

CITY COUNCIL MINUTES  
REGULAR MEETING

KERRVILLE, TEXAS  
OCTOBER 23, 2012

On October 23, 2012, the Kerrville City Council meeting was called to order by Mayor Pratt at 6:00 p.m., in the city hall council chambers at 701 Main Street. The invocation was offered by Pastor James Wilson, of the Kerrville Christian Center Church, followed by the Pledge of Allegiance led by members of the Kerrville Fire Department.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Gene Allen	Councilmember
Carson Conklin	Councilmember
Justin MacDonald	Councilmember

COUNCILMEMBER ABSENT: None

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Brenda G. Craig	City Secretary
Charvy Tork	Director of Information Technology Systems
Mike Erwin	Director of Finance
John Young	Police Chief
Kim Meisner	Director of General Operations
Eric Maloney	EMS Coordinator
Malcolm Matthews	Parks and Recreation Director
Misty Kothe	Main Street Manager

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

1. **VISITORS/CITIZENS FORUM** No one spoke.

2. **PRESENTATIONS AND RECOGNITIONS**

2A. A proclamation declaring October 31, 2013, as Sudie Burditt Day in recognition of her service to the community as Executive Director of the Kerrville Convention and Visitors Bureau. (Mayor Pratt)  
Item was deferred to a future meeting.

3. **CONSENT AGENDA:**

Mr. Allen moved for approval of items 3A and 3B; Mr. MacDonald seconded the motion and it passed 5-0:

3A. Resolution No. 39-2012 supporting Kerr County Soil and Water Conservation District's funding application to the Texas State Soil and Water

Conservation Board for the Headwaters Upper Guadalupe River water supply enhancement project.

3B. Purchase of four (4) new vehicles for the police department at a total amount of \$123,656.00.

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

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

4A. Funding agreement between the City of Kerrville, Texas, and the City of Kerrville, Texas Economic Improvement Corporation for Schreiner Golf Course improvements in the amount of \$608,141.

Mr. Parton noted EIC approved the agreement on October 15 that would provide funding for the Schreiner Golf Course improvements project, including: parking lot reconstruction, realignment of Country Club Drive, and construction of a pavilion. It is anticipated that the improvements will increase attendance and tournaments. Engineering and design would be done in-house, and if approved by council, funds would be available mid-December.

Ms. Keeble moved to approve the funding agreement; the motion was seconded by Mr. Conklin and passed 5-0.

4B. Discuss increasing the fines for parking violations.

Mr. Parton noted previous discussion with council to increase the fine from \$5 to \$50 per violation for parking violations. The purpose of the parking limit was to encourage turnover. The increase was supported by the downtown business alliance and the main street advisory board. If passed, the parking fine would apply throughout the city.

Mr. MacDonald moved to instruct staff to prepare an ordinance to increase the fine for parking violations from \$5 to \$50 as presented; Mr. Conklin seconded the motion and it passed 5-0.

4C. Request by Kerrville Convention and Visitors Bureau, Inc. (CVB) to negotiate a new eight (8) year agreement for convention and tourism promotion services.

Mr. Parton noted the current agreement would expire September 30, 2013. CVB requested an eight year contract to expire September 30, 2021. Mr. Parton reviewed several issues of concern, e.g. reporting, performance, marketing effectiveness, sales initiatives, funding, etc. He requested authorization to negotiate a multi-year contract for council's consideration at a future meeting. He noted CVB's reasons for requesting a multi-year contract, i.e. publications give better rates for multi-year contracts, equipment maintenance and building lease were multi-year agreements.

Council discussed the following:

- Most city contracts are for three or five years.
- The funding (\$750,000) was a significant amount of tax dollars.
- Need to develop benchmarks to evaluate performance.

- Council terms are two years; concern that a multi-year agreement would be binding to future councils.
- Issues could be brought up during the annual review; may want to change reporting process.

Mr. Allen moved to authorize the city manager to negotiate a draft agreement with CVB staff; Mr. Conklin seconded the motion and it passed 5-0.

4D. Nomination of projects to the Texas Department of Transportation (TxDOT) for federal funding as part of the 2012 Transportation Enhancement Program (TEP).

Mr. Parton noted TxDOT was accepting nominations for projects; staff reviewed projects that were “project ready” and the only project that would qualify was the river trail. He stated several concerns for accepting funding through TEP:

- Project management was by TxDOT. The city would be required to relinquish its funds to TxDOT and TxDOT would charge an 11% fee to administer the project. The city would lose the ability to manage the project and hold cost down, as the state would have authority to issue change orders and exceed project cost. Mr. Parton cited Holdsworth Drive as a project managed by TxDOT, and a decade after completion TxDOT said the city owed several hundred thousand dollars due to change orders they had issued. Also, the city still had not received final accounting from TxDOT for the safe routes to schools sidewalk project.
- The project would have to meet state and federal requirements that could drive up the cost and delay the project, i.e. architectural and environmental studies.
- The project was a “reimbursable” project, that is, the city pays the cost upfront and the state would reimburse eligible expenses.
- The city’s bond covenants state specific time requirements for completion, 36 months; questioned whether the project could be completed within that time, particularly if state and federal requirements had to be met, i.e. environmental studies.
- Phase I environmental studies were not eligible reimbursement expenses; the grant could cost the city more than it would receive.
- Reporting and tracking requirements of the grant would require significant staff time to service the grant.

Mr. Hastings noted that in addition to the staff time to make application, the grant could cost the city more than the amount it would receive; the grant was only 80% reimbursable, and TxDOT would charge an 11% administrative fee to manage the contract. The city would not know for six months whether it received the grant.

Council noted the following:

- Applying for the grant would put the river trail on hold for six months, and the city may not receive the grant.
- The city and EIC were already committed to the project and time line through the bond covenants.
- The deadline for submission was November 16 and no other projects were “project ready.”

The following person spoke:

1. Carolyn Lipscomb suggested the city consider submitting a project that would fund the construction of sidewalks on Harper Road from Holdsworth Drive to Jackson Road to connect with existing sidewalks.

Mr. Parton noted there would be calls for projects in the future and staff would request that the city be allowed to manage the project, which TxDOT may approve on a case by case basis.

No action was taken by the council.

## **5. INFORMATION AND DISCUSSION**

### **5A. Kerrville Triathlon Festival post-event review.**

Ms. Kothe reported the event held September 29-30 had 1,307 participants with 91% of the athletes from outside of Kerr and Gillespie counties. Over 350 volunteers assisted in the event, 28 vendors participated, and the economic benefit to the community was estimated at \$750,000-\$1 million. The next Triathlon was scheduled for September 27-29, 2013.

Council also discussed the following:

- Better working relationship and coordination with the downtown business owners this year.
- Better communication and advertising with the community this year.
- One complaint was received from a citizen who had to wait for athletes to pass at an intersection; however, council felt the economic impact outweighed such small inconveniences.

### **5B. Playhouse 2000 (P2K) third quarter financial report.**

Ms. Keeble reported revenue of \$120,700 for the third quarter, including ticket sales and foundation grants; and expenses of \$109,400. P2K was excited about making a profit and was developing a new marketing strategy for continued economic success. She reviewed upcoming events.

### **5C. Report on Kerr Economic Development Corporation activities.**

Mr. Conklin reported that KEDC was involved in the following:

- Possibility of developing a wine trail.
- Fox Tank was nearing completion of the construction of the new building; currently operating in the building to the east; had fulfilled employment objectives; looking at possibility of constructing another building on the same site for further expansion.
- Shifting budget priorities from marketing and advertising to focusing more on direct contact with prospects.

5D. Budget and economic update. Mr. Erwin noted the unemployment rate dropped in August; however the number of employed persons also dropped. Sales tax continue to improve; retail sales per capita for Kerr County in 2011 was

\$10,266; in 2010 it was \$11,132; despite the drop in spending per capita, sales tax continued to increase; he attributed the increase to new business development and sales, e.g. Fox Tank and James Avery Craftsman. Staff was closing out the fiscal year and auditors would begin the audit soon.

5E. River trail and Louise Hays Park project update.

Mr. Matthews noted that construction for Phase A was 80% complete; he anticipated dedication before Thanksgiving or in mid-December. The next phase of the project would be to coordinate the utility construction project through Louise Hays Park (LHP). Easement documents for about 15 properties had been provided to the affected property owners. Leadership Kerr County selected river trail landscaping for their project.

Ms. Ondrias noted the utility construction project would be bid in November, and she anticipated bid award would be in January. Council agreed to a special meeting in December if needed in order for the project to proceed timely.

Mr. Matthews noted the utility construction project and river trail would make LHP inaccessible for about 18 months. Staff was working with the public to find other locations for events that were generally held in LHP. The July 4 event will not be held in LHP in 2013; however, there is a possibility that the fireworks display only could be set off in an isolated area of LHP, but not to open the park to traffic.

Council discussed the possibility of opening Kerrville Schreiner Park free to the public while LHP was closed. Staff will look at this possibility, and some events will be moved to KSP.

**6. ITEMS FOR FUTURE AGENDAS**

- Reschedule proclamation for Sudie Burditt Day (Item 2A)
- Discuss setting policies for time management, i.e. require support of two councilmembers to place an item on the agenda or request staff to spend time on a matter that had not been approved by city council; concern that projects on council's priority list were being delayed in order for staff to work on other projects. Mr. Hayes noted this could be addressed in the council's procedural rules.

**7. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

- Kerrville Public Utility Board awarded a \$1,500 grant to the Doyle Community Center.

**9. EXECUTIVE SESSION:**

Mr. Conklin moved for the city council to go into executive closed session under Section 551.074 of the Texas Government Code; the motion was seconded by Ms. Keeble and passed 5-0 to discuss the following matters:

Section 551.074:

- Annual review of city attorney.
- Annual review of city manager.

At 7:19 p.m. the regular meeting recessed and council went into executive closed session at 7:21 p.m. At 9:47 the executive closed session recessed and council returned to open session at 9:47 p.m. The mayor announced that no action had been taken in executive session.

**9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION**

Mr. Conklin moved to direct staff to amend the city manager's employment agreement Section 3A to reflect 12 months instead of 90 days, and Section 9 to reflect this year's approved budget. Mr. Allen seconded the motion and it passed 5-0.

**ADJOURNMENT.** The meeting adjourned at 9:48 p.m.

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

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Jack Pratt, Jr., Mayor

ATTEST:

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Brenda G. Craig, City Secretary