

CITY COUNCIL MINUTES  
SPECIAL MEETING

KERRVILLE, TEXAS  
OCTOBER 4, 2012

On October 4, 2012, the Kerrville City Council meeting was called to order by Mayor Pratt at 9:03 a.m. in the city hall council chambers, 800 Junction Highway.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Gene Allen	Councilmember
Carson Conklin	Councilmember (arrived at 9:11 a.m.)
Justin MacDonald	Councilmember

COUNCILMEMBER ABSENT: None.

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Brenda G. Craig	City Secretary
Kristine Ondrias	Assistant City Manager
Charvy Tork	Director of Information Technology
Kim Meismer	Director of General Operations
Charlie Hastings	Director of Public Works
Robert Ojeda	Fire Chief

VISITORS PRESENT: List on file in city secretary's office for the required retention period.

**PRESENTATION AND DISCUSSION OF THE WASTEWATER SYSTEM**

**MASTER PLAN:**

Richard Weatherly, project manager for Freese & Nichols, presented an evaluation of the wastewater treatment plant's condition and capacity and the capital improvements plan for the wastewater collection system and plant. He estimated the city would grow approximately 2,752 over the next 20 years to a population of 25,099 in 2032. The collection system was based on five major lift stations: Birkdale, Jefferson, Legion, Quinlan, and G Street; he reviewed the flow projections and growth projections in each of the service areas and noted major projects in those areas. He noted the city of Ingram flow was served by the Jefferson lift station via the Knapp lift station.

Mr. Hastings noted that Ingram was looking for grants to get sewer to all 528 connections, which would max out the contractual wastewater capacity reserved for Ingram. He also noted that Ingram's projections and assumptions indicated a lower flow rate than Kerrville's design standards indicated.

Mr. Weatherly reviewed the wastewater collection system and treatment plant

capital improvements projects totaling \$20.2 million over the next 20 years and integrated those projects into the city's budget through 2032 based on priority.

Ms. Ondrias noted the financial parameters of the wastewater CIP assumed a bond sale of up to \$10 million in 2013, and \$1 million cash per year from utility rate revenue for water and sewer projects under the current rate structure. The project estimates were based on current dollars and some contingency funds. The proposed plan was consistent with the city's established 35% debt to operations ratio. She also noted that some debt would be paid off in 2019.

Council also discussed the following:

- May be advantageous to sell additional debt now with low interest rates and construction costs.
- Did the financing structure for the CIP consider projected growth? Mr. Parton noted a 1% annual growth factor on the wastewater system.
- The 2013 bond sale was for water projects.
- The Thompson Drive area does not have wastewater service; if it develops, a lift station would be required. Mr. Weatherly noted that two lift stations may be required further out due to elevation changes; however, timing of these stations would be driven by development, and typically the infrastructure was provided by the developer(s). Mr. Parton noted that the developer would pay for the lift station sufficient to serve their development and if the city required expansion, the city paid the cost of oversizing.
- The city of Kerrville should not fund additional infrastructure to Ingram without financial participation from the city of Ingram; the city of Kerrville should not subsidize wastewater services to the city of Ingram. Mr. Hastings noted Ingram was paying the wholesale rate.
- The purpose of providing wastewater collection and treatment services to the city of Ingram was to allow Ingram residents to discontinue the use of septic systems, thereby ensuring water quality and preserving the environment.

Mr. Parton proposed to begin discussions with the city of Ingram regarding their intent toward expansion and growth. He noted that the city of Ingram may believe that they have 15 years before they reach maximum flow in the existing sewer line; however, Kerrville city staff believed that once Ingram's proposed 528 connections were completed the line would be at maximum capacity; also, Ingram's figures did not include inflow and infiltration. Mr. Parton noted that a large subdivision outside of Ingram had also requested to tie on to the line.

The consensus of the council was to instruct staff to proceed with discussions with the city of Ingram and to place the wastewater system master plan on a future agenda for council adoption.

Ms. Ondrias noted at a future meeting staff would bring council a new contract with Freese and Nichols to prepare a water system master plan.

**ADJOURNMENT**: The meeting adjourned at 10:25 a.m.

APPROVED: \_\_\_\_\_

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Jack Pratt, Jr., Mayor

ATTEST:

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Brenda G. Craig, City Secretary