec. 50-40. – Cost recovery program.**

**(a) "Emergency fire services" means services provided by the City's Fire Department which are for providing adequate emergency rescue operations and fire protection services resulting from extraordinary and dangerous occurrences and hazardous materials incidents, to include responses to reports of natural gas pipeline leaks.**

**(b) The City may bill and collect mitigation rates (fees) for emergency fire services. Such fees may include reimbursement for all equipment, personnel, materials, maintenance, and overhead expenses and costs, which constitute full reimbursement to the City for services actually rendered.**

(c) City Council may adopt mitigation rates for the costs that the City will charge in accordance with the provisions of this article, such rates to be included within the City's annual fee schedule (Fee Schedule). Council shall base the mitigation rates on actual costs to the City for providing the emergency fire services and that which is usual, customary, and reasonable (UCR), which may include any services, personnel, supplies, products, and equipment.

(d) Within 90 days of the date of providing emergency fire services, the Chief of the Fire Department or designee shall submit an invoice for all costs, fees, charges, and expenses related to the Fire Department's provisions of such services, and in the amount set forth in the Fee Schedule, to the owner, the owner's designated agent, representative, and/or insurance company(s).

(e) In addition, any bills, fines, or penalties, including clean-up costs, fees, or expenses that are imposed upon the City by the state or federal government and related to the same situation or occurrences, may be billed separately within 90 days of receipt and shall be paid as provided in subsection (d) above.

#### **Sec. 50-41. – Mitigation rates.**

(a) The City may initiate mitigation rates for the delivery of emergency fire services by the Fire Department for personnel, supplies and equipment called to the scene of an emergency fire incidents for persons that do not reside within:

(1) the City; or

(2) a district or area that the City has an interlocal agreement to provide emergency fire services by the Fire Department.

(b) The City shall not apply mitigation rates for the delivery of emergency fire services by the Fire Department for personnel, supplies, and equipment called to the scene of emergency incidents for persons that reside within:

(1) the City; or

(2) a district or area that the City has an interlocal aid agreement to provide emergency services by the Fire Department.

(c) An exception to (a) and (b) above shall occur for responses from the Fire Department for emergency fire services involving hazardous material spills and natural gas leaks caused by persons engaged in providing services or commercial activities.



(d) A claim shall be sent to the responsible party; that is, the owner, the owner's designated agent, representative, and/or insurance company(s) through their insurance carrier. In some circumstances, the responsible party(s) will be billed directly.

(e) The Fire Department may make rules or regulations and from time to time may amend such rules and regulations, not inconsistent with this article, as deemed necessary or expedient in respect to billing and collection for the mitigation rates."

**SECTION THREE.** The provisions of this Ordinance are to be cumulative of all other Ordinances or parts of Ordinances; 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.

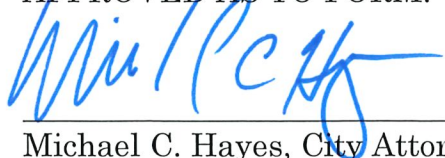
**SECTION FOUR.** If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. City Council declares that it would have passed this Ordinance 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.

**PASSED AND APPROVED ON FIRST READING, this the \_\_\_\_ day of \_\_\_\_\_, A.D., 2024.**

**PASSED AND APPROVED ON SECOND AND FINAL 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



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

---

**CAPTION:** Service Agreement between the City of Kerrville and Fire Recovery USA for cost recovery services as to the City's application of mitigation rates (fees). (*E Maloney, Fire Chief*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 10/25/2024

**SUBMITTED BY:**

**EXHIBITS:**

1. 20241210\_Service Agreement Fire Recovery USA

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**Expenditure:**

**Amount Budgeted:**

**Account Number:**

**Account Balance:**

**Payment to/Vendor  
name:**

**Kerrville 2050 Item?**

**Key Priority Area:**

Yes

F – Public Facilities/Services

**SUMMARY:**

The City published a RFP for Cost Recovery Services on 09/11/2024 and 09/18/2024 with a proposal deadline of Friday, September 27, 2024. We received one (1) RFP submission from Fire RecoveryUSA. Their proposal met the RFP requirements and scope. The Fire Chief recommends awarding the agreement to Fire RecoveryUSA based on the attached agreement.

**RECOMMENDED ACTION:**

Authorize the City Manager to finalize and execute the service agreement.

## SERVICES AGREEMENT

This Services Agreement ("Agreement") is made effective as of \_\_\_\_\_, 2024 ("Effective Date"), by and between **FIRE RECOVERY USA, LLC**, a California limited liability company ("Company"), and **City of Kerrville**, ("Client"). The Company and Client are referred to herein individually as a "party" and collectively as the "parties."

### RECITALS

WHEREAS, Company engages in the business of performing billing services ("Company Services") for United States Fire Departments in connection with the motor vehicle incidents and other emergency incidents at which the Client provides emergency services; and

WHEREAS, Client seeks the services of Company to assist with the billing for services that Client provides in connection with motor vehicle incidents and other emergency incidents; and

WHEREAS, Company and Client desire to enter into this Agreement to memorialize their agreements regarding the Company Services to be provided to Client.

NOW, THEREFORE, in consideration of the mutual representations, warranties and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Client agree as follows:

### ARTICLE 1 ENGAGEMENT

1.1. Engagement: Client hereby engages Company to provide the Company Services described in Article 4 herein, and Client hereby accepts such engagement, all on the terms and conditions set forth herein. Company will determine the method, detail and means of performing the services detailed below.

### ARTICLE 2 REPRESENTATIONS AND WARRANTIES

2.1. Representations and Warranties of Company: Company hereby represents and warrants to Client that, at all times during the term of this Agreement, Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California.

2.2. Representations and Warranties of Client: Client hereby represents and warrants to Company that, at all times during the term of this Agreement, Client is, or Governs, or Contracts with an organized fire department established pursuant to the laws and ordinances of the state in which Client is located.



### **ARTICLE 3 COMPANY STATUS AND QUALIFICATIONS**

3.1. Independent Contractor: Company enters into this Agreement, and will remain throughout the term of the Agreement, as an independent contractor. Company agrees that it will not become an employee, partner, agent or principal of Client while this Agreement is in effect.

3.2. Payment of Income Taxes: Company is responsible for paying when due all income taxes, including estimated taxes, incurred as a result of the compensation paid by Client to Company for services rendered under this Agreement. On request, Company will provide Client with proof of timely payment. Company agrees to indemnify Client for any claims, costs, losses, fees, penalties, interest, or damages suffered by Client resulting from Company's failure to comply with this provision.

3.3. Use of Employees or Subcontractors: Company may, at Company's own expense, use any employees or subcontractors as Company deems necessary to perform the services required of Company by this Agreement. Client may not control, direct, or supervise Company's employees or subcontractors in the performance of those services.

3.4. Qualifications: Company represents that it is qualified and has the skills necessary to perform the services under this Agreement in a competent and professional manner, without the advice or direction of Client.

3.5. Ownership Interest: Company will have no ownership interest in Client.

3.6. No Benefit Contributions: Company shall have no obligation under this Agreement to compensate or pay applicable taxes or provide employee benefits of any kind to any person employed or retained by Client.

3.7. Attorney-in-Fact: Client appoints Company as Client's attorney-in-fact for the following purposes:

- (a) Billing and Collections: To bill and collect ("Collections") all revenue earned by and due to Client, in connection with Client's provision of emergency services provided/rendered at the sites of motor vehicle incidents and other emergency incidents, and to receive all Collections on Client's behalf and to sue for and give satisfaction for monies due on account and to withdraw any claims, suits, or proceedings pertaining to or arising out of Company's or Client's right to collect such amounts; and
- (b) Endorsement: To take possession of and endorse in Client's name any notes, checks, money orders, and any other instruments received as Collections.

### **ARTICLE 4 GENERAL RESPONSIBILITIES OF COMPANY**

4.1. Minimum Amount of Service: Company agrees to devote as much time and attention to the performance of the Company Services under this Agreement as may be, in Company's sole discretion, required to accomplish the tasks described herein to accomplish the results for which the Company is responsible under this Agreement.

4.2. Company Services: Company agrees to perform the Company Services as set forth in the "List of Company Services" attached hereto as Schedule "A" and incorporated herein by reference; including those additional services requested by Client and accepted in writing by the Company during the term of this Agreement.

4.3. Non-Exclusive Relationship: Company may represent, perform services for, and contract with as many additional clients, persons, or companies as Company, in Company's sole discretion, sees fit.

4.4. Time and Place of Performing Work: Company may perform the services under this Agreement at any suitable time and location Company chooses.

4.5. Materials and Equipment: Company will supply all materials and equipment required to perform the services under this Agreement.

4.6. Workers' Compensation: Company agrees to provide workers' compensation insurance for Company and Company's employees and agents and agrees to hold harmless and indemnify Client for any and all claims arising out of any injury, disability, or death of any of Company's employees or agents.

4.7. Assignment: Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Company without the prior written consent of Client, which consent shall not be unreasonably withheld.

## **ARTICLE 5 COMPENSATION OF COMPANY**

5.1. Compensation for Company Services: All Company Services provided pursuant to this Agreement will be provided in accordance with the terms, including compensation amounts and schedule of remittance, set forth in the "List of Company Services," attached hereto as Schedule A.

5.2. The provisions of Article 11 of this Agreement will govern any dispute associated with compensation.

## **ARTICLE 6 OBLIGATIONS OF CLIENT**

6.1. Cooperation of Client: The Client agrees to comply with all reasonable requests of Company and provide access to all documents reasonably necessary to the performance of Company's duties under this Agreement. The Client shall be responsible for initially insuring, and continuing to review, local and state laws in the Client's jurisdiction to assure adequate legal authority for Company to engage in the Services described herein on behalf of Client.



6.2. Assignment: Once a run is assigned to Company for processing, Company will pursue collection until all efforts have been exhausted. While Company is pursuing payment on a claim Client is precluded from assigning any duties or obligations under this Agreement to any other party, without the written consent of Company. Client may not negotiate a settlement of a run Company is processing without Company's written consent to the terms of the settlement and compensation due to Company for processing the run. Once Company has determined a run is not collectible it will either be archived and closed or sent to a collection agency (only if Client chooses to do so). Sending an account to collection incurs additional fees to Client. If payment is received from a collection agency, the amount received will be posted to Client's account by Company. Company will reimburse Client at the rate set forth in Schedule A, List of Company Services for that particular run, minus any additional fees from the collection agency.

## **ARTICLE 7 CLIENT AUTHORIZATION**

7.1. Authorization: Notwithstanding other provisions of this Agreement, Company shall obtain authorization from Client prior to performing any of the following:

- (a) The sale conveyance, transfer, pledge exchange, assignment, hypothecation, or encumbrance of Client's interest in any sums owed to Client; and
- (b) All other limitations as stated by the terms of this Agreement.

## **ARTICLE 8 TERMINATION OF AGREEMENT**

8.1. Termination on Notice: Notwithstanding any other provision of this Agreement, either party may terminate this Agreement at any time by giving thirty days (30) written notice to the other party. Unless earlier terminated as set forth below, this Agreement shall be effective as of the effective date and shall continue for a period of one (1) year thereafter. This Agreement shall automatically renew for successive one (1) year periods, unless either party provides written notification to the other party of its decision not to renew this Agreement. Any runs submitted for processing to Company prior to the date of the notice of termination will continue to be processed under the terms of the List of Company Services set forth in this Agreement.

8.2. Termination on Occurrence of Stated Events: This Agreement will terminate automatically on the occurrence of any of the following events;

- (a) Bankruptcy or insolvency of either party;
- (b) The assignment of this Agreement by either party without the consent of the other party; the parties agree that neither party will unreasonably withhold consent to such an assignment.

8.3. Termination for Default: If either party defaults in the performance of this Agreement or materially breaches any of its provisions, the non-breaching party may terminate this Agreement by giving written notification to the breaching party. Termination will take effect immediately on receipt of notice by the breaching party or five days (5) after mailing of notice, whichever occurs first. For the purposes of this paragraph, material breach of this Agreement includes, but is not limited to, the following:



- (a) Company's failure to complete the services specified in the of Services;
- (b) Client's material breach of any representation, warranty or agreement contained in this Agreement;
- (c) Company's material breach of any representation, warranty or agreement contained in this Agreement;
- (d) If the Client does not maintain a minimum of 6 billable runs per year, the Client will be subject to a minimum account service fee of \$250 annually or termination of the account.

## **ARTICLE 9 PROPRIETARY RIGHTS**

9.1. Confidential Information: Any written, printed, graphic, or electronically or magnetically recorded information furnished by Client for Company's use are the sole property of Client. This proprietary information includes, but is not limited to, customer requirements, customer lists, marketing information, and information concerning the Client's employees, products, services, prices, operations, and subsidiaries. Company will keep this confidential information in the strictest confidence, and will not disclose it by any means to any person except with the Client's approval, and only to the extent necessary to perform the services under this Agreement. This prohibition also applies to Company's employees, agents, and subcontractors. On termination of this Agreement, Company will return any confidential information in Company's possession to Client.

9.2 Confidential Information: Any written, printed, graphic, electronically or magnetically recorded information, computer-based hardware, software, applications, software scripts, or software links furnished by Company for Client's use are the sole property of Company. This proprietary information includes, but is not limited to, customer requirements, customer lists, marketing information, and information concerning the Company's employees, products, services, prices, operations, and subsidiaries. Client will keep this confidential information in the strictest confidence, and will not disclose it by any means to any person except pursuant to law, to include Texas Public Information Act (Ch. 552, TX Local Government Code) and with the Company's approval, and only to the extent necessary to perform the services under this Agreement. This prohibition also applies to Client's employees, agents, and subcontractors. On termination of this Agreement, Client will return any confidential information in Client's possession to Company.

## **ARTICLE 10 INDEMNIFICATION**

10.1. Indemnification: To the extent permitted by applicable law, the Company will indemnify and hold the Client harmless from and against any and all loss, damage, liability, claims and/or injury resulting from all negligent actions performed by the Company, or its agents on the Company's behalf, in connection with this Agreement. However, this indemnification shall not apply with respect to any legal cause, action or consequential liability or losses as a result from inaccurate or incomplete information or unfounded or unreasonable submissions furnished to the Company by the Client nor shall it apply to any act, omission or negligence of the Client.

**ARTICLE 11**  
**GENERAL PROVISIONS**

11.1. Governing Law: This Agreement shall be governed in all respects by the laws of the State of Texas, without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction that would cause the application of the laws of any jurisdiction other than the State of Texas).

11.2. Entire Agreement: This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understanding of the parties.

11.3. Successors and Assigns: Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto. No party may assign any of its rights or obligations hereunder without the express written consent of the other party hereto, which consent may not be unreasonably withheld; provided, however, any party may assign any and all of its rights and interests hereunder to one or more of its affiliates and designate one or more of its affiliates to perform its obligations hereunder; provided, however, that such party remains liable for full and total performance of its obligations hereunder.

11.4. Notices: Any notices authorized to be given hereunder shall be in writing and deemed given, if delivered personally or by overnight courier, on the date of delivery, if a Business Day, or if not a business day, on the first Business Day following delivery, or if mailed, three days after mailing by registered or certified mail, return receipt requested, and in each case, addressed, as follows:

If to the Company to:

Fire Recovery USA, LLC  
2271 Lava Ridge Court, Suite 120  
Roseville CA 95661  
Attention: Craig Nagler

with a copy to:

The Watkins Firm, APC  
9915 Mira Mesa Boulevard, Suite 130  
San Diego, CA 92131  
Attention: Chris Popov, Esq.

If to Client to:

City of Kerrville  
701 Main St.  
Kerrville, TX 78028

with a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Or, if delivered by telecopy, on a Business Day before 4:00 PM local time of addressee, on transmission confirmed electronically, or if at any other time or day on the first Business Day succeeding transmission confirmed electronically, to the facsimile numbers provided above, or to such other address or telecopy number as any party shall specify to the other, pursuant to the foregoing notice provisions. When used in this Agreement, the term "Business Day" shall mean a day other than a Saturday, Sunday or a Federal Holiday.

11.5. Waiver; Amendments: This Agreement sets forth the entire agreement of the parties respecting the subject matter hereof, (ii) supersede any prior and contemporaneous



understandings, agreements, or representations by or among the parties, written or oral, to the extent they related in any way to the subject matter hereof, and (iii) may not be amended orally, and no right or obligation of any party may be altered, except as expressly set forth in a writing signed by such party.

11.6. Counterparts: This Agreement may be signed in several counterparts.

11.7. Expenses: Each party shall bear its own expenses incurred with respect to the preparation of this Agreement and the consummation of the transactions contemplated hereby.

11.8. Arbitration:

(a) If at any time there shall be a dispute arising out of or relating to any provision of this Agreement, or any agreement contemplated hereby or thereby, such dispute shall be submitted for binding and final determination by arbitration in accordance with the regulations then obtaining of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) resulting from such arbitration shall be in writing, and shall be final and binding upon all involved parties. The site of any arbitration shall be at a site agreed to by the parties and the arbitration decision can be enforced in a "court of competent jurisdiction".

(b) This arbitration clause shall survive the termination of this Agreement, and any agreement contemplated hereby or thereby.

11.9. Waiver of Jury Trial; Exemplary Damages: THE PARTIES HERETO HEREBY WAIVE THEIR RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS AGREEMENT. NO PARTY SHALL BE AWARDED PUNITIVE OR OTHER EXEMPLARY DAMAGES RESPECTING ANY DISPUTE ARISING UNDER THIS AGREEMENT.

11.10 Cooperative Purchases: This Agreement may be used by other government agencies. Company has agreed to offer similar services to other agencies under the same or similar terms and conditions as stated herein except that the revenue share percentage (Compensation) may be negotiated between the Company and other agencies based on the specific revenue expectations, agency reimbursed costs, and other agency requirements. The Client will in no way whatsoever incur any liability in relation to specifications, delivery, payment, or any other aspect of purchase by other agencies.

11.11. Prohibition on Contracts with Companies Boycotting Israel: Company hereby 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.

11.12. Prohibition Against Business with Iran, Sudan, or Foreign Terrorist Organization: Company hereby 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.

11.13. Prohibition on Contracts with Companies Boycotting Energy Companies: Company hereby 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.

11.14. Written Verification as to Firearm Entities: Company hereby 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.

*Signatures on following page:*

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

**COMPANY:**

**FIRE RECOVERY USA, LLC.**  
**a California limited liability company**

Signature: \_\_\_\_\_

Name: M. Craig Nagler

Title: Manager

**CLIENT:**

**City of Kerrville**

Signature: \_\_\_\_\_

Name (printed): \_\_\_\_\_

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

  
APPROVED AS TO FORM  
Michael C. Hayes, City Attorney

## **SCHEDULE A**

### **LIST OF COMPANY SERVICES**

1. Company agrees to bill the responsible party on the Client's behalf for services provided/rendered during motor vehicle incidents and other emergency incidents. Rate adjustments will occur to keep the fire department's cost recovery program in conformity with increasing operating expenses.
2. Company will provide, as a normal matter of business; entry of claims and submission to the responsible party, collections of monies deemed due to the Client, payments of the agreed upon percentage of said monies to Client, and reporting of progress.
3. Company agrees to bill to the best of its ability all claims provided to Company by the Client.
4. Company will not begin litigation against a person, entity, or insurance carrier without prior written approval by the Client.
5. Company agrees to reimburse Client a portion of the monies collected at a rate of 78% (seventy-eight percent) of the total monies collected on the Client's claims. Total monies collected will be net, after any credit card processing fees (charged at 4%) or any collection agency fees. If Client submits a claim to Company and later wants to cancel the claim, Client may be subject to a billing fee. If Client agrees to submit a claim to Company's collection agency and later wants to remove it from collection status, Client may be subject to a fee of up to 35% of the amount of the claim to compensate for efforts made to collect the claim.
6. Company agrees to pay these monies collected to the Client on a monthly basis, within seven (7) working days after the close and accounting of the monthly billing cycle.
7. Company agrees to make available reports via a password protected website to the Client which detail billable claims outstanding (which are claims submitted, but not yet completed) and claims completed in the prior billing cycle.
8. Company will not be responsible for, nor accept any liability for, any erroneous, invalid, or illegal procedure codes or claims submitted to Company by the Client.



## **EXHIBIT A**

### **FIRE DEPARTMENT MITIGATION RATES (FEES)**

The mitigation rates below are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it may be itemized and based on the actual services provided.

These rates are based on actual costs using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance). Labor rates include an average department's actual burdened labor costs and not just a firefighter's wage. These include wages, retirement, benefits, workers comp, etc.

### **MOTOR VEHICLE INCIDENTS**

- **Level 1 BASIC RESPONSE - \$602.00**
  - Single engine response to a Motor Vehicle Accidents/Incidents to provide hazardous materials assessment and scene stabilization. This type of response occurs almost every time the Fire Department responds to a motor vehicle accident or motor vehicle incident.
- **Level 2 INTERMEDIATE RESPONSE - \$687.00**
  - Includes a Level 1 response plus clean up and material used (sorbents) for hazardous fluid clean up and disposal. The Fire Department will bill at this level if clean up occurs for any gasoline or other automotive fluids spilled as a result of the motor vehicle accident or motor vehicle incident.
- **Level 3 CAR FIRE - \$838.00**
  - Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, tip use, foam, structure protection, and clean up occurs for any gasoline or other automotive fluids spilled as a result of the motor vehicle accident or motor vehicle incident.

### **ADD-ON SERVICES:**

- **Extrication - \$1,811.00**
  - Includes heavy rescue tools, ropes, airbags, cribbing etc. The Fire Department will apply this charge if it must free/remove anyone from a vehicle(s) using equipment. The Fire Department will only apply a fee at this level where it uses equipment and will not bill if the patient is simply unconscious and the Fire Department is able to open the door to access the patient.

### **HAZMAT**

- **Level 1 Basic Response - \$972.00**

- Claim will include single engine response, first responder assignment, perimeter establishment, evacuations, set-up, and command.
- **Gas Leak (natural gas line or propane) Basic Response - \$943.00**
  - Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up and command.

**ADDITIONAL TIME ON-SCENE** (for all levels of service)

- Additional Engine billed at \$554.00 per hour.
- Aerial Apparatus billed at \$693.00 per hour.
- Miscellaneous specialized equipment billed at \$416.00.
- Response by Chief Officer to set up command and provide direction and administration over an incident billed at \$347.00 per hour.

\*1. The mitigation rates above are average “billing levels” for a minimum of one hour of service(s) provided by the Fire Department and are typical for the emergency fire responses listed above; however, some fees may be itemized and based on the actual services provided, which the City will note.

2. These mitigation rates were determined by itemizing costs for a typical run, from the time a fire apparatus leaves the station until it returns to the station, and are based on the actual costs, using amortized schedules for apparatus, including useful life, equipment, repairs, and maintenance, and labor rates (*i.e., an average department’s “actual personnel expense” and not just a firefighter’s basic wage*). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.

3. The mitigation rates are subject to a periodic assessment by the City as to sufficiency and appropriateness; City Council may change such rates at any time.





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

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**CAPTION:** Resolution No. 49-2024. A Resolution amending the City of Kerrville Fee Schedule by adding fees (Mitigation Rates) that the City will charge for emergency fire services provided by the City's Fire Department. (*J Behrens, Director of Finance*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/05/2024

**SUBMITTED BY:**

**EXHIBITS:**

1. 20241210\_Reso No. 49-2024 Fee Schedule Amendment\_FY 2025\_KPD  
Mitigation Rates

---

**Expenditure:**

**Amount Budgeted:**

**Account Number:**

**Account Balance:**

**Payment to/Vendor  
name:**

**Kerrville 2050 Item?**

**Key Priority Area:**

No

**SUMMARY:**

The FY2025 Fee Schedule was adopted by resolution 43-2024. City Council approval is required to amend the City's Fee Schedule in order to add / modify fees. This resolution adds fees related to the Fire Recovery Program, as referenced in Ordinance 42-2024.

**RECOMMENDED ACTION:**

Approve resolution amending the City's Fee Schedule

**CITY OF KERRVILLE, TEXAS  
RESOLUTION NO. 49-2024**

**A RESOLUTION AMENDING THE CITY OF KERRVILLE FEE  
SCHEDULE BY ADDING FEES (MITIGATION RATES) THAT  
THE CITY WILL CHARGE FOR EMERGENCY FIRE SERVICES  
PROVIDED BY THE CITY'S FIRE DEPARTMENT**

**WHEREAS**, the City Council of the City of Kerrville adopted a Fee Schedule by Resolution No. 91-138 on September 24, 1991, and has amended said document on a number of occasions; and

**WHEREAS**, The Chief of the City's Fire Department, along with other City staff, has studied and now recommends that City Council adopt fees that the City will charge for emergency fire services provided by the Fire Department, which includes new mitigation rates for such services; and

**WHEREAS**, the guiding principle for funding these services or uses is that those receiving or directly benefiting from the services, should bear the cost; and

**WHEREAS**, City Council has determined that it is in the public interest to amend the *City's Fee Schedule for Fiscal Year 2024-2025* as provided herein;

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

City Council amends the *Fee Schedule for Fiscal Year 2024-2025 of the City of Kerrville, Texas*, as set forth in **Exhibit A (Fee Schedule)**, such fees to be effective upon adoption of this Resolution. The fees make up mitigation rates for the City Fire Department's provision of emergency fire services, for those services specified in **Exhibit A**.

**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

# EXHIBIT A

MITIGATION RATES (FEES)	
Motor Vehicle Incidents:	
Level 1 - Basic Response	\$602.00 per hour
Level 2 - Intermediate	\$687.00 per hour
Level 3 - Car Fire	\$838.00 per hour
Add-On Services:	
Extrication	\$1,811.00 per hour
Hazmat - Level 1 Basic Response	\$972.00 per hour
Gas Leak - Natural or Propane	\$943.00 per hour
Additional Time On-Scene:	
Chief Officer Response	\$347.00 per hour
Additional Engine	\$554.00 per hour
Aerial Apparatus	\$693.00 per hour
Miscellaneous Specialized Equipment	\$416.00 per hour
Note: The City, pursuant to Ord. No. 2024-30, shall bill and collect mitigation rates (fees) for emergency fire services provided by the Kerrville Fire Department. Such fees, as specified here, include reimbursement for all equipment, personnel, materials, maintenance, and overhead expenses and costs, which constitute full reimbursement to the City for services actually rendered. The City shall apply the mitigation rates to persons who do not reside within the City or a district or area that the City has interlocal agreement to provide emergency fire services by the Fire Department. More information as to the specific application of the fees and the basis for such may be found in a policy document maintained by and available for review in the Fire Department, such document which is consistent with the fees provided above.	



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

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**CAPTION:** Interlocal Transportation Agreement between the City of Kerrville and the Alamo Area Council of Governments furnishing the City with a public transportation Micro-Transit service. *(D Rice, City Manager)*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/20/2024

**SUBMITTED BY:**

Dalton Rice, City Manager

**EXHIBITS:**

1. 20241210\_ILA\_AACOG\_On Demand Micro-Transit\_
2. 20241210\_Alamo Regional Presentation

---

**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

Yes

**Key Priority Area:**

M – Mobility/Transportation

**SUMMARY:**

**Overview:** The City of Kerrville, in partnership with the Alamo Area Council of Governments (AACOG) and Alamo Regional Transit (ART), is advancing public transportation through an innovative on-demand system. The initiative aims to enhance community mobility, improve access to essential services, and leverage modern technology for increased efficiency and convenience.

**Kerrville 2050 Plan:** Mobility/Transportation M6 Develop a more comprehensive, multi-modal transportation plan that addresses both daily transportation needs and recreational interests (pedestrian, trails, bicycle, etc.) with an emphasis on filling gaps and creating interconnectivity for both local and tourist traffic.

**Budget and Funding:** City Council allocated \$200,000 in FY 2024 as a matching grant to support this project. The total projected cost of the new on-demand service, "Pronto Micro Transit," is estimated at \$400,000, shared equally between Kerrville and AACOG/ART.

## **Service Details:**

- **Hours of Operation:**

- Monday–Friday: 7:00 AM – 7:00 PM
- Saturday–Sunday: 10:00 AM – 5:00 PM

- **Projected Impact:**

- Approximately 5,400 additional service hours in the first year.
- Estimated ridership of one trip per revenue hour, leading to significant community engagement and benefits.

**Technology Integration:** The Pronto app empowers users with convenient tools to schedule, cancel, and manage trips via their smartphones. ART will also provide travel training to ensure accessibility for all community members, including seniors and students.

**Economic and Social Benefits:** Investing in public transportation contributes to local economic growth, job creation, and improved connectivity. It enhances access to employment, education, medical services, and social activities, fostering a more inclusive community.

**Next Steps:** Pending approval, authorize the City Manager to finalize the agreement with AACOG and ART, enabling the launch of the on-demand service. The project aligns with the city's commitment to sustainable growth and improved quality of life for its residents.

## **RECOMMENDED ACTION:**

Approval of a transportation agreement with AACOG and ART.



## **INTERLOCAL TRANSPORTATION AGREEMENT**

This agreement is made on the \_\_\_\_ day of December, 2024, by and between the City of Kerrville, and the Alamo Area Council of Governments, a political subdivision of the State of Texas, hereinafter referred to as "AACOG".

WHEREAS the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code authorizes units of local government to contract with one or more units of local government to perform government functions and services; and

WHEREAS, this Interlocal Transportation Agreement, hereinafter referred to as "the Agreement", for the provision of On Demand Micro-Transit public transportation service, is entered into by and between AACOG and the City of Kerrville.

### **Article 1: Goods and Service**

1.1 For the price and terms provided in Article 2 below, AACOG agrees to furnish the City of Kerrville with On Demand Micro-Transit public transportation service per a published schedule developed by AACOG and provided to the City of Kerrville. The service will be open to the public and will operate no less than 7 a.m. to 7 p.m., Monday through Friday, every week and 10 a.m. to 5 p.m. on Saturday and Sunday, with the exception of federal holidays; and in addition AACOG will provide the following:

- A. Capital Equipment (vehicles);
- B. Operating & administrative services associated with the operations of an On Demand Micro-Transit public transportation service;
- C. Driver training, marketing and other essentials related to the provision of public transportation.

### **Article 2. Agreement Price and Payment Terms**

2.1 City of Kerrville agrees to compensate AACOG for the provision of an On Demand Micro-Transit public transportation service from January 1, 2025 through September 30, 2025 in an amount equal to One Hundred Fifty Thousand dollars and no/cents (\$150,000.00), with such amount pro-rated into monthly payments from the City of Kerrville beginning on February 15, 2025. City of Kerrville represents that its current revenues available on the effective date of this Agreement will allow it to make all payments required by this Agreement, including additional payments to account for services from October 1, 2025 through September 30, 2026, such payments to likewise be made monthly and in a total amount not to exceed Two Hundred Thousand dollars and no/cents (\$200,000.00). Following each full month of providing service, AACOG will submit a bill to the City of Kerrville by the 5th day of the month for such services, with payment

from the City of Kerrville being due thereafter on or before the 15th day of the month. The fee for the third and subsequent periods shall be negotiated annually and inserted by a written amendment signed by the parties prior to September 30, 2026.

### **Article 3. Effective Date and Term of Agreement**

3.1 It is anticipated that the initial period of operations will begin January 1, 2025 and run through September 30, 2025, unless sooner terminated under Article 5. The second period shall begin October 1, 2025 and run through September 30, 2026.

### **Article 4. Nondiscrimination and Equal Opportunity**

4.1 City of Kerrville shall not exclude anyone from participating under this Agreement, deny anyone benefits under this Agreement, or otherwise unlawfully discriminate against anyone in carrying out this Agreement because of race, color, religion, sex, age, disability, veteran status, or national origin.

### **Article 5. Early Termination of Agreement**

5.1 If either AACOG or the City of Kerrville breaches a material provision of this Agreement the other may notify the breaching party in writing describing the breach and demanding corrective action be taken. The breaching party has five (5) business days from its receipt of the notice to correct the breach, or to begin and continue with reasonable diligence and in good faith to correct the breach. If the breach cannot be corrected within a reasonable time, despite the breaching party's reasonable diligence and good faith effort to do so, the parties may agree to terminate this Agreement or either party may invoke the dispute resolution process of Article 6.

5.2 Termination for breach under paragraph 5.1 does not waive either party's claim for damages resulting from the breach.

5.3 This Agreement may be terminated at any time either by AACOG or by the City of Kerrville, upon ninety (90) days written notice to the other party at its address in Section 7.2. Termination shall release each party from all prospective obligations of this Agreement. On termination of the Agreement, the City of Kerrville shall pay AACOG for all fees related to services performed and associated costs incurred to the date of termination.

### **Article 6. Dispute Resolution**

6.1 The parties desire to resolve disputes arising under this Agreement without litigation. Accordingly, if a dispute arises, the parties agree to attempt in good faith to resolve the dispute among themselves. To this end, the parties agree not to sue one another, except to enforce compliance with this Article 6, until they have exhausted the procedures set out in this Article.



6.2 At the written request of a party, each party shall appoint one representative to negotiate informally and in good faith, to resolve any dispute arising under the Agreement. The representatives appointed shall determine the location, format, frequency, and duration of the negotiations.

6.3 If the representatives cannot resolve the dispute within fifteen (15) calendar days after the first negotiation meeting, the parties agree to refer the dispute to a certified mediator for mediation. The mediation will be conducted by a mediator agreed to by the parties. Each party participating in the mediation shall pay one-half the cost of the mediation services.

6.4 Unless the dispute is for non-payment of funds due under the Agreement, the parties agree to continue performing their duties under the Agreement, which are unaffected by the dispute, during the negotiation and mediation process.

6.5 All terms of this Agreement are to be construed in accordance with the laws of the State of Texas.

#### **Article 7. Notice to Parties**

7.1 Notice to be effective under this Agreement must be in writing and received by the party against whom it is to operate. Notice is deemed received by a party as follows: (1) when it is delivered to the party personally; (2) on the date shown on the return receipt if mailed by registered or certified mail, return receipt requested, to the party's address specified in paragraph 7.2 and signed on behalf of the party; or (3) three business days after its deposit in the United States mail, with first-class postage affixed, addressed to the party's address specified in paragraph 7.2.

7.2 City of Kerrville address is, 701 Main St, Kerrville, TX 78028, Attention: City Manager. AACOG address is 2700 NE Loop 410, Suite 101, San Antonio, Texas 78217, Attention: Executive Director.

7.3 A party may change its address by providing notice of the change in accordance with paragraph 7.1.

#### **Article 8. Limitation of Liability**

8.1 AACOG agrees to maintain all vehicle, liability and workers compensation insurance as legally required by the Texas Department of Transportation and other law.

8.2 Damages: In no event shall AACOG be liable to the City of Kerrville for any indirect, special, incidental, punitive, or consequential damages, including, but not limited to, loss of profits, loss of business or other loss arising out or resulting from this Agreement even if AACOG has been advised of the possibility of such damages.



## Article 9. Miscellaneous

9.1 Each individual signing this Agreement on behalf of a party warrants that he or she is legally authorized to do so and that the party is legally authorized to perform the obligations undertaken.

9.2 This Agreement states the entire agreement of the parties, and an amendment to it is not effective unless in writing and signed by both parties.

9.3 This Agreement is binding on and inures to the benefit of the parties' successors in interest.

9.4 This Agreement is executed in duplicate originals.

9.5 The invalidity, illegality or unenforceability of any provision of this Agreement shall not affect the validity, legality or enforceability of any other provision of this Agreement.

### EXECUTION

IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed and effective on the \_\_\_\_ day of December 2024.

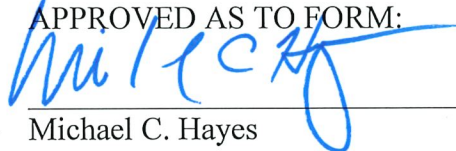
City of Kerrville:

Alamo Area Council of Governments:

\_\_\_\_\_  
Dalton Rice  
City Manager, City of Kerrville  
ATTEST:

\_\_\_\_\_  
Shelley McElhannon  
City Secretary, City of Kerrville

\_\_\_\_\_  
Clifford Herberg  
Executive Director AACOG  
APPROVED AS TO FORM:



\_\_\_\_\_  
Michael C. Hayes  
City Attorney, City of Kerrville

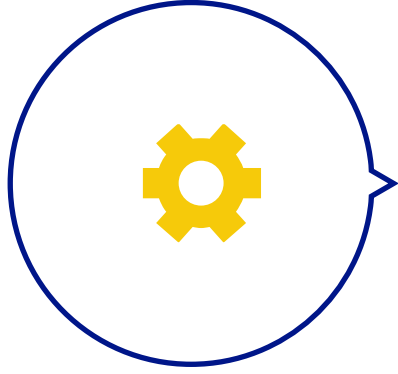


# Alamo Regional Transit Service Kerrville FY 2024

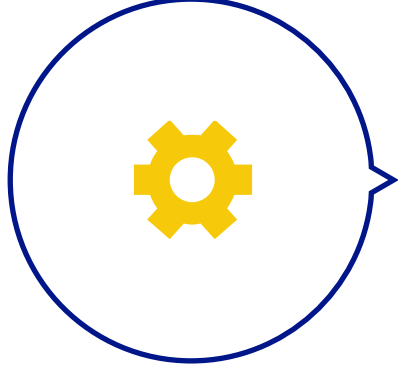
10/23 through 09/24

# Strategic Goals

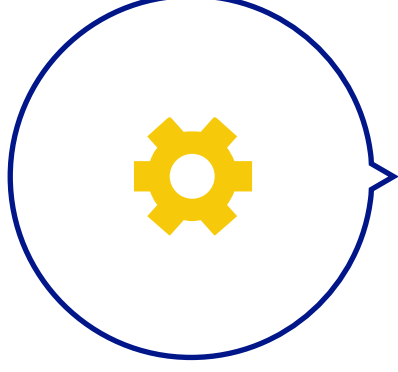
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**Growth of overall system while  
maintaining fiscal responsibility  
of budget**



**Implement Regional Planning  
strategies**



**Increase system efficiency and  
capacity by utilizing available  
technology and evaluating  
current types of service delivery**





# Services ART Provides in Kerrville

- ✓ **Advance Demand Response (ADR)**
- ✓ **Travel Training**
- ✓ **Regional Coordination Transportation Planning**
- ✓ **Pronto Micro Transit**

**\*\* Pending Approval**



# Advance Demand Response

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## Days of Operations

**Monday thru Friday - 6:00 am – 6:00 pm**



**Call the dispatchers at 1.866.889.7433**

**Call in your request as soon as possible**



**Be ready for pickup 30 minutes before your scheduled pickup time**



# Advance Demand Response



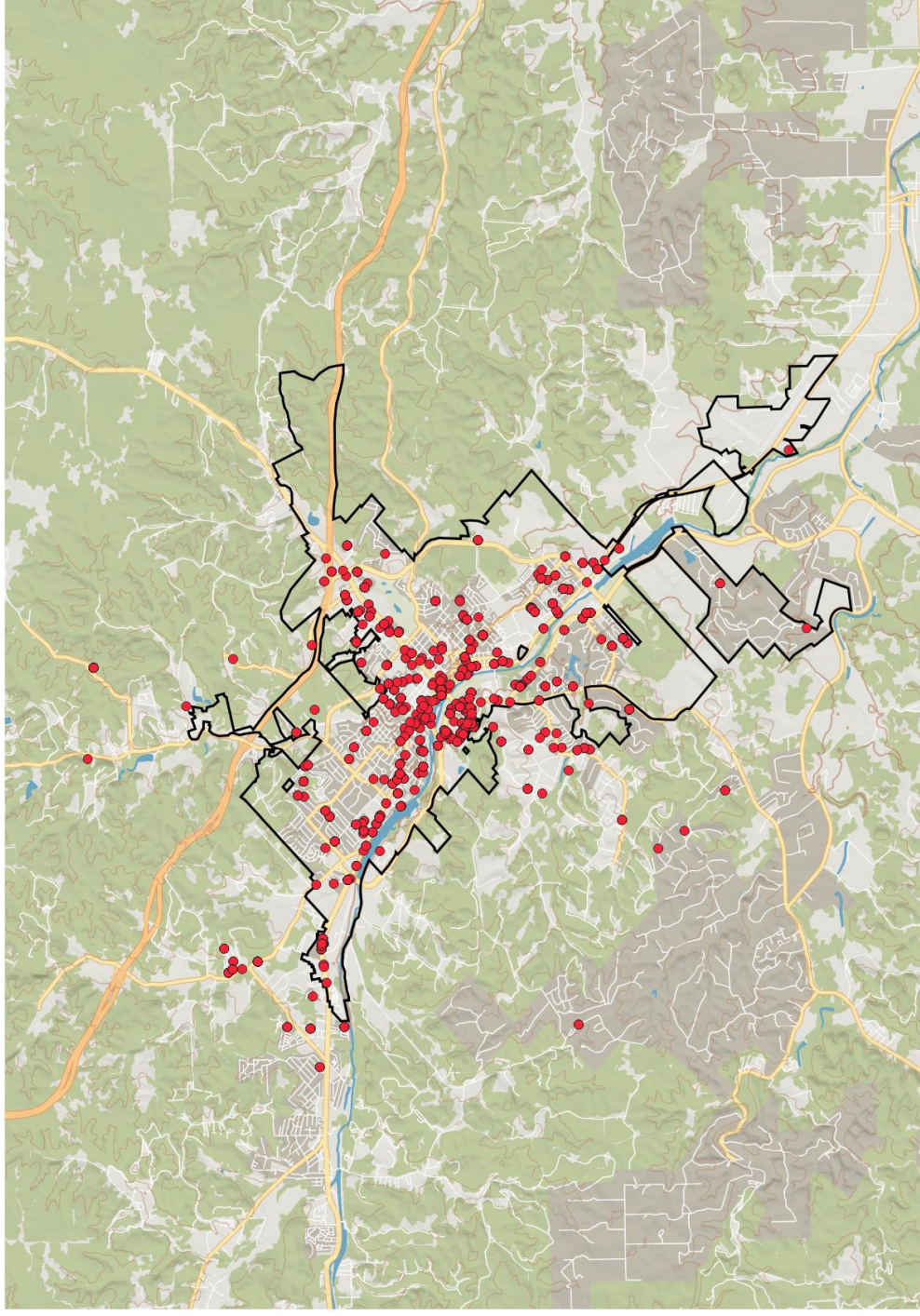
**ART Did 7617 Trips for Kerr County**



**77% or 5884 Trips were within Kerrville City Limits**



**Cost of this service for 2024 was \$388,400. AACOG paid 100%**



ALAMO  
REGIONAL TRANSIT  
**AACOG**



# Alamo Regional Transit Mobile APP - Pronto

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- **PRONTO** – ART's Micro transit same day trips
- **The Mobility App** allows **ART** passengers to manage their transportation from the convenience of their smart phone
  - Empower riders to manage the scheduling of their trips
  - Through the app you can cancel trips or rebook



# Alamo Regional Transit Mobile APP - Pronto



### Rider Card

## 1. Install the App

- Find Alamo Regional Transit on the Google Play Store or the App Store
- Download the app and grant the necessary permissions



To provide you with the best experience, our app requires a few permissions. Please grant the following permissions for full functionality





### Alamo Regional Transit

Alamo Area Council of Governments

### RIDER CARD

Alamo Regional Transit (ART) serves 12 rural counties – Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, McMullen, and Wilson.





### SCAN ME

Download the Alamo Regional Transit App today



### or Register

- If you already have an account, you can simply log in.
- After a successful login, you will be automatically directed to the dashboard.
- As you're on the dashboard, click on the "Login" button. It will redirect you to the login/registration screen.
- You have the option to proceed with Google/Apple sign-in.



### 4. Plan a Trip

On the trip planner page, you need to enter your source and destination addresses. You also have the option to drag the map to select the source location. After entering the source and destination addresses, you will be directed to the suggested route page.



### 5. Suggested routes

The app displays various route options and recommendations. Click your option from the list. Please complete this form to book a trip.



### 6. Book a Ride

You will now have access to view fare and book any available trips.

You can also see the total cost and estimated travel times for your trip.

To book a trip, simply select your option from the suggested list. It takes you to booking screen.

In booking screen you can change the purpose of the trip. Flexibility to change mobility aid or add passengers when required. Pick up and drop off notes can be added.

Click on the book now button to book a trip.





### SCAN ME

Download the Alamo Regional Transit App today





ALAMO REGIONAL TRANSIT  
**AACOG**

CITY OF KERRVILLE PUBLIC TRANSPORTATION

# **Alamo Regional Transit Mobile APP – Travel Training**



- To educate people on how to use our app to plan and reserve their trips through self registration service
- Group or Individual Training/Instructions to various groups for example senior centers, schools and other organizations, this allows these people the freedom to schedule their transportation at their leisure

# **Proposal for Pronto Service and Cost**

- **Mon – Fri 7am to 7pm**
- **Sat – Sun 10am to 5pm**
- **Adding approximately 5,400 hours of service**
- **First Year Projections conservatively would be a ride per revenue hour (5400)**
- **Total Value of the service is over \$400K. Kerrville and AACOG/ART would share the cost 50/50.**
- **ART would continue the current ADR Service**

# Transportation Benefits

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## Most if not all residents, whether they ride the bus or not will benefit from Public Transportation

- Every dollar invested in public transportation can yield around \$4 in economic gains in the community.
- Public Transit improves community mobility
  - Public Transit connects workers to jobs and students to classes
  - Public Transit Creates Jobs
  - Public Transit assists in accessing medical services
  - Public Transit provides opportunities for socialization to vulnerable populations





# QUESTIONS?

**Thank You For Your Time**



**CITY OF KERRVILLE PUBLIC TRANSPORTATION**



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

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**CAPTION:** Interlocal agreement relating to funding and construction of improvements through the water resources preservation grant program between the Upper Guadalupe River Authority and the City of Kerrville. *(M Hornes, Asst City Manager)*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/20/2024

**SUBMITTED BY:**

Michael Hornes, Assistant City Manager

**EXHIBITS:**

1. 20241210\_ILA UGRA Grant PSF Water Reclamation

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**Expenditure:**

**Amount Budgeted:**

**Account Number:**

**Account Balance:**

**Payment to/Vendor  
name:**

**Kerrville 2050 Item?**

**Key Priority Area:**

Yes

W – Water/Wastewater/Drainage

**SUMMARY:**

UGRA has an incentive program called the Water Resources Preservation Grant Program. The program provides cost share funding for design and construction of stormwater management practices commonly referred to as best management practices (BMPs). The program provides rebates for a portion of the cost of specific management practices that reduce, infiltrate, filter, and delay stormwater runoff. These types of practices fall under the umbrella terms of Low Impact Development (LID), nature-based solutions, and Green Stormwater Infrastructure (GSI).

The City is currently developing the Public Safety Facility at 365 Clearwater Paseo Dr. and through this grant, we are able to include and install a bioretention structure in connection with the development of the property in order to facilitate water conservation, and treat stormwater runoff from the property, to preserve and protect the Guadalupe River and its tributaries in Kerr County. The UGRA board approved the City of Kerrville's application at their September meeting for a 90% cost share rebate.

The attached agreement sets forth the terms and conditions pursuant to which UGRA will reimburse the City for its costs of design and construction of the bioretention

structure in an amount not to exceed \$29,250.

**RECOMMENDED ACTION:**

Staff recommends approval of the interlocal agreement between the UGRA and the City of Kerrville.

(City of Kerrville)

COUNTY OF KERR §

## Recitals



## Agreement

1. **Construction of Bioretention Structure Improvements.** The City agrees to fund, design, construct and install at the Property the bioretention structure improvements more particularly described in **Exhibit “A”** and **Exhibit “B”** attached hereto (the “*System Improvements*”). The System Improvements shall be installed at the location more particularly identified in **Exhibit “C”** attached hereto (the “*Authorized Location*”). The City shall complete construction and installation of the System Improvements prior to August 31, 2025. Failure to complete the System Improvements shall result in automatic termination of this Agreement and the City’s right to receive the UGRA Contribution.

2. **During and Post Construction Inspections.** The City shall provide UGRA with a schedule of construction/installation of the System Improvements. City will coordinate with UGRA so that a UGRA representative can make at least one site visit during and one site visit after construction is completed to verify that construction is complete and the System Improvements are operating or will operate to achieve the stormwater mitigation goals.

3. **Water Resources Preservation Grant Program Payment.**

A. Once a UGRA representative has verified that construction is complete and the System Improvements are operating properly, the City may request remittance of the UGRA Contribution payment through submission of the System Documentation as defined below.

B. Within thirty (30) days after completion of construction and installation of the System Improvements, but in no event after August 31, 2025, the City shall furnish to UGRA the following information (the “*System Documentation*”) in support of its request for the UGRA Contribution:

i. A written accounting in reasonable detail summarizing the total costs of design, acquisition, installation and construction of the System Improvements. The accounting shall specifically identify the System Improvements and include copies of receipts, invoices and other documentation evidencing the out-of-pocket costs and expenses for which the UGRA Contribution is requested. All of these documentation items must be verifiable and contain vendor contact information in order for UGRA to verify the costs and expenses for which reimbursement is sought. The costs of pre-owned materials and value of self-performed labor, or costs that cannot be verified or are determined by UGRA to not be reasonable, will not be eligible for reimbursement; and

ii. Photographs demonstrating installation of the System Improvements at the Authorized Location; and

iii. Photograph of educational sign as described below; and

C. Within thirty (30) days after receipt of the System Documentation and UGRA’s confirmation that the System Improvements have been installed and are operational, UGRA shall tender the UGRA Contribution to the City. The amount of the UGRA



Contribution shall not exceed \$29,250 or 90% of the City's total costs of design, acquisition, installation, and construction of the System Improvements, as confirmed by the System Documentation, whichever is less.

**4. Water Conservation Matters.**

A. The City acknowledges that UGRA is funding the UGRA Contribution in order to further the conservation and preservation of the waters of the Guadalupe River and its tributaries in Kerr County.

B. The City acknowledges that UGRA is funding the UGRA Contribution in order to maximize reduction in stormwater runoff and promote water conservation.

C. The City acknowledges that the System Improvements will require routine maintenance in order to remain operational and that the maintenance checklist included in **Exhibit "D"** is a template that can be modified to create a maintenance schedule for the System Improvements. The City agrees to maintain the System Improvements for continued operation.

D. The City agrees to allow UGRA representatives to enter the Property from time to time upon reasonable prior request to inspect the System Improvements. UGRA agrees that representatives of the City may be present to accompany UGRA personnel at all times.

E. The City agrees to post a sign at the Property acknowledging UGRA's contribution to the costs of the System Improvements. The sign will also contain educational information for each management practice (UGRA will provide the City with sign content). The design of the sign shall be determined by the City. UGRA shall have the right to approve the final design, size and location of the sign.

F. Upon reasonable prior notice and during normal business hours, the City agrees to allow UGRA representatives to conduct educational tours regarding the System Improvements at the Property. Representatives of the City may be present at all times during such tours.

**5. Relationship of Parties.** Nothing in the Agreement or otherwise is intended or will be construed to create a joint venture, partnership, employment or similar relationship between UGRA and the City.

**6. General Provisions.**

A. **Notice.** Any notices given under this Agreement will be effective if (i) forwarded to a Party by hand-delivery; or (ii) deposited with the U.S. Postal Service, postage prepaid, certified, to the address of the Party indicated below:

**UGRA:**

125 Lehmann Drive  
Suite 100  
Kerrville, Texas 78028  
Attn: General Manager  
Phone: (830) 896-5445  
Email: tbushnoe@ugra.org

**The City of Kerrville:**

City of Kerrville  
701 Main Street  
Kerrville, Texas 78028  
Attn: City Manager  
Phone: (830) 258-1108  
Email: Dalton.rice@kerrvilletx.gov

- B. **Cooperation.** The Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement.
- C. **Entire Agreement.** This Agreement contains the entire agreement of the Parties regarding the subject matter hereof and supersedes all prior or contemporaneous understandings or representations, whether oral or written, regarding the subject matter.
- D. **Amendments.** Any amendment of this Agreement must be in writing and will be effective if signed by the authorized representatives of the Parties.
- E. **Assignment.** This Agreement may not be assigned by either Party without the prior written consent of the other Party.
- F. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute one of the same Agreement. Faxed signatures and countersignatures shall be deemed originals for all purposes and proper evidence of assent of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates setforth below.

**UPPER GUADALUPE RIVER AUTHORITY**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

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

**ATTEST:**

\_\_\_\_\_  
Business Manager/Asst. GM

**CITY OF KERRVILLE**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

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

**ATTEST:**

\_\_\_\_\_  
\_\_\_\_\_

**APPROVED AS TO FORM**  
  
**Michael C. Hayes, City Attorney**

## **Exhibit “A”**

### **Description of Bioretention Structure Improvements**

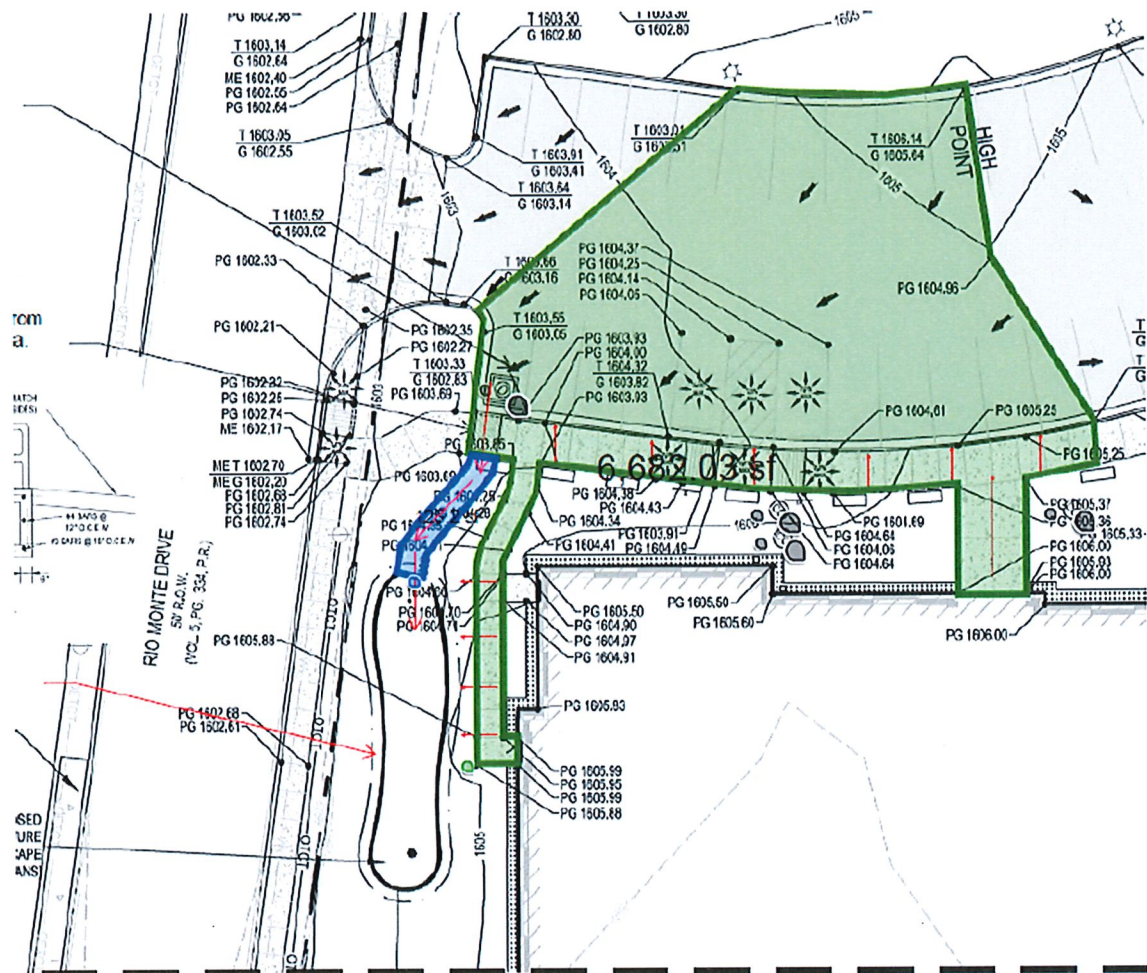
1. One bioretention structure measuring approximately 658 sq-ft surface area to treat approximately 6,682 sq-ft of adjacent impervious cover (parking lot and sidewalk).
2. Bioretention structure will contain an under drain and overflow structure that connect to the storm drain system.
3. Bioretention structure layers will consist of native bark mulch, bioretention soil mix, washed sand and stone in proportions adequate to treat 100% of runoff from the 6,682 sq-ft drainage area during a 1.5” rainfall event.
4. The drainage canal between the parking lot and the bioretention structure will be reinforced with rock to prevent erosion.
5. One (1) educational sign acknowledging UGRA’s contribution to the costs of the System Improvements. The sign will also contain educational information on bioretention structures. UGRA will provide the City of Kerrville with sign content.



# Exhibit "B"

## Project Drawing

### Public Safety Facility Bioretention Structure Drainage Area



Area of parking lot and sidewalk that drains into bioretention: 6,682 sq-ft (green)  
 4" rock to prevent erosion: blue



## Exhibit “C”

### Authorized Location for Installation of System Improvements



City of Kerrville Public Safety Facility  
365 Clearwater Paseo Drive  
Kerrville, Texas 78028  
GPS: 30.025388, -99.126222

## Exhibit “D”

### Maintenance Checklist Examples

#### Bioretention Maintenance Schedule

Year: \_\_\_\_\_

Location: \_\_\_\_\_

	January	February	March	April	May	June	July	August	September	October	November	December
<b>Drainage Area</b>												
Free of excessive sediment/dirt												
Free of excessive leaves												
Free of excessive oil / grease												
<b>Forebay or Filter strip</b>												
Remove sediment > than 1"												
Check for erosion and correct												
Remove any unwanted plants												
Remove any trash												
<b>Basin</b>												
Check for erosion & correct												
Check 3" of hardwood mulch & correct												
Check for compacted mulch & correct												
Remove any sediment in basin												
Check Plants, trim, remove weeds												
Remove any trash												
<b>Overflow</b>												
Overflow pipe screen unclogged												
Overflow pipe inlet clear												
Inspect cleanout and outlet												
<b>Berm / Surrounding Area</b>												
Check for erosion & correct												
3" of hardwood mulch (if mulched)												
Check Plants, trim, remove weeds												
Remove any trash												

Inspector Name, Date	Notes
Jan	_____
Feb	_____
Mar	_____
Apr	_____
May	_____
Jun	_____
Jul	_____
Aug	_____
Sep	_____
Oct	_____
Nov	_____
Dec	_____





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

---

**CAPTION:** Banking Services Agreement between the City of Kerrville and Wells Fargo Bank, N.A. and designation of Director of Finance as the "designated officer" pursuant to state law. (*J Behrens, Director of Finance*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 10/25/2024

**SUBMITTED BY:**

JULIE BEHRENS, Director of Finance

**EXHIBITS:**

1. 20241210\_Banking Service Agreement\_Wells Fargo
2. City of Kerrville - Agreement for Treasury Management Services

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

The City's Finance department published a Request for Proposal (RFP) for Depository Banking Services on September 4, 2024. Proposals from four (4) banking institutions were received. Proposers include: Happy State Bank (A Division of Centennial Bank), Security State Bank & Trust, Wells Fargo Bank, and Texas Regional Bank. Each proposal was carefully reviewed by a qualified team. Follow-up interviews were conducted with teams from each bank that submitted a proposal in order to provide an opportunity for any clarification requested by the City. After careful consideration of services offered by all proposers, staff recommends entering into an agreement with Wells Fargo Bank for the City's banking services. Wells Fargo is the City's current banking institution and is able to provide services necessary for daily operations of the City. Some of the primary considerations for this recommendation include Wells Fargo Bank's ability to provide:

- Services requested in the RFP
- Consolidated services within a single institution (such as safekeeping for investments and purchasing card program)

- Collateralization in the form of securities in lieu of letters of credit and 24/7 access to detailed collateral information to ensure City funds are protected
- Self-administration of all programs and services, such as the ability for the City to set up user access, control user limits and electronic audit trails for internal controls and security
- Electronic approval processes with date/time stamp for improved internal controls and security, including dual approval with tokens for higher risk activity such as wires and account administrative changes
- Secure, same day electronic process for ACH services for positive pay to reduce fraud
- Electronic reconciliation processes for purchasing cards, including electronic supervisor approval of all card purchases, electronic receipt capture, and the ability to upload to individual general ledger expense accounts for detailed posting
- System generated electronic notifications for exceptions and discrepancies via email and portal to multiple users
- Electronic management by City users of exceptions and discrepancies
- Dedicated support team knowledgeable of all services provided to the City

**RECOMMENDED ACTION:**

Authorize City Manager to finalize and execute agreement with Wells Fargo Bank for banking services

## BANKING SERVICES AGREEMENT

THE STATE OF TEXAS   §  
                                      §  
COUNTY OF KERR       §

This Agreement is made and entered into on this \_\_\_\_ day of \_\_\_\_\_ 2024, by and between the **City of Kerrville, Texas** (City), and **Wells Fargo Bank, N.A.**, a national banking association (Bank or CONSULTANT).

### RECITALS:

**WHEREAS**, the City requested and received proposals for bank depository services; and

**WHEREAS**, Bank was duly selected and designated by the City to serve as depository.

**NOW, THEREFORE**, the parties agree as follows:

### AGREEMENT:

1. The term of this Agreement is three (3) years commencing January 1, 2025, and ending December 31, 2027. The City shall have the option to extend the term of this Agreement for an additional two-year period by giving Bank at least ninety (90) days' advance written notice prior to the applicable expiration date. Any such extension by the City is subject to consent by the Bank. Any party to this Agreement may terminate this Agreement by giving ninety (90) days prior written notice of termination to the other party.

2. Bank agrees to follow and be bound by the terms of its proposal that it submitted to and was accepted by the City. The proposal, dated September 20, 2024, and which includes a *Master Agreement for Treasury Management Services*, *Amendment to Master Agreement for Treasury Management Services*, and an *Acceptance of Services Agreement*, all of which is attached as **Exhibit A** (the Proposal) and is considered a part of this Agreement, will remain on file in the offices of both the City's Chief Financial Officer and City Secretary as long as this Agreement remains in effect. To the extent of any conflict between the Proposal and this Agreement, the terms found within this Agreement shall govern.

3. Bank agrees that the fees and service charges included in the Proposal will remain in effect for the three (3) year initial term of the Agreement. Following the three (3) year initial term, Bank may increase the fees and service charges for the additional two-year period. Bank shall provide written notice to City of any such increase at least ninety (90) days prior to the expiration of the initial term. Following notice, any changes in fees for the two-year extension period must be approved by the City Manager in writing and fees for any new services will not be more than Bank's then current rates for such services.

4. All services rendered to the City by Bank under this Agreement shall be performed in accordance with accepted commercial banking standards and in accordance with Bank's standard operations, policies, and procedures.



5. All material submitted by Bank to City shall become property of the City upon receipt. Any portions of such material claimed by Bank to be proprietary must be clearly marked as such. Determination of whether the material must be released to the public pursuant to a request is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

6. Regardless of language in the Proposal that provides that the City will indemnify, defend, and hold Bank harmless, the City may only indemnify to the extent not prohibited by applicable Texas law.

7. This Agreement is governed by: (a) U.S. federal laws and (b) the laws of the State of Texas without reference to its principles of conflicts of laws. Venue will occur in Kerr County, Texas.

8. This Agreement, along with the Proposal, makes up the entire agreement between the parties relating to the subject matter hereof and there are no other agreements, written or oral, between the parties.

9. Prohibition on contracts with companies boycotting Israel. BANK hereby verifies the following per Section 2271.002, Texas Government Code:

- a. BANK does not boycott Israel; and
- b. BANK will not boycott Israel during the term of the Agreement.

10. Prohibition against business with Iran, Sudan or foreign terrorist organization. BANK warrants, covenants, and represents that BANK is not engaged in business with Iran, Sudan, or any company identified on the list referenced in Section 2252.152, Texas Government Code.

11. - Prohibition on Contracts with Companies Boycotting Energy Companies. BANK hereby verifies the following per Section 2276.002, Texas Government Code:

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


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

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

13. 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, BANK 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.

EXECUTED on this 27<sup>th</sup> day of November, 2024.

WELLS FARGO BANK, N.A.

By:   
Name: Oscar Hernandez  
Title: Director, Lead Commercial Relationship Manager

CITY OF KERRVILLE, TEXAS

By: \_\_\_\_\_  
Name: Dalton Rice  
Title: City Manager

ATTEST:

\_\_\_\_\_  
Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael C. Hayes, City Attorney

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Julie Behrens, Director of Finance



# Exhibit A

## Amendment to Master Agreement for Treasury Management Services

Treasury Management Services

WELLS FARGO BANK, N.A.

# Introduction

This Amendment supplements and modifies the Master Agreement for Treasury Management Services ("Master Agreement") for City of Kerrville. "You," "your" or "yours" refers to the customer identified in the immediately preceding sentence. The terms "we," "us," or "our" refer to the Bank. Capitalized terms used but not defined in this Amendment are defined in the Master Agreement. This Amendment constitutes part of the Service Documentation as defined in the Master Agreement. If there is a conflict between this Amendment and the Master Agreement or other Service Documentation, this Amendment will control. Except as expressly modified by this Amendment, all terms and provisions of Master Agreement and Service Documentation will continue to apply with full force and effect.

## Amendment

We agree that the Master Agreement governing our relationship with you is amended as follows:

1. The following text is added at the end of Section 3 of the Master Agreement (titled "**Changes to services**");

"Notwithstanding the immediately preceding paragraph, through the Initial Term End Date (as defined below) Bank will not change the fees for Services reflected on Attachment A, except:

- in order to reflect the impact of any change in Applicable Law;
- in the event your Service usage volume is materially lower than that reflected on Attachment A;
- for changes to Bank's pricing methodology for Services, including element IDs associated with a Service, so long as the change does not increase the total price of the Services to you (unless permitted under one of the two immediately preceding bullet points).

If you implement additional Services not described on Attachment A prior to the Initial Term End Date, the fees for such additional Services will be as disclosed to you in connection with the implementation of such additional Services."

2. The following text is added at the beginning of Section 4 (titled "**Term and termination**") as a new first sentence:

"Subject to the termination provisions below, the initial term of this Agreement will commence on January 1, 2025 and expire on December 31, 2027 ("Initial Term End Date"), and this Agreement may be extended for not more than one additional two-year extension terms by your and our mutual consent."

3. The text of Section 12 (titled "**Governing Law**") is deleted in its entirety and replaced with the following:

**"Governing law.** The Service Documentation will be governed by: (a) U.S. federal law and (b) the law of Texas, without reference to its principles of conflicts of laws ("Governing Law")."

4. The text of Section 14 (titled "**Jurisdiction**") is deleted in its entirety and replaced with the following:

**"Jurisdiction.** For any proceedings regarding this Agreement (other than a proceeding subject to arbitration), you and we each hereby irrevocably submits to the jurisdiction of the courts of Texas or the federal courts located there and irrevocably agrees that all claims relating to the proceeding may be heard or determined in those courts."

5. The following text is added to the end of the Master Agreement as a new Section 17:

**"Anti-Boycott Statute Verifications.** To the extent that Chapters 2271, 2274 and 2276 of the Texas Government Code (the "Anti-Boycott Statutes") apply to this Agreement and subject to applicable U.S. federal law, including, without limitation, 50 U.S.C. Sections 4841-4843, we verify that:

- We do not, and will not during the term of this Agreement, boycott Israel;
- We do not, and will not during the term of this Agreement, boycott energy companies; and
- We do not, and will not during the term of this Agreement, have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association.

The foregoing verifications will not apply to the extent the Anti-Boycott Statutes do not apply to this Agreement. Terms used in this Section, including without limitation "boycott Israel", "boycott energy companies" and "discriminate against a firearm entity or firearm trade association", will have the meanings assigned thereto in the Anti-Boycott Statutes."

**WELLS FARGO BANK, N.A.**

**CITY OF KERRVILLE**

By:  \_\_\_\_\_

By: \_\_\_\_\_

Name: Oscar Hernandez

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

Title: Director, Lead Commercial Relationship Manager

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

Date: 11-27-2024

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





# Master Agreement for Treasury Management Services

The Service Documentation contains the terms under which Wells Fargo Bank, N.A. and the banks, branches or subsidiaries listed in Appendix X (collectively, "Bank") provide you treasury management services (each, a "Service"). "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in a Service ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Master Agreement for Treasury Management Services ("Agreement") are defined in this document.

You and we agree:

1. **Service documentation.** The Service Documentation contains the terms governing each Service and includes:
  - a. The Service Description (which contains terms and conditions applicable to the specific Service),
  - b. The Acceptance (which indicates your acceptance of the Service Documentation),
  - c. This Agreement (which contains terms and conditions applicable to all Services),
  - d. The account agreement governing the account(s) (each, an "Account") you use in connection with the Service,
  - e. The Product Enrollment Form (which contains set-up information for each Service in which you are enrolling), and
  - f. User Guides (which include our vendors' and our documentation related to the installation, set-up function, features, operation, use, pricing or other aspects of the Services, including Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Agreement and the Service Descriptions for Services you enroll in are posted on Wells Fargo Vantage<sup>SM</sup> ("Vantage") formerly known as Commercial Electronic Office<sup>®</sup> (CEO<sup>®</sup>). If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Agreement and all Service Documentation.

2. **Services.** You and we will agree upon the Services to be provided and the start date for each Service. Each Service is subject to the approval by our applicable branch or subsidiary. We will notify you when you have completed all requirements for enrolling in the Service and the Service is ready for you to use.
3. **Changes to services.** We may change (or add to) the terms and fees in the Service Documentation at any time. If a change to a Service requires a change to the Service Documentation, we will post the document(s) with the change on Vantage. When required by Applicable Law, we will notify you of the change. If you continue to use a Service after a change takes effect, you will be bound by the change. As used in this Agreement, the term "Applicable Law" means all applicable laws (including common or customary laws), statutes, constitutions, policies, decrees, judgments, treaties, regulations, directives, by-laws, rulings, orders or operating circulars governing our activities and/or any Transaction (see section 6-a) governed by this Agreement, including, but not limited to, the funds transfer system and clearing and settlement house rules.
4. **Term and termination.** Unless a Service is terminated in accordance with the Service Documentation, this Agreement and each Service will continue in effect until terminated by either party upon 30 days' prior written notice to the other party. When a Service is terminated for any reason, the Service Documentation governing the terminated Service is also terminated.

We may suspend or terminate any Service:

- a. After we notify you of a breach of any provision of the Service Documentation or any other agreement with us, and you fail to cure the breach (if it can be cured) within 15 days of the date of the notice; or
- b. Without prior notice to you if:
  - i. We reasonably suspect that an Account associated with a Service has been compromised or otherwise subject to irregular, unauthorized, fraudulent, or illegal activity,
  - ii. You become subject to any insolvency or bankruptcy proceeding, or any receivership, liquidation, reorganization, or other similar proceeding, or you enter into any agreement or proceeding for voluntary liquidation, dissolution, composition with or assignment for the benefit of creditors or other winding up,
  - iii. We determine in our sole discretion that continuing to provide a Service may place us at risk of financial loss or result in an unacceptable credit exposure,
  - iv. Any guaranty of your obligations to us ("Guaranty") is terminated, revoked, or its validity contested by the guarantor ("Guarantor"),
  - v. We determine in our sole discretion that a material adverse change has occurred in your ability to perform your obligations under the Service Documentation, or in the ability of a Guarantor to perform its obligations under a Guaranty, or
  - vi. The Account necessary to provide a Service is closed.

The termination of a Service will not affect your or our respective rights and obligations with respect to the Service(s) provided before the termination including without limitation Transactions. We will not be liable to you for any losses or damages you may incur as a result of any termination of any Service or termination or restriction of any Vantage access rights under section 9(d) below.

5. **Service fees.** You will pay us the fees described in the Service Documentation and any taxes applicable to each Service, however designated, but excluding taxes based on our net income. We may debit your Account for any fees not covered by earnings credits and any taxes that are due, or we may send you an invoice for these amounts, which you will promptly pay. Our charges and fees are in the applicable fee schedule for Services used in connection with your Account.
6. **Security procedures.**
  - a. Unless otherwise agreed, you agree that "Security Procedure" is the applicable security procedure described in the Service Documentation for your Initiation Method for the Service, which we will use to verify the authenticity of a Transaction. The term "Initiation Method" refers to the method we offer in the product enrollment form ("Set-up Form") or other Service Documentation for delivering your Transaction instructions to us with respect to the applicable Service and includes any applicable transmission protocols. The term "Transaction" means (i) any funds transfer, payment order, or payment instruction (including any communication cancelling or amending an instruction), and (ii) any instruction, data or other information which we receive in your name with respect to a funds transfer. The purpose of the Security Procedure is to verify the authenticity of the Transaction. We will not use the Security Procedure to detect an erroneous or duplicate Transaction. You will be responsible for any erroneous or duplicate transaction we receive in your name. You agree to be bound by each Transaction, whether or not authorized by you, issued in your name and accepted by us in compliance with the Security Procedure for the Service.
  - b. You agree that each Security Procedure for the Initiation Method in the Set-up Form or other Service Documentation for each of the Services (a) best meets your requirements with regard to the size, type and frequency of your Transactions, and (b) is commercially reasonable.
7. **Confidential information.** Unless otherwise stated in the Service Documentation, "Confidential Information" means all (a) User Guides, (b) Security Procedures, passwords, codes, security devices and related instructions and technical and non-technical information and intellectual property rights relating to our vendors' or our technology, IT infrastructure or data security, including trade secrets, systems information security program or processes, SSAE or SOC reports, and testing procedures or results. You will not acquire any ownership interest in or rights to Confidential Information as a result of your use of any Service.

You will:

- a. Maintain the confidentiality of the Confidential Information,

- b. Not disclose (or permit your employees or agents to disclose), copy, transfer, sublicense, or otherwise make any of it available to any person or entity, other than your employees who have a need to use the Confidential Information in connection with the applicable Service, and
- c. Not decompile, reverse engineer, disassemble, modify, or create derivative works of any Confidential Information.

You will notify us immediately if you know of or suspect any unauthorized disclosure, possession, use, or knowledge (each, an "Unauthorized Use") of any Confidential Information. If you (or your employees or agents) are responsible for the Unauthorized Use, you will, at your expense, promptly take all actions, including initiating court proceedings to recover possession and prevent further Unauthorized Use of the Confidential Information. You will also compensate us for any injury caused to us as a result of the Unauthorized Use.

- 8. Currency conversion.** When your instructions require us to convert the amount of a Transaction from the currency in which the Account is denominated ("Account Currency") to another currency ("Foreign Currency"), we will do so using the Applicable Exchange Rate in effect at the time we execute your Transaction. "Applicable Exchange Rate" means the exchange rate we set and use for you when we convert one currency to another currency and includes a markup. The markup factors include costs incurred, market risks and our desired return. The exchange rate we provide to you may be different from the exchange rates you see elsewhere. Foreign exchange rates are dynamic, and rates fluctuate over time based on market conditions, liquidity, and risks.

If a financial institution designated to receive the funds does not pay the beneficiary specified in the Transaction, and the funds are returned to us, we will not be liable to you for a sum greater than the amount of the Transaction after we have converted it from the Foreign Currency to the Account Currency using the Applicable Exchange Rate in effect at the time the funds are returned to us. You accept the risks of any change in the Applicable Exchange Rate between the time you request a Transaction and the time the Transaction is either completed or is unwound due to a cancellation, an amendment, a rejection, or a return.

**9. Vantage.**

- a. Description of Vantage. Vantage is our electronic banking platform that is accessed through the Internet. Your Authorized Agents (defined below) may use Vantage to access (i) Services in which you have separately enrolled and (ii) third-party sites we may make available through Vantage. We offer different channels through which you may access Vantage, including personal computers and mobile devices. We may add or eliminate channels at any time. A Service or third party site accessible through one channel may not be accessible through another channel.
- b. Access to Vantage. When you enroll in Vantage, and as we may determine is necessary after enrollment, we will provide Log-On Credentials (defined below) to the persons who are authorized to access Vantage on your behalf (each, an "Authorized Agent"). Log-On Credentials mean one or more secure methods we provide to access the Services and may include user IDs, passwords, token IDs, and other methods that we adopt from time to time. We have no obligation to separately verify or authenticate any communication we receive in your name through Vantage, whether or not it was actually from an Authorized Agent. You assume the entire risk of (i) unauthorized use of your Log-On Credentials and (ii) unencrypted electronic transmissions.
- c. Administration of Vantage. We offer two options for administering Vantage: (i) Administration and (ii) Bank administration.
  - i. Administration. If you enroll in the Administration option, there are three categories of Authorized Agents: Company Administrator, Administrator, or User. Unless you and we separately agree, we will provide Log-On Credentials only to your initial Company Administrator(s) who will (a) assign Log-On Credentials to other individuals and (b) designate those individuals as one of the following:
    - (1) A Company Administrator, who may perform all functions of your initial Company Administrator,
    - (2) An Administrator, who may perform all functions of an Administrator including designating other Administrator(s) and User(s), or
    - (3) A User, who may access the Services designated by a Company Administrator or an Administrator, as well as those Services in which we permit a User to self-enroll.

Each Company Administrator and Administrator has the authority to enroll you in additional Services. In addition to your use of Administration as described in this subsection, you may request that we assign Log-On Credentials to Users that you designate in writing to us. Your designation to us will specify the Services which the User is authorized to access in addition to those Services in which we permit a User to self-enroll.

- ii. Bank administration. For the Bank administration option, there is one category of Authorized Agent: Users. We will assign Log-On Credentials to each User you designate.

You will promptly revoke the Log-On Credentials of any Authorized Agent or User when that individual is no longer authorized to access Vantage. If you notify us in writing to revoke the Log-On Credentials of an Authorized Agent or User, we will have a reasonable time after receiving your written notification to revoke the individual's access.

- d. Terminating access. We may terminate or restrict any Authorized Agent's access to any Service through Vantage if we determine such use:
  - i. Does not comply with any term applicable to Vantage,
  - ii. Is not permitted by Applicable Law,
  - iii. Is not authorized by you or any third party whose authorization we believe is necessary, or
  - iv. Should be denied for your or our protection (without us agreeing to or being required to make this determination in any circumstance).
- e. Financial information. Financial market data, quotes, news, research, and other financial information developed by third parties and transmitted to us ("Financial Information") may be available to you at Vantage. The posting of any Financial Information or any other information or data at Vantage is not a recommendation by us of any particular Service or action. We do not guarantee the accuracy or completeness of any Financial Information, nor are we responsible for (i) the actions or omissions of the third parties developing or transmitting Financial Information or (ii) any decision you make or action you take by relying on any Financial Information.
- f. Miscellaneous. For purposes of this section 9 only, "Service" includes each service and product we or any of our affiliates offer that you access through Vantage. This section 9 will survive the termination of any Service or this Agreement.

#### **10. Alerts.**

- a. Non-subscribed alerts. When you enroll in Vantage or other channels or Services, you consent to receiving by email or other delivery channels, servicing messages that we determine are important or urgent. You do not need to subscribe to receive such alerts and you do not pay additional service fees.
- b. Subscribed alerts. You may also enroll in fee-based alerts for applicable Services so that you can receive messages you subscribe to at the intervals and through delivery channels that you choose.

#### **11. Liability and indemnification.**

- a. We are not obligated to honor, in whole or in part, any Transaction or other instruction that:
  - i. Exceeds the available balance in the Account, unless otherwise provided in the Service Documentation,
  - ii. Does not comply with the Service Documentation or our applicable policies, procedures, or practices made available to you,
  - iii. We have reason to believe may not have been duly authorized, should not be honored for our or your protection, or involves funds subject to a hold, dispute, restriction, or legal process, or
  - iv. Would possibly result in us not complying with Applicable Law.
- b. Neither we nor our software vendors make any express or implied representations or warranties with respect to the Services or any software used in connection with the Services, including any warranty as to the merchantability or fitness for a particular purpose, other than those expressly set forth in the Service Documentation.
- c. Any claim, action, or proceeding against us for losses or damages arising from a Service, must be brought within one year from the date of the act or omission, except as otherwise stated in the account agreement governing the Account.
- d. We will have no liability for our failure to perform or delay in performing a Service if the failure or delay is due to circumstances beyond our reasonable control. If we determine that any funds transfer or communications network, Internet service provider, or other system used to provide a Service is unavailable, inaccessible, or otherwise unsuitable for use by you or us, we may, upon notice to you, suspend or discontinue the affected Service.
- e. We will only be liable to you for actual damages incurred as a direct result of our failure to exercise reasonable care in providing the Services. Reasonable care requires only that we follow standards that do not vary unreasonably from the general standards followed by similarly situated banks. Our policies and procedures are general internal guidelines for our use and do not establish a higher standard of care for us than otherwise established under Applicable Law. A mere clerical error or an honest mistake will not be considered a failure by us to perform any of our obligations. Our liability to you will be limited to an amount not greater than 10 times our

fees incurred in the calendar month immediately before the calendar month in which the loss or damages were incurred (or, if no fees were incurred in that month, our fees incurred in the month in which the losses or damages were incurred).

- f. Except in the case of our negligence or intentional misconduct, you will indemnify and hold us, our directors, officers, employees and agents ("Representatives") harmless from all losses or damages that arise out of:
- i. The performance of a Service in compliance with the Service Documentation, including any warranty we are required to make to a third party in connection with a Service,
  - ii. An act or omission of any of your agents, couriers, or Authorized Agents, and
  - iii. If the Service includes a license or sublicense of any software, any use or distribution of the software by you or any person gaining access to the software through you that is inconsistent with the license or sublicense.

You will promptly provide us with written proof of loss, and notify us if you become aware of any third party claim related to a Service. You will cooperate fully (and at your own expense) with us in recovering a loss. If we reimburse you, we or our designee will be subrogated to all of your rights (i.e., we will be entitled to assert any legal rights you had relating to the claim).

- g. Except as expressly provided otherwise in the Service Documentation, neither party nor its Representatives will be liable to the other party for:
- i. Any special, consequential, incidental (including court costs and attorneys' fees), indirect, or punitive losses or damages, or
  - ii. Business interruption, loss of profits, loss of business, loss of revenue, loss of goodwill, loss of opportunity, loss or injury to reputation, or loss of anticipated savings, whether any claim is based on contract or tort, or whether the likelihood of these losses or damages was known to the other party and regardless of the form of the claim or action.
- h. When you send payments on behalf of your third party customers, you agree you are solely liable to your customers for any and all losses those customers may suffer. We exclude all and any liability of whatever nature (including those losses detailed in subsection g above) arising out of your relationship with your customer.

**12. Governing law.** The Service Documentation will be governed by: (a) U.S. federal law and (b) the law of (i) the U.S. state in which the office of Bank that maintains the Account is located or, if there is no such state or no account associated with such Service, (ii) the State of New York, without reference to its principles of conflicts of laws ("Governing Law").

**13. Arbitration agreement.** Upon demand by you or us, any dispute or claim arising out of or relating to this Agreement, or the breach thereof, must be submitted to arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules, and must be heard before three arbitrators if the amount in dispute is U.S. \$5,000,000 or more or its equivalent in any other currency, and before one arbitrator for amounts in dispute of less than U.S. \$5,000,000 or its equivalent in any other currency. Arbitration will proceed in a location selected by AAA in the state of the applicable Governing Law, and if there is no such state, the place of arbitration must be New York, NY. The language of the arbitration must be English. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. This arbitration requirement does not limit the right of you or us to: (a) exercise self-help remedies including setoff or (b) obtain provisional or ancillary remedies such as injunctive relief or attachment, before, during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of you or us to submit any dispute to arbitration hereunder, including those arising from the exercise of the actions detailed in (a) and (b) of this section.

**14. Jurisdiction.** For any proceedings regarding this Agreement (not subject to arbitration as provided in this Agreement), you hereby irrevocably submit to the jurisdiction of the courts of the Borough of Manhattan, New York City, in the State of New York or the federal courts located there and irrevocably agree that all claims in relating to the proceeding may be heard or determined in those courts.

**15. Miscellaneous.**

- a. **Severability.** Any portion of the Service Documentation which is inconsistent with Applicable Law or Governing Law will be deemed modified and applied in a manner consistent therewith, and we will incur no liability to you as a result of the inconsistency or modification and application to any dispute regarding the Service Documentation. If any portion or provision of the Service Documentation is deemed unenforceable, it will not affect the



enforceability or validity of the remaining Service Documentation nor the enforceability or validity of that portion or provision under the law of any other jurisdiction.

- b. **Entire agreement.** The Service Documentation (and any documents referred to therein):
  - i. Constitutes the entire agreement between you and us regarding the Services we provide for all Accounts opened with us, and
  - ii. Supersedes and extinguishes all prior agreements, understandings, representations and warranties of any nature (including requests for proposals and other sales material), whether oral or written, between you and us relating to any of our Services (including any other Master Agreement for Treasury Management Services, but excluding the current Commercial Account Agreement or Global Commercial Account Agreement, as applicable).
- c. **Electronic agreement.** To facilitate execution, the Service Documentation may be executed by a party in the form of an "Electronic Record" (as defined in the Electronic Signatures in Global and National Commerce Act at 15 U.S.C. §7001 et seq. ["ESIGN Act"]). The Service Documentation may be executed in as many counterparts as may be required to reflect all parties' approval, and all counterparts will collectively constitute a single agreement. An "Electronic Signature" (as defined in the ESIGN Act) that can be authenticated will constitute an original and binding signature of a party. The fact that a document is in the form of an Electronic Record or is signed using an Electronic Signature will not, in and of itself, be grounds for invalidating such document.
- d. **No waiver.** Neither our failure nor any delay by us in exercising any right or remedy will be deemed to be a waiver of the right or remedy. No course of dealing or waiver of any right on one occasion will constitute a modification of the Service Documentation or be a waiver of that right on a subsequent occasion.
- e. **Third party beneficiaries.** Except as otherwise provided in the Service Documentation, no person or entity other than the parties to this Agreement will be deemed to be a third party beneficiary under the Service Documentation.
- f. **Financial condition.** You will provide us promptly upon our request any existing financial statements or other information pertaining to your financial condition or any previously unprepared financial statements which we may require you to prepare and/or to be audited or reviewed by independent certified public accountants acceptable to us.
- g. **Your representations and warranties.** You represent and warrant that: (i) you will not use any Service in a manner that would violate any Applicable Law by you or us; (ii) if you employ an agent in connection with its use of any Service, you represent and warrant to us that: (1) your governing body has duly authorized the agent; (2) you will exercise appropriate controls to ensure each authorized agent does not exceed the authority granted to it; and (3) you will preserve the confidentiality of the Log-On Credentials and immediately notify us if you become aware or suspect that any Log-On Credential may have been compromised.
- h. **Use of names.** You and we will not use each other's name or refer to our relationship in any solicitation, marketing material, advertisement, news release, or other written, online or oral communication without specific prior written consent for each such use or release, except that we may use your name as a reference in service proposals if we obtain your prior written approval for such use.
- i. **Notices and communications.** Either party may provide notice to the other party by mail, personal delivery, or electronic transmission.
  - i. You will notify us promptly in writing of any change in your name, Address, legal status, or any other changes relevant to the conduct of the Account or affecting your business relationship with us.
  - ii. The term "Address" as used in this Agreement refers to a mailing or electronic address.
  - iii. You will use the Address where your relationship manager or other manager is located and will address any notice to the attention of the manager.
  - iv. Each party will have a reasonable time after receipt of any notice to act on it.
  - v. Any communication or notice to us from your agent about your use of a Service will be deemed to be a communication from you, and you authorize us to communicate with your agent about any such communication or Service.
  - vi. We are entitled to rely on any communication or notice from you that we believe in good faith was authorized by your authorized representative or Authorized Agent and, we will have no obligation to verify or authenticate an identity of a sender or signature on any notice or communication, except as expressly provided in the Service Documentation.

**16. Survival.** Sections 7, 9, 11 - 15 will survive termination of the Services or this Agreement.

## **Appendix X**

### Applicable Branches or Subsidiaries of Bank

1. Wells Fargo Bank, N.A., UK Branch
2. Wells Fargo Bank, N.A., Canadian Branch
3. Wells Fargo Bank, National Association, Shanghai Branch
4. Wells Fargo Bank, National Association, Hong Kong Branch

# Acceptance of Services

1. **Agreement to be Bound by Service Documentation.** By signing this Acceptance of Services ("Acceptance"), each customer identified on the signature block or, if applicable, on an attachment to this Acceptance ("Customer" or "Company") confirms that it has received and agrees to be bound by the Service Documentation for the Treasury Management Services (each, a "Service") in which Customer is enrolling. If Customer is enrolling in the Wells Fargo Developer Gateway, Customer's signature confirms it has received and agrees to be bound by the Wells Fargo Developer Gateway Terms of Service. Customer may also be referred to as "Company" in the Service Documentation. "Service Documentation" is defined in Wells Fargo Bank, N.A.'s ("Bank") Master Agreement for Treasury Management Services.
2. **Power and Authority of Signer.** Customer has granted the person(s) signing this Acceptance the authority on Customer's behalf to (i) enter into this Acceptance and other agreements with Bank for Services on or after the Effective Date of this Acceptance and (ii) amend, terminate, or otherwise act on behalf of Customer with respect to this Acceptance and the Services.
3. **Security Procedures.** Unless otherwise agreed, Customer agrees that "Security Procedure" is the applicable security procedure described in the Service Documentation for Customer's Initiation Method for the Service, which Bank will use to verify the authenticity of a Transaction. The term "Initiation Method" refers to the method Bank offers in the product enrollment form ("Set-up Form") or other Service Documentation for delivering Customer's Transaction instructions to Bank with respect to the applicable Service and includes any applicable transmission protocols. The term "Transaction" means (i) any funds transfer or payment instruction (including any communication cancelling or amending an instruction), and (ii) any instruction, data or other information which Bank receives in Customer's name with respect to a funds transfer.

The purpose of the Security Procedure is to verify the authenticity of the Transaction. Bank will not use the Security Procedure to detect an erroneous or duplicate transaction. Customer will be responsible for any erroneous or duplicate transaction Bank receives in Customer's name. Customer agrees to be bound by each Transaction, whether or not authorized by Customer, issued in Customer's name and accepted by Bank in compliance with the Security Procedure for the Service.

4. **Commercially Reasonable.** Customer acknowledges that it has had an opportunity to review the Security Procedures offered by Bank in the Security Procedure Reference Guide, available on Wells Fargo Vantage<sup>SM</sup> f/k/a Commercial Electronic Office<sup>®</sup> (CEO<sup>®</sup>). Customer agrees that each Security Procedure for the Initiation Method Customer has elected in the Set-up Form or other Service Documentation for each of its Services (a) best meets Customer's requirements with regard to the size, type and frequency of its Transactions, and (b) is commercially reasonable.


If Customer has refused to use a standard Security Procedure and elects a non-standard Security Procedure, then Customer expressly agrees that the non-standard Security Procedure(s) Customer has elected better meets Customer's requirements than any standard Security Procedure with regard to the size, type and frequency of Transactions issued by Customer to Bank and is commercially reasonable.

5. **Confidentiality of Security Procedure and Authentication devices/passwords.** Customer and Bank will preserve the confidentiality of the Security Procedure(s) and any passwords, codes, security devices and related instructions provided by Bank. If one party becomes aware of a breach, or suspects that a breach may occur, it will promptly notify the other party. Customer will maintain effective internal procedures to safeguard against any unauthorized Transaction and warrants that no individual will be allowed to initiate a Transaction without proper supervision and safeguards.

City of Kerrville

Printed Name of Authorized Representative
Signature
Date

Wells Fargo Bank

Printed Name of Authorized Representative Oscar Hernandez
Signature 
Date 11-27-2024

Attachment A  
Pricing for Specified Treasury Management Services  
See Attached



**CITY OF KERRVILLE**  
**HISTORICAL BANK ANALYSIS**  
**PROPOSED FEEES**

*Venodr may provide pro forma as long as all fees are included. Provide all fees required to provide the required services as described in the proposal. If any new categories are required insert them in the appropriate space on this sheet. Monthly volumes for each are shown in the hidden columns B through N.*

AFP	SERVICE DESCRIPTION	MO AVERAGE	FEE PER ITEM	EXTENDED FEE	NOTES, IF APPLICABLE
	<b>TOTAL COLLECTED BALANCE</b>	328,306			Average balance with sweep \$12.9M
000230	<b>BALANCE BASED FEE</b>	328,306	0.1275	41.86	*assumption is this is FDIC/recoupment. Assessed on per thousand dollar basis.
	<b>GENERAL ACCOUNT SERVICES</b>				
010101	DESKTOP DEPOSIT - DEPOSIT CREDITED	25	1.0000	24.75	
010020	ZERO BALANCE MASTER ACCOUNT MAINT	1	0.0000	0.00	
010000	ACCOUNT MAINTENANCE	3	10.0000	30.00	
010021	ZERO BALANCE MONTHLY BASE	1	10.0000	10.00	
010100	DEBITS POSTED	170	0.1000	16.97	
	<b>PURCHASING CARD SERVICES</b>				
080340	FAST CARD REQUEST	1	NA	0.00	*Not an applicable service.
	<b>DEPOSITORY SERVICES</b>				
100416	CEO RETURN ITEM SUBSCRIPTION PER ACCOUNT	2	0.0000	0.00	No longer charging on a per element basis
100416	RETURN ITEM SUBSCRIPTION - ITEM	1	0.0000	0.00	No longer charging on a per element basis
100015	MISCELLANEOUS CREDITS POSTED	0	0.7500	0.06	
100006	BRANCH DEPOSIT	132	4.0000	529.33	*Assumption is Post Verify services will be utilized.
100225	DEPOSITED CHECK	47	0.2200	10.32	
100224	DESKTOP DEPOSIT DEPOSITED ITEM	1,333	0.0700	93.32	
100006	CASH DEPOSITED IN BRANCH	74,065	0.0040	296.26	*Assumption is Post Verify services will be utilized.
100040	CASH ORDER FEE IN BRANCH	8	15.0000	115.00	
100040	ROLLED COIN FURNISHED BY BRANCH	7	0.8000	5.87	
100040	CURRENCY FURNISHED BY BRANCH	2,184	0.0060	13.11	
100400	RETURN ITEM - CHARGBACK	2	2.5000	4.38	
100416	CEO RETURN ITEM RETRIEVAL - IMAGE	1	1.0000	1.25	
100416	CEO RETURN ITEM SERVICE MONTHLY BASE	1	0.0000	0.00	
100402	RETURN ITEM REDEPOSITED	2	2.0000	4.00	
100230	ELECTRONIC DEPOSIT - DEP ADJUSTMENT	0	20.0000	0.00	
	<b>PAPER DISBURSEMENT SERVICES</b>				
150724	POSITIVE PAY EXCEPTION - CEO IMAGE	1	1.0000	1.08	
150240	PYMT AUTH MAX CHECK MO MAINTENANCE	2	10.0000	20.00	
150222	POSITIVE PAY EXCEPTION CHECKS RETURNED	1	15.0000	8.75	
150410	STOP PAYMENT - ONLINE	1	12.0000	8.00	
150030	POSITIVE PAY ONLY MO MAINT	1	35.0000	37.92	
150120	POSITIVE PAY ONLY - ITEM	195	0.0800	15.58	
151352	ONLINE IMAGE VIEW <90 DAYS - ITEM	16	0.0000	0.00	No longer charging on a per element basis
151352	ONLINE IMAGE VIEW >90 DAYS - ITEM	1	0.0000	0.00	No longer charging on a per element basis
151352	DESKTOP DEPOSIT IMAGES RETIEVED	1,325	0.0400	52.98	
150310	POSITIVE PAY EXCEPTIONS - ITEM	1	2.0000	2.50	
150310	POSITIVE PAY CHECKS WITH NO ISSUE RECORD	1	0.5000	0.33	
150100	DDA CHECKS PAID	185	0.2000	37.07	
150122	PAYEE VALIDATION STANDARD ITEM	185	0.0100	1.85	
150511	CASHIERS CHECK	0	20.0000	1.67	
150500	WF CHECK CASHED FOR NONACCOUNT HOLDER	1	7.5000	4.38	
	<b>PAYMENT DISBURSEMENT RECON SERVICES</b>				

209999	ARP AGED ISSUE RECORDS ON FILE - ITEM	2,987	0.0060	17.92	
	<b>GENERAL ACH SERVICES</b>				
250703	CEO ACH HYP ITEM INQUIRY - ITEM	0	0.0000	0.00	No longer charging on a per element basis
250201	ELECTRONIC CREDITS POSTED	619	0.1000	61.93	
250630	ACH REJECT ITEM	0	3.0000	0.25	*assumption is electronic vs. manual notification
250400	ACH ONLINE RETURN SUBSCRIPTION ACCOUNT	2	0.0000	0.00	No longer charging on a per element basis
250400	ACH ONLINE RETURN SUBSCRIPTION - ITEM	79	0.0000	0.00	No longer charging on a per element basis
250000	ACH MONTHLY MAINT	2	25.0000	50.00	
250102	ACH SAME DAY	0	0.5000	0.04	
250102	ACH FUTURE DATED ITEM	4,177	0.0500	208.84	
250120	ACH ORIGINATED - ADDENDA RECORD	29	0.0500	1.45	
250202	ACH RECEIVED ITEM	701	0.1000	70.09	
250220	ACH RECEIVED ADDENDA	433	0.0000	0.00	
250302	ACH RETURN ITEM ELECTRONIC	15	3.0000	44.50	
250302	ACH RETURN ADMIN - ELECTRONIC	6	3.0000	18.00	
250312	ACH RETURN UNAUTHORIZED - ELECTRONIC	1	3.0000	3.00	
250312	ACH RETURN UNAUTHORIZED QUALITY FEE	2	5.0000	9.17	
250501	ACH TRANSMISSION CHARGE	22	3.0000	64.75	
250622	ACH EXCEPTION PROCESS DUPLICATE FILE	0	20.0000	1.67	
250710	ACH FAX SERVICE	0	7.0000	0.58	
250706	SDD ACH REPORTING	0	25.0000	2.08	
250720	ACH CUSTOMER REPORTS	0	20.0000	1.67	
250642	ACH REVERSAL - ITEM	0	20.0000	1.67	
251050	ACH CEO FRAUD FILTER REVIEW MONTHLY BASE	3	10.0000	28.33	
251053	ACH CEO FRAUD FILTER REVIEW - PER ITEM	1	3.0000	2.00	
250302	ACH NOC - ELECTRONIC	4	3.0000	11.50	
	<b>WIRE &amp; OTHER FUNDS TRANSFER SERVICES</b>				
350300	WIRE IN USA ACCT - USA DOMESTIC	2	5.0000	7.50	
350100	WIRE OUT DOMESTIC VANTAGE API	1	5.0000	4.17	
350120	WIRE BOOK TRANSFER CEO-API	1	0.0000	0.00	
	<b>INFORMATION SERVICES</b>				
400832	WIRE TEMPLATE ONLINE	12	0.0100	0.12	
400231	DESKTOP DEPOSIT REPORT PER ITEM	1,336	0.0600	80.15	
400003	DESKTOP DEPOSIT MONTHLY BASE	2	20.0000	40.00	
400274	WIRE TRANSFER REPORT PER ITEM	1	0.0000	0.00	No longer charging on a per element basis
400340	ONLINE SEARCH	16	0.0000	0.00	No longer charging on a per element basis
400052	ONLINE PREVIOUS DAY REPORTING SUBSCR.	3	28.00/38.00	94.00	*Assumes 2/\$28.00 Plus Plan & 1/\$38.00 Premium Plan
400271	CEO PREV DAY REPORTED ITEMS LOADED	1,130	0.0250	28.24	
40222	CEO ALERTS SERVICE - EMAIL	197	0.0000	0.00	No longer charging on a per element basis
400003	WIRE TRANSFER REPORT BASE - CEO	1	0.0000	0.00	No longer charging on a per element basis
400051	ARP STATEMENTS & REPORTS BASE (CSV & Excel)	1	20.0000	20.00	
400272	ARP STATEMENTS & REPORTS ITEMS (CSV & Excel)	189	0.0300	5.67	
	<b>INVESTMENT - CUSTODY SERVICE</b>				
450200	SWEEP STAGECOACH MUTUAL FUND BASE	1	175.0000	175.00	
450405	SWEEP ACCOUNT POSITION REPORT	1	25.0000	25.00	
450403	SWEEP STAGECOACH MUTUAL FUND ELECTRONIC	1	0.0000	0.00	
	<b>SAFEKEEPING/CUSTODY</b>				
	MONTHLY ACCOUNT MAINTENANCE				*please reference section on Safekeeping
	REPORTING MONTHLY MAINTENANCE				*please reference section on Safekeeping
	SECURITY HOLDING FEE AT MONTH END				*please reference section on Safekeeping
	SECURITY CLEARING				*please reference section on Safekeeping
	FRB				*please reference section on Safekeeping
	DTC				*please reference section on Safekeeping

	INCOME DISTRIBUTION				*please reference section on Safekeeping
	COUPONS				*please reference section on Safekeeping
	MATURITIES				*please reference section on Safekeeping
	CALLS				*please reference section on Safekeeping
	TOTAL FEE ESTIMATE PER MONTH			2467.84	
	ACCOUNTS - Collected Balance				
5513	City of Kerrville	326,622			
3357	City of Kerrville	17			
6652	City of Kerrville	0			

Average Collected Balance		\$	328,305.92
Less: Reserves percent( %) If required	0.00%	\$	-
Investable Balance Available for Service		\$	328,305.92
ECR (Earnings Credit Rate percentage)			2.50%
Earnings Credit Amount		\$	697.09
Service Fees Due (If > 0)			\$1,770.75

The above pricing estimate is based on certain assumptions drawn from projected volume, scope of services and/or other information you have provided. The pricing is subject to change if the actual volume and/or scope of services differ from the assumptions upon which the pricing estimate was based.

	SETUP FEES				
	ACH FRAUD FILTER -SET UP		0.00	0.00	
	ONLINE PAYMENTS NEW ACH COID SETUP		0.00	0.00	
	ONLINE PAYMENTS ORIG SETUP FEE		0.00	0.00	
	ACH SETUP		0.00	0.00	
	ACH ORIGINATION NEW COMP ID-SET UP		0.00	0.00	
	ARP SET UP		75.00	0.00	
	CONT DISB ACCOUNT SET UP		75.00	0.00	
	WF ELEC DEPOSIT-IMPLEMENTATION		2500.00	0.00	
	E-BOX SET UP		1500.00	0.00	
	E-BOX VALIDATION FILE SET UP		750.00	0.00	
	E-BILL EXPRESS QP/LITE SETUP		1500.00	0.00	
	E-BILL EXPRESS CUSTOM SERVICES		250.00	0.00	
	IFI SETUP PER PRODUCT		150.00	0.00	
	BAI CUSTOM ONE TIME CODING		1500.00	0.00	
	PAYMENT MANAGER SET UP		1500.00	0.00	
	PAYMENT MGR IMPLEMENTATION DEV HOUR		150.00	0.00	
	REC MGR IMPLEMENTATION DEV HOURS		150.00	0.00	
	RECEIVABLES MANAGER SET UP		1100.00	0.00	
	WELLSTAX ACCESS CODE SET UP		0.00	0.00	
	LOCKBOX SET UP		300.00	0.00	
	LBX PROGRAMMING		100.00	0.00	
	WIRE ACCOUNT ADD VANTAGE/API		0.00	0.00	
	OPTIONAL/ADDITIONAL				
	ACH FRAUD FILTER STOP MTHLYBASE		10.00	0.00	
	ACH BLOCK/FRAUD FILTER STOP- ITEM		3.00	0.00	
	ACH FRAUD FILTER STOP - ITEM		3.00	0.00	
	ACH RETURN SUBSCRIPTION-ACCOUNT		0.00	0.00	No longer charging on a per element basis
	ACH SAME DAY		0.50	0.00	
	ACH ORIGINATION/REJECT DATA- FILE		3.00	0.00	
	ACH RETURN ADMIN -MANUAL		7.00	0.00	
	ACH RETURN ITEM-MANUAL		7.00	0.00	
	ACH RETURN ITEM-REDEPOSITED		6.00	0.00	
	ACH RETURN ITEM - DISHONORED		6.00	0.00	

	ACH RETURN UNAUTHORIZED -ELECTRONIC		3.00	0.00	
	ACH RETURN UNAUTHORIZED -MANUAL		11.00	0.00	
	ONLINE PAYMENTS BATCH RELEASE		5.00	0.00	
	ACH TRANSMISSION SPECIAL		5.00	0.00	
	ACH FAX SERVICE		7.00	0.00	
	ACH DELETE - ITEM		15.00	0.00	
	ACH EXCEPTION PROCESS-DUPICAT FILE		20.00	0.00	
	ACH REVERSAL- ITEM		20.00	0.00	
	ONLINE PAYMENTS BASE FEE		25.00	0.00	
	ONLINE PAYMENTS NEXT DAY ITEM		0.05	0.00	
	ONLINE PAYMENTS SAME DAY ITEM		0.50	0.00	
	ACH CUSTOMER REPORTS		20.00	0.00	
	ACH SPECIAL INVESTIGATION		20.00	0.00	
	ACH AUTHORIZATION INVESTIGATION		30.00	0.00	
	ACH IAT INVESTIGATION		30.00	0.00	
	ACH DELETE/REVERSE- BATCH/FILE		15.00	0.00	
	ACH SUBSCRIPTION -ACCOUNT		20.00	0.00	
	ACH SUBSCRIPTION -ITEM		0.00	0.00	No longer charging on a per element basis
	ITEM DETAIL INQUIRY/HYPERLINK		0.00	0.00	No longer charging on a per element basis
	ACH PERFECT NOC PER ITEM		0.02	0.00	
	ARP PARTIAL RECONCILIATION - ITEM		0.04	0.00	
	ARP STMTS & RPTS (CSV/EXCEL) / ITEM		0.03	0.00	
	ONLINE CHECK ISSUES-ITEM		0.05	0.00	
	ARP CUSTOM PROGRAMMING MONTHLY BASE		100.00	0.00	
	ARP FULL RECON-ITEM		0.08	0.00	
	ARP MANUAL INPUT ISSUE INFO-ITEM		0.50	0.00	
	ARP MONTHLY BASE - FULL		35.00	0.00	
	ARP MONTHLY BASE - PARTIAL		35.00	0.00	
	ARP OPTIONAL REPORTS		8.00	0.00	
	ARP OUTPUT - TRANSMISSION		5.00	0.00	
	ARP PAPER STATEMENT/REPORT DELIVERY		25.00	0.00	
	ARP PAPER STMT/REPORT MONTHLY BASE		25.00	0.00	
	ARP PART POSITIVE PAY ISSUE- ITEM		0.04	0.00	
	ARP PDF STMTS/RPTS-TRANSMISSION		25.00	0.00	
	DEPOSIT LOCATION REPORTING - ITEM		0.05	0.00	
	ONLINE ARP STMT & RPTS MONTHLY BASE		5.00	0.00	
	OUTGOING TRANSMISSION - PER ITEM		0.02	0.00	
	BASIC BANKING - TRANSFER		0.50	0.00	
	ADJ FOR CASH DEPOSITED IN WF BRANCH		20.00	0.00	
	CASH DEPOSITED IN WF BRANCH		0.0060	0.00	
	LOOSE COIN DEPOSITED IN BRANCH		15.00	0.00	
	CASHIER'S CHECK		20.00	0.00	
	WF CHK CASHED FOR NONACCT HOLDER		7.50	0.00	
	BRANCH DEPOSIT		6.00	0.00	
	CASH VAULT DEPOSIT		1.50	0.00	
	CASH VAULT ADJ ADVICE- EMAIL		0.00	0.00	
	CASH VAULT ADJ ADVICE- FAX		1.00	0.00	
	CASH VAULT ADJ ADVICE- US MAIL		1.00	0.00	
	CASH VAULT COIN FURN-STD HALF BOX		4.00	0.00	
	CASH VAULT COIN FURNISHED-STD BOX		4.00	0.00	
	CASH VAULT COIN ROLLS FURNISHED		0.12	0.00	
	CASH VAULT CURRENCY FURNISHED		0.00130	0.00	
	CASH VAULT CURRENCY/COIN DEPOSITED		0.00130	0.00	
	CASH VAULT DEP- ADJUSTMENT		8.00	0.00	
	CASH VAULT DEP- NONSTD COIN BAG		10.00	0.00	
	CASH VAULT DEP-STD COIN BAG		3.50	0.00	
	CASH VAULT DEP-VERIFIED ENVELOPE		2.00	0.00	
	CASH VAULT ORDER- FED STD BAG		3.00	0.00	

	CASH VAULT ORDER-SPECIAL/LATE		45.00	0.00	
	CONT DISB CASHED CHECK-FLOAT FEE		0.20	0.00	
	CONT DISB MICR REJECTS >1% THRU 2%		0.50	0.00	
	CONT DISB MICR REJECTS OVER 2%		1.00	0.00	
	CONT DISB ACCT MAINT W/CXSTR		60.00	0.00	
	CONT DISB CHECKS PAID		0.25	0.00	
	CONT DISB CREDITS POSTED		0.25	0.00	
	ONLINE CONT DISB SUBSCRIPTION BASE		20.00	0.00	
	CDA DETAIL TRANSMISSION		20.00	0.00	
	ONLINE CONT DISB SUBSCRIPTION-ITEM		0.00	0.00	No longer charging on a per element basis
	CONT DISB INTRADAYTRANSMISSION		20.00	0.00	
	DESKTOP DEPOSIT DISCRETIONARY DATA		0.03	0.00	
	WF ELEC DEPOSIT-DEPOSITEDITEM ONUS		0.07	0.00	
	WF ELEC DEPOSIT-DEPOSITEDITEM		0.07	0.00	
	WF ELEC DEPOSIT-DISCRETIONARY DATA		0.03	0.00	
	ONLINE E-BOX RPT - ITEM		0.00	0.00	No longer charging on a per element basis
	ONLINE E-BOX RPT SUBSCRIPTION BASE		0.00	0.00	No longer charging on a per element basis
	E-BOX PAYMENT RETURN		0.35	0.00	
	E-BOX PAYMENT REVERSED		0.20	0.00	
	E-BOX MONTHLY MAINT (W/CROSS REF)		200.00	0.00	
	E-BOX VALIDATION FILE BASE		150.00	0.00	
	E-BILL EXPRESS QP/LITE MONTHLY BASE		325.00	0.00	
	E-BILL EXPRESS IVR PER MIN HIGH VOL		0.14	0.00	
	E-BILL EXPRESS IVR PER MINUTE		0.30	0.00	
	E-BILL EXPRESS PAYMENT		0.50	0.00	
	E-BILL EXPRESS-AR FILE VIA SAFE		175.00	0.00	
	ENHANCED REMITTANCE EMAIL DELIVERY		1.00	0.00	
	OVERDRAFT CHARGE-PAID ITEM		25.00	0.00	
	ACCOUNT MAINTENANCE-COMML ADVANTAGE		25.00	0.00	
	DDA STATEMENT - PAPER		25.00	0.00	
	CLIENT ANALYSIS STATEMENT-PAPER		25.00	0.00	
	CLIENT ANALYSIS INVOICE		25.00	0.00	
	ONLINE IMAGE REQUEST - FAX DELIVERY		10.00	0.00	
	E-STMT SUBSCRIPTION -ACCOUNT		0.00	0.00	No longer charging on a per element basis
	E-STMT SUBSCRIPTION - ITEM		0.00	0.00	No longer charging on a per element basis
	STOP PAYMENT-AUTORENEWAL		4.00	0.00	
	MICR CHECK REJECTS >1% THROUGH 2%		0.75	0.00	
	MICR CHECK REJECTS OVER 2%		1.50	0.00	
	CHECK CASHING THRESHOLD MO BASE		10.00	0.00	
	CHECKS PAY TO INDIV BLOCK MO BASE		10.00	0.00	
	OTC DEBIT BLOCK MONTHLY BASE		10.00	0.00	
	STOP PAYMENT - OPERATOR ASSISTED		25.00	0.00	
	STOP PAYMENT - RANGE		25.00	0.00	
	STOP PAYMENT - PAPER CONFIRMATION		10.00	0.00	
	DEPOSITED CHECK ON CANADIAN BANK		6.00	0.00	
	DEPOSITED CHECK ON FOREIGN BANK		8.00	0.00	
	DEPOSIT POSTED FOREIGN CHECKS		4.00	0.00	
	RETURNED FOREIGN CHECK		40.00	0.00	
	FOREIGN CHECK COLLECTION		8.00	0.00	
	IFI DEPOSITED ITEM - IMAGE		0.06	0.00	
	IFI RETURNED ITEMS - IMAGE		1.00	0.00	
	IMAGE VIEW< 90 DAYS- ITEM		0.00	0.00	No longer charging on a per element basis
	IFI MAINTENANCE PER PRODUCT		175.00	0.00	
	IFI PAID CHECKS - IMAGE		0.04	0.00	
	WIRE IN TO USA ACCT-USA DOMESTIC		5.00	0.00	
	WIRE IN XBDR CORRESP BANK-USD/FX		10.00	0.00	
	WIRE IN XBDR USA ACCT-USO OR FX		10.00	0.00	
	WIRE IN REPAIR		8.00	0.00	



	WIRE PERFECT RECEIVABLE USA ACCT		1.00	0.00	
	ALERTS SERVICE - TEXT		0.00	0.00	No longer charging on a per element basis
	DEPOSIT DETAIL ITEMS RPTD		0.00	0.00	No longer charging on a per element basis
	DEPOSIT DETAIL RPT SUBSCRIPTION		0.00	0.00	No longer charging on a per element basis
	INTRADAY BASE PER ACCT PER REPORT		0.00	0.00	No longer charging on a per element basis
	INTRADAY REPORTING ITEMS RPTD		0.00	0.00	No longer charging on a per element basis
	PREV DAY EXT DETAIL ITEMS RPTD		0.00	0.00	No longer charging on a per element basis
	BAI MONTHLY BASE		0.00	0.00	No longer charging on a per element basis
	BAI TRANSACTIONS REPORTED		0.00	0.00	No longer charging on a per element basis
	ELECTRONIC BANK STATEMENT TRANS ITEM		0.00	0.00	No longer charging on a per element basis
	ELECTRONIC BANK STMT MONTHLY BASE		0.00	0.00	No longer charging on a per element basis
	BASIC BANKING BASE PER ACCOUNT		0.00	0.00	No longer charging on a per element basis
	PREV DAY INTL BRNCH ITEMS RPTD		0.00	0.00	No longer charging on a per element basis
	PREV NON-WF GLB ITEM LOAD		0.00	0.00	No longer charging on a per element basis
	RETAIL LOCKBOX- DEPOSITED CHECK		0.10	0.00	
	WHOLESALE LOCKBOX - DEPOSITED CHECK		0.10	0.00	
	PAYMENT MANAGER INTLACH ORIGINATED		0.10	0.00	
	PAYMENT MGR TEMPLATE TRANSACTION		0.05	0.00	
	PAYMENT MANAGER DOMESTIC ACH TRAN		0.07	0.00	
	PAYMENT MGR RPT SUBSCRIPTION MOBASE		50.00	0.00	
	PAYMENT MANAGER CHECK INSERTS		0.75	0.00	
	PAYMENT MGR REJECT REPAIR DUPLICATE		25.00	0.00	
	PMGR WELLSONE VIRTUAL CRO CONFIRM		0.05	0.00	
	PAYMENT MANAGER BOOK TRANSFER		1.00	0.00	
	PAYMENT MANAGER WIRE OUT DOMESTIC		5.00	0.00	
	PAYMENT MANAGER MONTHLY BASE		200.00	0.00	
	PAYMENT MANAGER ACH ADDENDA		0.03	0.00	
	PAYMENT MANAGER ACH CONFIRMATION		0.05	0.00	
	PAYMENT MANAGER CHECK ISSUE FILE		10.00	0.00	
	PAYMENT MANAGER INSERT ITEM		0.05	0.00	
	PAYMENT MANAGER PACKAGE PREPARATION		15.00	0.00	
	PAYMENT MGR CANADIAN CHECK		1.75	0.00	
	PAYMENT MGR EMAIL SERVICE		0.25	0.00	
	PAYMENT MGR INBOUND TRANSMISSION		5.00	0.00	
	PAYMENT MGR POSTAGE OR OVERNITE RPT		20.00	0.00	
	ACH/WIRE PERFECT RECEIVABLE-MO BASE		100.00	0.00	
	ACH PERFECT RECEIVABLES- ITEM		0.10	0.00	
	PERFECT RECEIVABLES PER ITEM		0.10	0.00	
	ACH PERFECT RECEIVABLES-ADDENDA		0.05	0.00	
	PAYEE VALIDATION MANUAL REVIEW/ITEM		0.25	0.00	
	CONT DISB PERFECT PRESENT CHK RTN		15.00	0.00	
	POSITIVE PAY MONTHLY BASE		35.00	0.00	
	POS PAY VERIFICATION CALL-CASHED		20.00	0.00	
	CONT DISB PERFECT PRESENT BASE		50.00	0.00	
	CONT DISB PERFECT PRESENT EXCEP		1.75	0.00	
	RECEIVABLES MANAGER ACH ITEM		0.05	0.00	
	REC MGR OR E-BOX TRANSMISSION		8.00	0.00	
	REC MGR WIRE ITEMS		1.00	0.00	
	RECEIVABLES MANAGER MONTHLY BASE		175.00	0.00	
	RECEIVABLES MANAGER RECVD ADDENDA		0.05	0.00	
	RMGR ITEM CHK AND OTHER ELECTRONIC		0.06	0.00	
	RETURN ITEM RETRIEVAL-IMAGE		1.00	0.00	
	RETURN ITEM SPECIAL INSTRUCTIONS		0.80	0.00	
	RETURN ITEM SPECIAL INST MTHLY BASE		10.00	0.00	
	RETURN ITEM ADDL REPORTING - FIELD		0.40	0.00	
	RETN ITEM SUBSCRIPTION OPT DETL		1.00	0.00	
	RETURN DECISIONING PER ITEM		1.00	0.00	
	RETURN ITEM CONVERTED CHK CHGBK IRD		3.00	0.00	

	RETURN ITEM CONVERTED CHK REDEPOSIT		2.00	0.00	
	SUB ACCT STATEMENT FEE		2.50	0.00	
	SUBACCOUNT MAINTENANCE		5.00	0.00	
	RCK SERVICE MONTHLY BASE		75.00	0.00	
	SWEEP STAGE COACH INVEST MTHLY BASE		27.50	0.00	
	WELLSTAX ACCESS CODE BASE MONTHLY		3.00	0.00	
	WELLSTAX PAYMENT		2.50	0.00	
	WELLSTAX RECEIPT		2.50	0.00	
	WELLSTAX SUBSCRIPTION		6.00	0.00	
	LBX REMIT PROCESSED CASH		12.00	0.00	
	LBX REMIT PROCESSED EXPRESS MAIL		2.50	0.00	
	LBX REMIT PROC COURIER DELIVERY		35.00	0.00	
	LBX REMIT PROCESSED CREDIT CARD		3.00	0.00	
	LBX CORRESPONDENCE OR REJECTS		0.35	0.00	
	LBX STANDARD CHECK PROCESSED		0.25	0.00	
	LBX ROUGH SORT 5 OR LESS		0.10	0.00	
	LBX DOCUMENT SCANNED		0.05	0.00	
	LBX DOCUMENT REASSOCIATION		0.15	0.00	
	LBX RESTRICTIVE PROCESSING		0.40	0.00	
	LBX POST OFFICE RETURNED MAIL		5.00	0.00	
	LBX TIR REPORT PER ITEM		0.07	0.00	
	LBX WT TOTAL PAYMENTS PROCESSED		0.25	0.00	
	LBX WT STD ITEM PROCESSED NON SCAN		0.35	0.00	
	LBX WT MULTI PAYMENT		0.20	0.00	
	LBX WT PARTIAL PAYMENT		0.04	0.00	
	LBX WT OCR SCANLINE REJECTS		0.35	0.00	
	LBX WT MARK SENSE OR ADDRESS CHANGE		0.06	0.00	
	LBX WT TRANSMISSION PER ITEM		0.01	0.00	
	LBX WT EXCESSIVE CHECK SURCHARGE		0.02	0.00	
	WIRE OUT DOMESTIC VANTAGE/AP1		5.00	0.00	
	WIRE OUT XBDR USD VANTAGE/AP1		5.00	0.00	
	WIRE INVESTIGATION		50.00	0.00	
	WIRE OUT REPAIR		7.50	0.00	
	WIRE OUT USA ACCT-RETURNED TO CUST		30.00	0.00	



# Master Agreement for Treasury Management Services

The Service Documentation contains the terms under which Wells Fargo Bank, N.A. and the banks, branches or subsidiaries listed in Appendix X (collectively, "Bank") provide you treasury management services (each, a "Service"). "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in a Service ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Master Agreement for Treasury Management Services ("Agreement") are defined in this document.

You and we agree:

1. **Service documentation.** The Service Documentation contains the terms governing each Service and includes:
  - a. The Service Description (which contains terms and conditions applicable to the specific Service),
  - b. The Acceptance (which indicates your acceptance of the Service Documentation),
  - c. This Agreement (which contains terms and conditions applicable to all Services),
  - d. The account agreement governing the account(s) (each, an "Account") you use in connection with the Service,
  - e. The Product Enrollment Form (which contains set-up information for each Service in which you are enrolling), and
  - f. User Guides (which include our vendors' and our documentation related to the installation, set-up function, features, operation, use, pricing or other aspects of the Services, including Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Agreement and the Service Descriptions for Services you enroll in are posted on Wells Fargo Vantage<sup>SM</sup> ("Vantage") formerly known as Commercial Electronic Office<sup>®</sup> (CEO<sup>®</sup>). If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Agreement and all Service Documentation.

2. **Services.** You and we will agree upon the Services to be provided and the start date for each Service. Each Service is subject to the approval by our applicable branch or subsidiary. We will notify you when you have completed all requirements for enrolling in the Service and the Service is ready for you to use.
3. **Changes to services.** We may change (or add to) the terms and fees in the Service Documentation at any time. If a change to a Service requires a change to the Service Documentation, we will post the document(s) with the change on Vantage. When required by Applicable Law, we will notify you of the change. If you continue to use a Service after a change takes effect, you will be bound by the change. As used in this Agreement, the term "Applicable Law" means all applicable laws (including common or customary laws), statutes, constitutions, policies, decrees, judgments, treaties, regulations, directives, by-laws, rulings, orders or operating circulars governing our activities and/or any Transaction (see section 6-a) governed by this Agreement, including, but not limited to, the funds transfer system and clearing and settlement house rules.
4. **Term and termination.** Unless a Service is terminated in accordance with the Service Documentation, this Agreement and each Service will continue in effect until terminated by either party upon 30 days' prior written notice to the other party. When a Service is terminated for any reason, the Service Documentation governing the terminated Service is also terminated.

We may suspend or terminate any Service:

- a. After we notify you of a breach of any provision of the Service Documentation or any other agreement with us, and you fail to cure the breach (if it can be cured) within 15 days of the date of the notice; or
- b. Without prior notice to you if:
  - i. We reasonably suspect that an Account associated with a Service has been compromised or otherwise subject to irregular, unauthorized, fraudulent, or illegal activity,
  - ii. You become subject to any insolvency or bankruptcy proceeding, or any receivership, liquidation, reorganization, or other similar proceeding, or you enter into any agreement or proceeding for voluntary liquidation, dissolution, composition with or assignment for the benefit of creditors or other winding up,
  - iii. We determine in our sole discretion that continuing to provide a Service may place us at risk of financial loss or result in an unacceptable credit exposure,
  - iv. Any guaranty of your obligations to us ("Guaranty") is terminated, revoked, or its validity contested by the guarantor ("Guarantor"),
  - v. We determine in our sole discretion that a material adverse change has occurred in your ability to perform your obligations under the Service Documentation, or in the ability of a Guarantor to perform its obligations under a Guaranty, or
  - vi. The Account necessary to provide a Service is closed.

The termination of a Service will not affect your or our respective rights and obligations with respect to the Service(s) provided before the termination including without limitation Transactions. We will not be liable to you for any losses or damages you may incur as a result of any termination of any Service or termination or restriction of any Vantage access rights under section 9(d) below.

5. **Service fees.** You will pay us the fees described in the Service Documentation and any taxes applicable to each Service, however designated, but excluding taxes based on our net income. We may debit your Account for any fees not covered by earnings credits and any taxes that are due, or we may send you an invoice for these amounts, which you will promptly pay. Our charges and fees are in the applicable fee schedule for Services used in connection with your Account.
6. **Security procedures.**
  - a. Unless otherwise agreed, you agree that "Security Procedure" is the applicable security procedure described in the Service Documentation for your Initiation Method for the Service, which we will use to verify the authenticity of a Transaction. The term "Initiation Method" refers to the method we offer in the product enrollment form ("Set-up Form") or other Service Documentation for delivering your Transaction instructions to us with respect to the applicable Service and includes any applicable transmission protocols. The term "Transaction" means (i) any funds transfer, payment order, or payment instruction (including any communication cancelling or amending an instruction), and (ii) any instruction, data or other information which we receive in your name with respect to a funds transfer. The purpose of the Security Procedure is to verify the authenticity of the Transaction. We will not use the Security Procedure to detect an erroneous or duplicate Transaction. You will be responsible for any erroneous or duplicate transaction we receive in your name. You agree to be bound by each Transaction, whether or not authorized by you, issued in your name and accepted by us in compliance with the Security Procedure for the Service.
  - b. You agree that each Security Procedure for the Initiation Method in the Set-up Form or other Service Documentation for each of the Services (a) best meets your requirements with regard to the size, type and frequency of your Transactions, and (b) is commercially reasonable.
7. **Confidential information.** Unless otherwise stated in the Service Documentation, "Confidential Information" means all (a) User Guides, (b) Security Procedures, passwords, codes, security devices and related instructions and technical and non-technical information and intellectual property rights relating to our vendors' or our technology, IT infrastructure or data security, including trade secrets, systems information security program or processes, SSAE or SOC reports, and testing procedures or results. You will not acquire any ownership interest in or rights to Confidential Information as a result of your use of any Service.

You will:

- a. Maintain the confidentiality of the Confidential Information,

- b. Not disclose (or permit your employees or agents to disclose), copy, transfer, sublicense, or otherwise make any of it available to any person or entity, other than your employees who have a need to use the Confidential Information in connection with the applicable Service, and
- c. Not decompile, reverse engineer, disassemble, modify, or create derivative works of any Confidential Information.

You will notify us immediately if you know of or suspect any unauthorized disclosure, possession, use, or knowledge (each, an "Unauthorized Use") of any Confidential Information. If you (or your employees or agents) are responsible for the Unauthorized Use, you will, at your expense, promptly take all actions, including initiating court proceedings to recover possession and prevent further Unauthorized Use of the Confidential Information. You will also compensate us for any injury caused to us as a result of the Unauthorized Use.

- 8. Currency conversion.** When your instructions require us to convert the amount of a Transaction from the currency in which the Account is denominated ("Account Currency") to another currency ("Foreign Currency"), we will do so using the Applicable Exchange Rate in effect at the time we execute your Transaction. "Applicable Exchange Rate" means the exchange rate we set and use for you when we convert one currency to another currency and includes a markup. The markup factors include costs incurred, market risks and our desired return. The exchange rate we provide to you may be different from the exchange rates you see elsewhere. Foreign exchange rates are dynamic, and rates fluctuate over time based on market conditions, liquidity, and risks.

If a financial institution designated to receive the funds does not pay the beneficiary specified in the Transaction, and the funds are returned to us, we will not be liable to you for a sum greater than the amount of the Transaction after we have converted it from the Foreign Currency to the Account Currency using the Applicable Exchange Rate in effect at the time the funds are returned to us. You accept the risks of any change in the Applicable Exchange Rate between the time you request a Transaction and the time the Transaction is either completed or is unwound due to a cancellation, an amendment, a rejection, or a return.

**9. Vantage.**

- a. **Description of Vantage.** Vantage is our electronic banking platform that is accessed through the Internet. Your Authorized Agents (defined below) may use Vantage to access (i) Services in which you have separately enrolled and (ii) third-party sites we may make available through Vantage. We offer different channels through which you may access Vantage, including personal computers and mobile devices. We may add or eliminate channels at any time. A Service or third party site accessible through one channel may not be accessible through another channel.
- b. **Access to Vantage.** When you enroll in Vantage, and as we may determine is necessary after enrollment, we will provide Log-On Credentials (defined below) to the persons who are authorized to access Vantage on your behalf (each, an "Authorized Agent"). Log-On Credentials mean one or more secure methods we provide to access the Services and may include user IDs, passwords, token IDs, and other methods that we adopt from time to time. We have no obligation to separately verify or authenticate any communication we receive in your name through Vantage, whether or not it was actually from an Authorized Agent. You assume the entire risk of (i) unauthorized use of your Log-On Credentials and (ii) unencrypted electronic transmissions.
- c. **Administration of Vantage.** We offer two options for administering Vantage: (i) Administration and (ii) Bank administration.
  - i. **Administration.** If you enroll in the Administration option, there are three categories of Authorized Agents: Company Administrator, Administrator, or User. Unless you and we separately agree, we will provide Log-On Credentials only to your initial Company Administrator(s) who will (a) assign Log-On Credentials to other individuals and (b) designate those individuals as one of the following:
    - (1) A Company Administrator, who may perform all functions of your initial Company Administrator,
    - (2) An Administrator, who may perform all functions of an Administrator including designating other Administrator(s) and User(s), or
    - (3) A User, who may access the Services designated by a Company Administrator or an Administrator, as well as those Services in which we permit a User to self-enroll.

Each Company Administrator and Administrator has the authority to enroll you in additional Services. In addition to your use of Administration as described in this subsection, you may request that we assign Log-On Credentials to Users that you designate in writing to us. Your designation to us will specify the Services which the User is authorized to access in addition to those Services in which we permit a User to self-enroll.



- ii. Bank administration. For the Bank administration option, there is one category of Authorized Agent: Users. We will assign Log-On Credentials to each User you designate.

You will promptly revoke the Log-On Credentials of any Authorized Agent or User when that individual is no longer authorized to access Vantage. If you notify us in writing to revoke the Log-On Credentials of an Authorized Agent or User, we will have a reasonable time after receiving your written notification to revoke the individual's access.

- d. Terminating access. We may terminate or restrict any Authorized Agent's access to any Service through Vantage if we determine such use:
  - i. Does not comply with any term applicable to Vantage,
  - ii. Is not permitted by Applicable Law,
  - iii. Is not authorized by you or any third party whose authorization we believe is necessary, or
  - iv. Should be denied for your or our protection (without us agreeing to or being required to make this determination in any circumstance).
- e. Financial information. Financial market data, quotes, news, research, and other financial information developed by third parties and transmitted to us ("Financial Information") may be available to you at Vantage. The posting of any Financial Information or any other information or data at Vantage is not a recommendation by us of any particular Service or action. We do not guarantee the accuracy or completeness of any Financial Information, nor are we responsible for (i) the actions or omissions of the third parties developing or transmitting Financial Information or (ii) any decision you make or action you take by relying on any Financial Information.
- f. Miscellaneous. For purposes of this section 9 only, "Service" includes each service and product we or any of our affiliates offer that you access through Vantage. This section 9 will survive the termination of any Service or this Agreement.

#### **10. Alerts.**

- a. Non-subscribed alerts. When you enroll in Vantage or other channels or Services, you consent to receiving by email or other delivery channels, servicing messages that we determine are important or urgent. You do not need to subscribe to receive such alerts and you do not pay additional service fees.
- b. Subscribed alerts. You may also enroll in fee-based alerts for applicable Services so that you can receive messages you subscribe to at the intervals and through delivery channels that you choose.

#### **11. Liability and Indemnification.**

- a. We are not obligated to honor, in whole or in part, any Transaction or other instruction that:
  - i. Exceeds the available balance in the Account, unless otherwise provided in the Service Documentation,
  - ii. Does not comply with the Service Documentation or our applicable policies, procedures, or practices made available to you,
  - iii. We have reason to believe may not have been duly authorized, should not be honored for our or your protection, or involves funds subject to a hold, dispute, restriction, or legal process, or
  - iv. Would possibly result in us not complying with Applicable Law.
- b. Neither we nor our software vendors make any express or implied representations or warranties with respect to the Services or any software used in connection with the Services, including any warranty as to the merchantability or fitness for a particular purpose, other than those expressly set forth in the Service Documentation.
- c. Any claim, action, or proceeding against us for losses or damages arising from a Service, must be brought within one year from the date of the act or omission, except as otherwise stated in the account agreement governing the Account.
- d. We will have no liability for our failure to perform or delay in performing a Service if the failure or delay is due to circumstances beyond our reasonable control. If we determine that any funds transfer or communications network, Internet service provider, or other system used to provide a Service is unavailable, inaccessible, or otherwise unsuitable for use by you or us, we may, upon notice to you, suspend or discontinue the affected Service.
- e. We will only be liable to you for actual damages incurred as a direct result of our failure to exercise reasonable care in providing the Services. Reasonable care requires only that we follow standards that do not vary unreasonably from the general standards followed by similarly situated banks. Our policies and procedures are general internal guidelines for our use and do not establish a higher standard of care for us than otherwise established under Applicable Law. A mere clerical error or an honest mistake will not be considered a failure by us to perform any of our obligations. Our liability to you will be limited to an amount not greater than 10 times our

fees incurred in the calendar month immediately before the calendar month in which the loss or damages were incurred (or, if no fees were incurred in that month, our fees incurred in the month in which the losses or damages were incurred).

- f. Except in the case of our negligence or intentional misconduct, you will indemnify and hold us, our directors, officers, employees and agents ("Representatives") harmless from all losses or damages that arise out of:
  - i. The performance of a Service in compliance with the Service Documentation, including any warranty we are required to make to a third party in connection with a Service,
  - ii. An act or omission of any of your agents, couriers, or Authorized Agents, and
  - iii. If the Service includes a license or sublicense of any software, any use or distribution of the software by you or any person gaining access to the software through you that is inconsistent with the license or sublicense.

You will promptly provide us with written proof of loss, and notify us if you become aware of any third party claim related to a Service. You will cooperate fully (and at your own expense) with us in recovering a loss. If we reimburse you, we or our designee will be subrogated to all of your rights (i.e., we will be entitled to assert any legal rights you had relating to the claim).

- g. Except as expressly provided otherwise in the Service Documentation, neither party nor its Representatives will be liable to the other party for:
  - i. Any special, consequential, incidental (including court costs and attorneys' fees), indirect, or punitive losses or damages, or
  - ii. Business interruption, loss of profits, loss of business, loss of revenue, loss of goodwill, loss of opportunity, loss or injury to reputation, or loss of anticipated savings, whether any claim is based on contract or tort, or whether the likelihood of these losses or damages was known to the other party and regardless of the form of the claim or action.
- h. When you send payments on behalf of your third party customers, you agree you are solely liable to your customers for any and all losses those customers may suffer. We exclude all and any liability of whatever nature (including those losses detailed in subsection g above) arising out of your relationship with your customer.

**12. Governing law.** The Service Documentation will be governed by: (a) U.S. federal law and (b) the law of (i) the U.S. state in which the office of Bank that maintains the Account is located or, if there is no such state or no account associated with such Service, (ii) the State of New York, without reference to its principles of conflicts of laws ("Governing Law").

**13. Arbitration agreement.** Upon demand by you or us, any dispute or claim arising out of or relating to this Agreement, or the breach thereof, must be submitted to arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules, and must be heard before three arbitrators if the amount in dispute is U.S. \$5,000,000 or more or its equivalent in any other currency, and before one arbitrator for amounts in dispute of less than U.S. \$5,000,000 or its equivalent in any other currency. Arbitration will proceed in a location selected by AAA in the state of the applicable Governing Law, and if there is no such state, the place of arbitration must be New York, NY. The language of the arbitration must be English. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. This arbitration requirement does not limit the right of you or us to: (a) exercise self-help remedies including setoff or (b) obtain provisional or ancillary remedies such as injunctive relief or attachment, before, during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of you or us to submit any dispute to arbitration hereunder, including those arising from the exercise of the actions detailed in (a) and (b) of this section.

**14. Jurisdiction.** For any proceedings regarding this Agreement (not subject to arbitration as provided in this Agreement), you hereby irrevocably submit to the jurisdiction of the courts of the Borough of Manhattan, New York City, in the State of New York or the federal courts located there and irrevocably agree that all claims in relating to the proceeding may be heard or determined in those courts.

**15. Miscellaneous.**

- a. **Severability.** Any portion of the Service Documentation which is inconsistent with Applicable Law or Governing Law will be deemed modified and applied in a manner consistent therewith, and we will incur no liability to you as a result of the inconsistency or modification and application to any dispute regarding the Service Documentation. If any portion or provision of the Service Documentation is deemed unenforceable, it will not affect the

enforceability or validity of the remaining Service Documentation nor the enforceability or validity of that portion or provision under the law of any other jurisdiction.

- b. **Entire agreement.** The Service Documentation (and any documents referred to therein):
  - i. Constitutes the entire agreement between you and us regarding the Services we provide for all Accounts opened with us, and
  - ii. Supersedes and extinguishes all prior agreements, understandings, representations and warranties of any nature (including requests for proposals and other sales material), whether oral or written, between you and us relating to any of our Services (including any other Master Agreement for Treasury Management Services, but excluding the current Commercial Account Agreement or Global Commercial Account Agreement, as applicable).
- c. **Electronic agreement.** To facilitate execution, the Service Documentation may be executed by a party in the form of an "Electronic Record" (as defined in the Electronic Signatures in Global and National Commerce Act at 15 U.S.C. §7001 et seq. ["ESIGN Act"]). The Service Documentation may be executed in as many counterparts as may be required to reflect all parties' approval, and all counterparts will collectively constitute a single agreement. An "Electronic Signature" (as defined in the ESIGN Act) that can be authenticated will constitute an original and binding signature of a party. The fact that a document is in the form of an Electronic Record or is signed using an Electronic Signature will not, in and of itself, be grounds for invalidating such document.
- d. **No waiver.** Neither our failure nor any delay by us in exercising any right or remedy will be deemed to be a waiver of the right or remedy. No course of dealing or waiver of any right on one occasion will constitute a modification of the Service Documentation or be a waiver of that right on a subsequent occasion.
- e. **Third party beneficiaries.** Except as otherwise provided in the Service Documentation, no person or entity other than the parties to this Agreement will be deemed to be a third party beneficiary under the Service Documentation.
- f. **Financial condition.** You will provide us promptly upon our request any existing financial statements or other information pertaining to your financial condition or any previously unprepared financial statements which we may require you to prepare and/or to be audited or reviewed by independent certified public accountants acceptable to us.
- g. **Your representations and warranties.** You represent and warrant that: (i) you will not use any Service in a manner that would violate any Applicable Law by you or us; (ii) if you employ an agent in connection with its use of any Service, you represent and warrant to us that: (1) your governing body has duly authorized the agent; (2) you will exercise appropriate controls to ensure each authorized agent does not exceed the authority granted to it; and (3) you will preserve the confidentiality of the Log-On Credentials and immediately notify us if you become aware or suspect that any Log-On Credential may have been compromised.
- h. **Use of names.** You and we will not use each other's name or refer to our relationship in any solicitation, marketing material, advertisement, news release, or other written, online or oral communication without specific prior written consent for each such use or release, except that we may use your name as a reference in service proposals if we obtain your prior written approval for such use.
- i. **Notices and communications.** Either party may provide notice to the other party by mail, personal delivery, or electronic transmission.
  - i. You will notify us promptly in writing of any change in your name, Address, legal status, or any other changes relevant to the conduct of the Account or affecting your business relationship with us.
  - ii. The term "Address" as used in this Agreement refers to a mailing or electronic address.
  - iii. You will use the Address where your relationship manager or other manager is located and will address any notice to the attention of the manager.
  - iv. Each party will have a reasonable time after receipt of any notice to act on it.
  - v. Any communication or notice to us from your agent about your use of a Service will be deemed to be a communication from you, and you authorize us to communicate with your agent about any such communication or Service.
  - vi. We are entitled to rely on any communication or notice from you that we believe in good faith was authorized by your authorized representative or Authorized Agent and, we will have no obligation to verify or authenticate an identity of a sender or signature on any notice or communication, except as expressly provided in the Service Documentation.

**16. Survival.** Sections 7, 9, 11 - 15 will survive termination of the Services or this Agreement.

## **Appendix X**

### **Applicable Branches or Subsidiaries of Bank**

1. Wells Fargo Bank, N.A., UK Branch
2. Wells Fargo Bank, N.A., Canadian Branch
3. Wells Fargo Bank, National Association, Shanghai Branch
4. Wells Fargo Bank, National Association, Hong Kong Branch

# Banking Services Agreement



# Banking Services

## Timeline

- Published Request for Proposals (RFP): 9/4/2024
- Notified all banks doing business within the City of RFP via email
- Provided responses to questions: 9/13/2024
- Received 4 sealed proposals by the deadline: 9/20/2024
- Reviewed proposals
- Scheduled & completed follow up calls with all proposers: 10/10/2024
- Completed scoresheets and summarized recommendation
- Seeking approval from Council to finalize agreement

# Banking Services

## Proposals Received:

- Happy State Bank (A Division of Centennial Bank)
- Security State Bank & Trust
- Wells Fargo Bank
- Texas Regional Bank

# Banking Services

## Criteria for Evaluation:

- Quality of services
- Ability to meet the City's needs
- Proposed cost
- Financial strength
- Earnings potential
- Collateralization
- Customer service structure
- Responsiveness to RFP

# Banking Services

## Recommend entering into agreement with Wells Fargo for banking services because of the institution's ability to provide:

- Services specifically requested in the RFP
- Consolidated services within one institution
- Integration with InCode, the City's financial software
- Collateralization at 102% in the form of securities in lieu of letters of credit
  - 24/7 access to detailed collateral information
  - Daily automated collateralization processes
- Automated external sweep to a money market mutual fund limiting need/use of collateral, balance-based fees and higher yield investment opportunities (above ECR)
- Self-administration of all programs and services such as user access, user limits, wires, etc. (no third-party providers or bank representative required)
- Virtual card services for fraud protection
- Electronic approval & reconciliation processes for purchasing cards with app for receipt collection & retention
  - Easy upload to individual general ledger expense accounts including detail
- Electronic approval processes with date/time stamp for improved internal controls and security including dual approval with token for higher risk activity such as wires and account administrative changes
- Positive Pay scrubbing mechanisms to reduce fraud
- Secure, same day electronic process for ACH services for positive pay to reduce fraud
- Two or more designated contacts for customer support backed by teams of experts in specialized areas
- Automated electronic notifications for exceptions and discrepancies



# Banking Services

## Questions?



# Banking Services

Pursuant to Chapter 105 of Tx Local Government Code

- City Council must designate a “designated officer” meaning “treasurer” to award a depository services contract.
- Director of Finance Job Description includes this as one of the primary responsibilities

## Council Action:

- Designate the Director of Finance as the “designated officer / treasurer” for the City;  
and
- Authorize City Manager or designated official to finalize & execute contract for banking services with Wells Fargo Bank.



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

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**CAPTION:** The City's grant of a Wastewater (Sanitary Sewer) Service Line Easement on property it owns adjacent to Fire Station No. 3, 3225 Legion Dr. (*D Paxton, Director of Planning & Development*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/20/2024

**SUBMITTED BY:**

**EXHIBITS:**

1. 20241210\_Wastewater Easement Loop 534
2. Easement Survey

---

**Expenditure:**

**Amount Budgeted:**

**Account Number:**

**Account Balance:**

**Payment to/Vendor  
name:**

**Kerrville 2050 Item?**

**Key Priority Area:**

**SUMMARY:**

This easement allows the 3.56-acre Legion Hill Phase Four Block 5 Lot 1 to access the nearest sewer line in Legion Drive. The applicant has agreed to pay for the easement based on the estimated value of the land area it encumbers.

Based on KerrCAD for R64285 (city-owned property):

\$278,648 for 16.732 acres

Approximately \$16,653/acre

Easement is 0.09 acres @ \$16,653 = \$1,498.82

This property's other sewer access options are significantly more expensive than this route and would likely require a similar easement at another location. The applicant plans to build a pool, for swim lessons and team practices, and a contractor's office on the site.

The City of Kerrville owns the property where the easement is located and the two adjacent properties, Fire Station #3 and the property leased to UPS.

**RECOMMENDED ACTION:**

Staff recommends granting the easement.

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

**WASTEWATER (SANITARY SEWER) SERVICE LINE EASEMENT**

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

That **City of Kerrville, Texas**, a Texas home-rule municipal corporation, hereinafter referred to as "Grantor", whose address is 701 Main Street, Kerrville, Texas, 78028; for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration paid by **C3 Aquatics, LLC**, a Texas limited liability company, whose address is 130 Rhum Rd., Kerrville, Texas, 78028, hereinafter referred to as "Grantee"; the receipt and sufficiency of which is hereby acknowledged, has granted, sold, and conveyed, and by these presents does hereby grant, sell, and convey unto Grantee, its successors and assigns, an easement for a wastewater (sanitary sewer) service line purpose (the Easement), and limited to the right of ingress, egress, and regress therein; to construct, reconstruct, install, place, repair, operate, use, inspect, remove, replace, and maintain the Easement across, under, and through the following described property of the Grantor, such purposes collectively referred to herein as the "Easement Purpose":

**Being a twelve foot (12.0') wide wastewater (sanitary sewer) service line easement and consisting of an 0.09 acre, more or less, out of the Samuel Wallace Survey No. 112, Abstract No. 360, within the City of Kerrville, Kerr County, Texas; and located within a fifty foot (50.0') wide wastewater (sanitary sewer) force main easement (Force Main Easement), previously conveyed to and currently used by the City of Kerrville, TX; the Force Main Easement as shown on the plat of Legion Hills Phase Four, a subdivision of land in the City of Kerrville, Kerr County, Texas, and recorded in Volume 7, Page 324, Plat Records of Kerr County; and the Easement being more particularly described and depicted in Exhibit A, attached hereto and made a part hereof for all.**

The Easement is subject to the following terms and provisions:

1. Grantee shall not take any action within the Easement or conduct any activity toward the Easement Purpose that will interfere with Grantor's use of its

property, to include its Force Main Easement and the purposes for which it exists. Toward that end, Grantee, prior to conducting any work as to the Easement Purpose, shall provide its plans, to include construction plans and timing of such work, to the Grantor for its approval. Grantor may limit Grantee's access to the Easement to specific times or conditions to avoid disrupting Grantor's operations.

2. Grantee's use of the Easement shall comply with local, state, and federal laws and regulations.
3. Where Grantee disturbs Grantor's property, Grantee shall restore the property to its original condition after work is completed.
4. Grantor shall continue to have the right to fully use and enjoy the Easement, its Force Main Easement, and surrounding area for any purpose which shall not interfere with the rights herein granted to Grantee. Such rights include the Grantor's continued operation and use of the Force Main Easement.

**WITNESS THE EXECUTION HEREOF on this \_\_\_\_\_ day of \_\_\_\_\_, 2024.**

**GRANTOR**  
**CITY OF KERRVILLE, TEXAS**

By: \_\_\_\_\_  
Name: Dalton Rice  
Title: City Manager

**Acknowledgment**

**THE STATE OF TEXAS       §**  
**§**  
**COUNTY OF KERR         §**

This instrument was acknowledged before me on \_\_\_\_\_, 2024, City of Kerrville, Texas, Grantor, by Dalton Rice, City Manager.

\_\_\_\_\_  
Notary Public, State of Texas

APPROVED AND ACCEPTED:

\_\_\_\_\_  
C3 Aquatics, LLC

\_\_\_\_\_, \_\_\_\_\_

**AFTER RECORDING RETURN TO:**  
**Office of City Secretary**  
**City of Kerrville, Texas**  
**City Hall, 701 Main Street**  
**Kerrville, Texas 78028**

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

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**CAPTION:** Proposal with Consor Engineers for its provision of Water Resources Strategic Communication Service and authorizing the City Manager to negotiate and enter into a contract. *(D Rice, City Manager)*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 12/03/2024

**SUBMITTED BY:**

Dalton Rice, City Manager

**EXHIBITS:**

1. Consor Kerrville Strategic Communications 120524 0800AM FINAL

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

Yes

**Key Priority Area:**

W – Water/Wastewater/Drainage

**SUMMARY:**

**Overview:**

The City of Kerrville recognizes the importance of a reliable and resilient water supply, stakeholder engagement, and community trust-building to meet current needs and anticipated growth. To address these priorities, the City proposes partnering with Consor to implement a Water Resources Strategic Communications Plan. This initiative aims to enhance transparency, public understanding, and support for future water resource investments.

**Kerrville 2050 Plan:** Water, Wastewater, & Drainage W10 Expand ongoing education efforts regarding water issues.

**Key Components of the Plan:**

**1. One-Time Services:**

- Development of a comprehensive Strategic Communications Plan with key messages and tactics.
- Creation of a water utility branding package, including name, tagline, logo,

and brand guidelines.

- Bilingual public opinion research to assess community attitudes and preferences.
- Design of communication materials (FAQs, brochures, maps) and tools for ongoing engagement.

**2. Ongoing Services**(Tiered Options):

- Regular consultations and check-ins with City staff.
- Content creation for social media, newsletters, and video storytelling.
- Support for a Water Resource Citizens Advisory Committee to foster dialogue and participation.

**Expected Benefits:**

- **Proactive Branding:** Establishing a cohesive identity for Kerrville's water resources to enhance community awareness and pride.
- **Enhanced Engagement:** Utilizing tailored bilingual strategies and multimedia tools to reach diverse audiences effectively.
- **Informed Decision-Making:** Building trust and support for future investments by transparently communicating goals, challenges, and successes.
- **Sustainability and Growth:** Aligning communication strategies with long-term infrastructure planning to support community needs.

**Fiscal Impact:**

The project offers flexibility with tiered options for one-time services (\$40,000) and ongoing support ranging from various price ranges per month, depending on the selected level of engagement which would be assessed in the upcoming budget process.

**RECOMMENDED ACTION:**

Approve the strategic communications plan and authorize staff to proceed with initial implementation. This plan positions Kerrville to proactively address water resource challenges while fostering community collaboration and understanding.



# Building Community Ownership in Infrastructure Investments

Katherine Sepassi, P.E., and  
Martin Bartlett  
December 10, 2024





# OUR INTEGRATED ENGINEERING & COMMUNICATIONS TEAM



**Katherine** | Water Expert  
Graduate of Tivy High School



**Martin** | Communications Expert  
20 years as a Texan







# CHARTING A COURSE FOR SUCCESS

How a **strategic communications program and outreach strategy** can support the City of Kerrville's journey toward the future.

# NEED FOR COMMUNITY OWNERSHIP NOTED IN KERRVILLE 2050 COMPREHENSIVE PLAN



## **W10** GUIDING PRINCIPLE: Expand ongoing education efforts regarding water issues

The public can be an important ally in the City's efforts to change water and sewer usage patterns. Nurturing citizen participation in conservation efforts can yield positive results, both in the short-term and over time.

- Establish a citizen advisory committee for water supply and conservation policy. Establishing a water conservation policy committee could be a key element of gaining consensus on a water conservation program. Without community consensus, such a program has a much-reduced likelihood of success.
- Educate the public on current water and sewer usage. A properly devised education program can yield significant results, as many people in the public do not have a keen understanding of where our water comes from, how it is treated, how is distributed, and how it is disposed of. An element of the program should be directed to children in the community, including an emphasis on the importance of conservation for future generations.







## **BROADEN THE CONVERSATION**

Holistic conversation about community priorities surrounding water.



## **INSPIRE COLLECTIVE ACTION**

Not just what customers can do or what the city is doing, but what we can all do moving forward *together*.



## **PLAN FOR THE FUTURE**

Seek solutions that align with community values and council goals for growth *and* preservation.



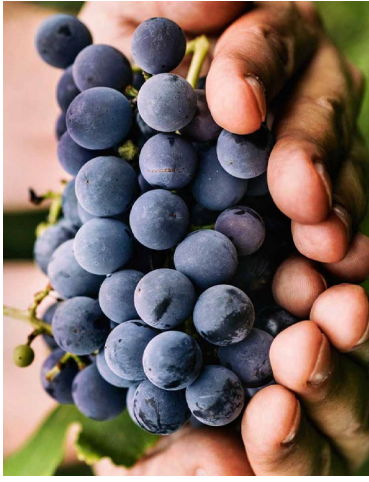
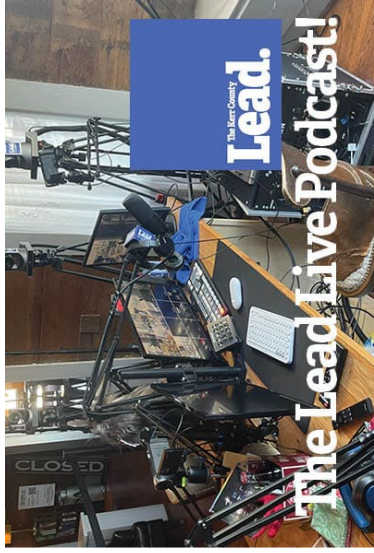
# INVEST IN PUBLIC OPINION RESEARCH TO CREATE POWERFUL MESSAGING



Focus on the what's important to audiences

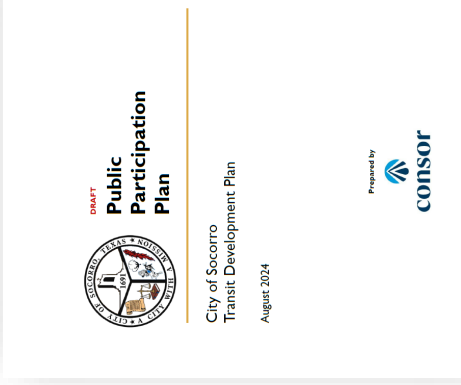
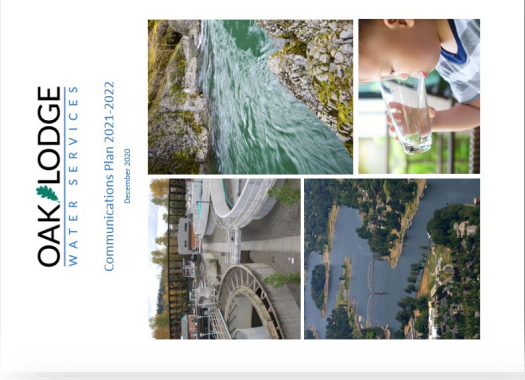
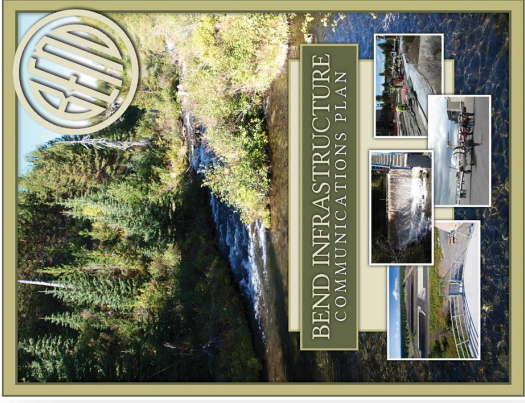


Meet them where they are



# CREATION OF A STRATEGIC COMMUNICATIONS PLAN

- Creation of a Strategic Communications Plan for City of Kerrville to implement
- Key messages
- Talking points
- Audience profiles
- Recommended communications tactics and campaigns for city to implement





# BRANDING PROCESS

## STEP 1:

Develop multiple concept names and taglines



Hualapai Moving Forward  
Our Legacy. Our Future.

## STEP 2:

Develop multiple concept logos reflecting name and tagline

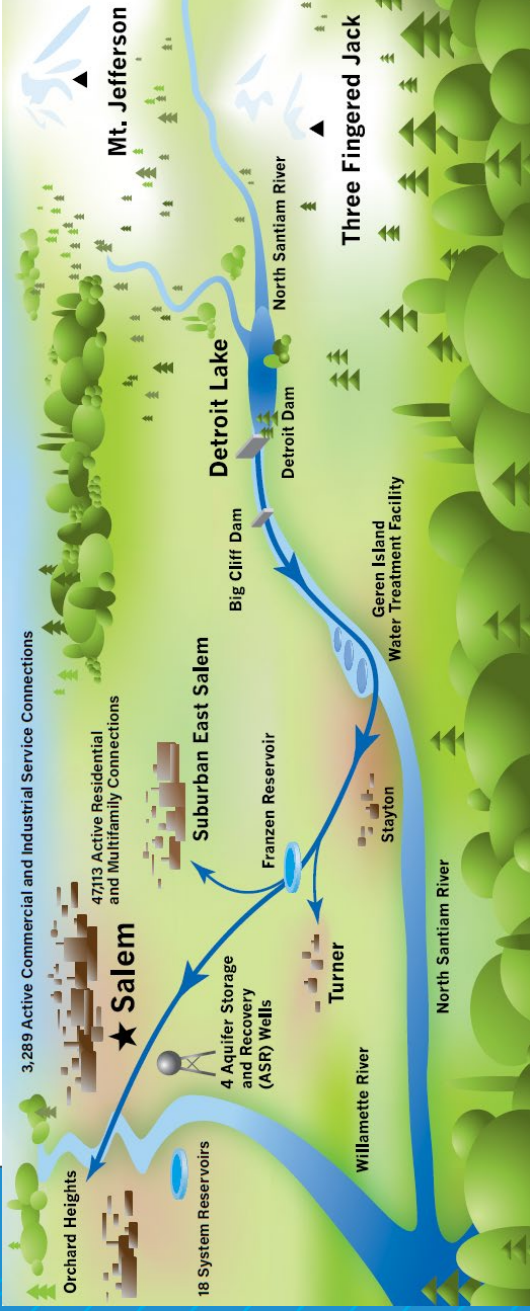


## STEP 3:

Build out the brand guide, including high-resolution logos, fonts, colors and recommended uses



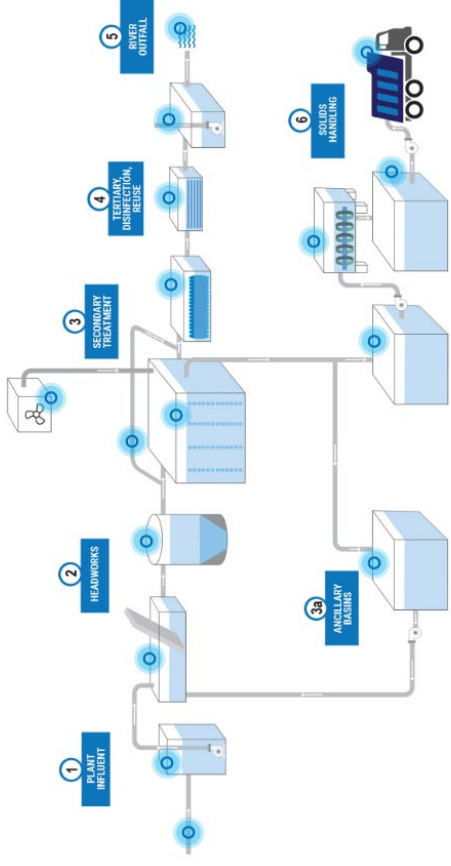
# COMMUNICATIONS TOOLKIT



Example of water resources illustration

## Treatment Process Step-by-Step

Click on the highlighted treatment process steps below to learn more.



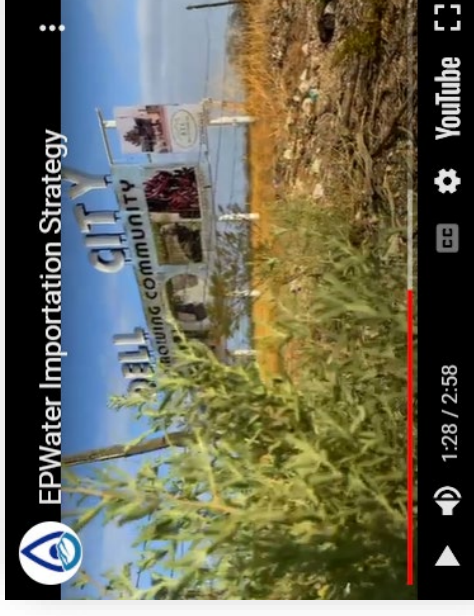
Example of water infrastructure illustration

- Quick reference guide to talking points and messaging
- Pocket card utilizing key messages
- Ready-to-go slide deck
- Bilingual trifold brochure
- Bilingual FAQ's / "8 Things to Know"
- Construction project fact sheet template
- Construction site signage template



# AVAILABLE MULTI-TIERED APPROACH

- **Tell Kerrville's story to Kerrville**
  - Video content creation
  - Social media content creation and management
  - eNewsletter (similar to El Paso's WaterWatch)
- **Not just High Tech, but also High Touch**
  - Provide opportunities for two-way communication and feedback
  - Reflective of Kerrville with special focus on traditionally marginalized communities
  - Advising on creation of citizens advisory committee
  - Support for pop-up/in-person engagement events







# Building Community Ownership in Infrastructure Investments

Katherine Sepassi, P.E., and  
Martin Bartlett  
December 10, 2024





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

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**CAPTION:** Financial report for month-ending October 31, 2024. (*J Behrens, Director of Finance*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/20/2024

**SUBMITTED BY:**

**EXHIBITS:**

1. Financial Report 10-31-2024

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

Financial report for fiscal year ended 9-30-2025

**RECOMMENDED ACTION:**



# Financial Update Major Funds

Month-Ended October 31, 2024

City Council Meeting  
December 10, 2025



# General Fund as of 10-31-2024

GENERAL FUND - BUDGET SUMMARY OCTOBER 31, 2024						
REVENUES	FY2025 Original Budget	FY2025 YTD BUDGET ESTIMATE	FY2025 YTD ACTUAL	FY2025 Estimated Better/Worse than Budget	FY2024 YTD Actual	Change from FY2024 YTD
Property Tax	12,978,331	545,090	517,351	(27,738)	307,615	209,736
Sales Tax	10,210,111	714,708	761,896	47,188	931,452	(169,556)
Franchise Fees	2,094,800	-	-	-	-	-
<b>Total Taxes</b>	<b>25,283,242</b>	<b>1,259,798</b>	<b>1,279,247</b>	<b>19,450</b>	<b>1,203,158</b>	<b>76,089</b>
Permits and Fees	197,300	9,076	16,145	7,069	15,689	456
Intergovernmental Revenue	1,986,967	298,045	256,275	(41,770)	244,313	11,962
Service Revenue	6,153,594	430,752	658,056	227,304	405,534	252,522
Recreation Revenue	1,120,016	78,401	132,851	54,450	130,274	2,577
Fines and Forfeitures	369,359	33,981	17,212	(16,769)	20,894	(3,682)
Grant & Donation Revenue	44,800	582	426	(156)	1,135	(709)
Interest and Miscellaneous	961,350	99,980	63,606	(36,374)	84,637	(21,031)
Operating Transfer In	3,294,126	907,390	907,390	-	200,988	706,402
<b>TOTAL REVENUES</b>	<b>\$ 39,410,754</b>	<b>\$ 3,118,005</b>	<b>\$ 3,331,208</b>	<b>\$ 213,203</b>	<b>\$ 2,306,624</b>	<b>\$ 1,024,586</b>
EXPENDITURES						
Personnel	28,686,083	2,039,581	2,232,838	(193,257)	2,078,383	154,455
Supplies	1,698,847	124,525	122,713	1,812	102,342	20,371
Maintenance	4,229,961	253,798	219,232	34,566	152,667	66,565
Services	2,998,287	486,922	785,746	(298,824)	150,281	635,465
Other Expenses	741,304	148,187	67,947	80,240	55,435	12,512
Capital Outlay	-	-	-	-	-	-
Operating Transfers Out	1,056,271	88,023	88,023	-	270,698	(182,675)
<b>TOTAL EXPENDITURES</b>	<b>\$ 39,410,754</b>	<b>\$ 3,141,035</b>	<b>\$ 3,516,499</b>	<b>\$ (375,464)</b>	<b>\$ 2,809,806</b>	<b>\$ 706,693</b>

## Revenue:

- Property Tax slightly behind budget estimated
  - First month of collections can vary greatly
- Sales Tax better than budget estimate but worse than last year
  - November collections 8% better than last year
- Service Revenues better than budget estimate - primarily due to EMS / Solid Waste
- Recreation Revenue better than budget estimate
  - Reminder Golf Course closure coming up soon
  - Revenue / Expense budget adjusted accordingly

## Expense:

- Personnel more than budget estimate due to timing of Worker's Comp Insurance premium
- Services more than budget estimate due to timing of Liability Insurance premium

# Water Fund as of 10-31-2024

WATER FUND - BUDGET SUMMARY OCTOBER 31, 2024						
	FY2025 Original Budget	FY2025 YTD ESTIMATE	YTD ACTUAL	FY2025 YTD ACTUAL	Estimated Better/Worse than Budget	Change from FY2024 Actual
REVENUES						
Water	7,816,830	629,255	639,508		10,253	142,151
Sewer	7,783,678	622,694	591,085		(31,609)	47,553
Reuse	175,000	7,000	19,408		12,408	(11,570)
Waste Disposal	319,000	18,343	21,002		2,660	1,079
Interest & Misc	238,917	19,113	40,635		21,522	8,722
Taps & Meters / Other Fees	493,540	39,483	50,939		11,456	15,064
Total Revenue	\$ 16,826,965	\$ 1,335,888	\$ 1,362,577	\$	\$ 26,689	\$ 202,999
EXPENDITURES						
Personnel	4,600,157	328,451	380,644		(52,193)	57,310
Supplies	982,713	36,360	46,551		(10,191)	5,316
Maintenance	1,163,809	74,833	37,667		37,166	(662)
Services	1,184,295	157,393	205,315		(47,922)	133,777
Other Expenses	386,354	11,977	20,550		(8,573)	20,445
Capital	149,980	5,999	4,321		1,678	(4,998)
Operating Transfers Out	8,360,657	1,031,684	1,031,684		-	115,085
Total Expenditures	\$ 16,826,965	\$ 1,646,697	\$ 1,726,732	\$	\$ (80,035)	\$ 326,273

Revenue:

- Water in line with budget estimates and better than last year
- Sewer slightly behind budget estimate but better than last year

Expense:

- Personnel more than budget estimate due to timing of Worker's Comp Insurance premium
- Services more than budget estimate due to timing of Liability Insurance premium
- Transfer out higher than FY2024 due to increase in sustainability transfers to CIP future projects & Asset Replacement, increase in Debt Service

# Development Services as of 10-31-2024

DEVELOPMENT SERVICES FUND - BUDGET SUMMARY OCTOBER 31, 2024						
	FY2025 Original Budget	FY2025 YTD ESTIMATE	FY2025 YTD ACTUAL	Estimated Better/Worse than Budget	FY2024 Actual	Change from FY2024
REVENUES						
Permits & Fees	756,605	63,050	104,741	41,691	44,523	60,218
Interest & Misc	1,000	83	3,203	3,120	80	3,123
Transfers-In	382,839	28,904	28,904	-	20,665	8,239
Total Revenue	\$ 1,140,444	\$ 92,038	\$ 136,848	\$ 44,810	\$ 65,268	\$ 71,580
EXPENDITURES						
Personnel	1,015,191	84,599	84,601	(2)	84,399	(202)
Supplies	11,134	928	285	643	1,555	1,270
Maintenance	39,282	3,274	-	3,274	7	7
Services	71,235	29,681	26,135	3,546	236	(25,899)
Other Expenses	3,601	300	-	300	204	204
TOTAL EXPENDITURES	\$ 1,140,442	\$ 118,782	\$ 111,021	\$ 7,761	\$ 86,401	(24,620)

Revenue:

- Better than budget estimate and better than last year

Expense:

- Services more than budget estimate due to timing of Liability Insurance premium

# OTHER

- Assets
  - New process for approval
  - All budgeted asset replacement items are on order
  - Asset team working on FY2026 budget
- Long-Range Forecasting
  - Updating 5 year forecast to reflect FY2024 actuals & economic trends
- Capital Projects are moving quickly
  - Public Safety Facility
  - Quality of Life Projects
  - Water / Sewer Projects



# Calendar

Finance Tentative Schedule of Activities	
December 9-13	Auditors onsite
December	Asset Replacement planning begins
December	Submission of final budget book to GFOA
January-February	Preliminary budget work
January-February	Completion of audit / ACFR
March 18	Tentative presentation of audit / ACFR



# QUESTIONS / FEEDBACK



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

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**CAPTION:** Update regarding City of Kerrville American Rescue Plan Act (ARPA) projects and proposed reallocation of excess funds. (*J Behrens, Director of Finance*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 12/04/2024

**SUBMITTED BY:**

JULIE BEHRENS, Director of Finance

**EXHIBITS:**

None

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

The City of Kerrville received \$5.9M in funding from the American Rescue Plan Act (ARPA) over the course of two fiscal years. This funding was allocated to multiple public safety projects to include:

- Public Safety Communication
- Matching Funds for Police Body and In-Car Camera System - Department of Justice Grant
- Police and Fire Asset Replacement (vehicles and equipment)

These projects have been successfully completed, under budget, in total. This presentation will provide details of each project, at summary level, and a request to reallocate remaining funds, in the amount of \$142,885 in the following ways:

- \$38,000 to repair the awning and roof at the Central Fire Station
- \$42,000 for Budgeting & Transparency software to include operational, personnel, capital budgeting & a digital budget book
- \$50,000 Park improvements

- \$12,885 contingency for above
- Any excess to be distributed to other general fund government services as designated by the City Manager

Staff requests Council approval to reallocate funds as described.

**RECOMMENDED ACTION:**

Approve request to reallocate ARPA funds



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

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**CAPTION:** Appoint Tax Increment Reinvestment Zone #1 Chair. (*S McElhannon, City Secretary*) *THIS ITEM ELIGIBLE FOR EXECUTIVE SESSION 551.074.*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/25/2024

**SUBMITTED BY:**

Shelley McElhannon, City Secretary

**EXHIBITS:**

None

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

Yes

**Key Priority Area:**

**SUMMARY:**

Ordinance No. 2020-04, Section Four amendment: "At the time of its appointments and at any other time, City Council shall designate the Chair and Vice Chair of the Board from among its appointments.

**RECOMMENDED ACTION:**

Appoint Chair.





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

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**CAPTION:** Appointment to the Food Service Advisory Board. (*S McElhannon, City Secretary*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/18/2024

**SUBMITTED BY:**

Shelley McElhannon, City Secretary

**EXHIBITS:**

None

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

One term expired November 30, 2024. One application has been received: Laura Ditmar (eligible for reappointment).

**RECOMMENDED ACTION:**

Appoint/re-appoint members.



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

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**CAPTION:** Appointment to the Library Advisory Board. (*S McElhannon, City Secretary*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/18/2024

**SUBMITTED BY:**

Shelley McElhannon, City Secretary

**EXHIBITS:**

None

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

Two terms expire January 31, 2025, and two vacancies have occurred. Five applications have been received: Karolyn Andrews, Barbara Jansen (eligible for reappointment), Kyle Reeves, Jeremy Sosa, Lana Tatsch (eligible for reappointment).

**RECOMMENDED ACTION:**

Appoint/re-appoint members.



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

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**CAPTION:** Appointment to the Main Street Advisory Board. (*S McElhannon, City Secretary*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/25/2024

**SUBMITTED BY:**

Shelley McElhannon, City Secretary

**EXHIBITS:**

None

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

One vacancy exists, and one application has been received: Gena Teer.

**RECOMMENDED ACTION:**

Appoint/re-appoint members.



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

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**CAPTION:** Appointment to the Planning & Zoning Commission. *(S McElhannon, City Secretary) THIS ITEM ELIGIBLE FOR EXECUTIVE SESSION 551.074.*

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/18/2024

**SUBMITTED BY:**

Shelley McElhannon, City Secretary

**EXHIBITS:**

None

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

Four terms expire January 1, 2025. Three applications have been received: David Lipscomb (eligible for reappointment), Tabor McMillan (eligible for reappointment), Michael Sigerman (eligible for reappointment).

**RECOMMENDED ACTION:**

Appoint/re-appoint members.



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

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**CAPTION:** Appointment to the Recovery Community Coalition. (*S McElhannon, City Secretary*)

**AGENDA DATE:** December 10, 2024

**DATE SUBMITTED:** 11/18/2024

**SUBMITTED BY:**

Shelley McElhannon, City Secretary

**EXHIBITS:**

None

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**Expenditure:**

**Account Number:**

**Payment to/Vendor  
name:**

**Amount Budgeted:**

**Account Balance:**

**Kerrville 2050 Item?**

No

**Key Priority Area:**

**SUMMARY:**

One term expires December 31, 2024, and one application has been received: Deanna Allen (Eligible for reappointment).

**RECOMMENDED ACTION:**

Appoint/re-appoint members.