

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
MAY 28, 2013

On May 28, 2013, the Kerrville City Council meeting was called to order at 6:00 p.m. by Mayor Pratt in the city hall council chambers at 701 Main Street. The invocation was offered by John Wheat, Pastor for Trinity Baptist Church, followed by the Pledge of Allegiance led by Jenna Jones, Cadet Tech Sergeant, Tivy High School Junior Reserve Officers Training Corps.

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
Sandra Yarbrough	Director of Finance
Robert Ojeda	Fire Chief
Jason Lutz	City Planner
Kim Meismer	Director of General Operations
Ashlea Boyle	Special Projects Coordinator

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

1. VISITORS/CITIZENS FORUM No one spoke.

2. CONSENT AGENDA:

Mr. Allen moved for approval of items 2A through 2D; Mr. MacDonald seconded the motion and it passed 5-0:

2A. Minutes of the regular Kerrville City Council meeting held May 14, 2013, and the special meeting held May 21, 2013.

2B. Consulting Agreement by and between Gallagher Benefit Services, Inc., a Delaware Corporation, and City of Kerrville for employee benefit services for the period June 1, 2013, through May 31, 2014.

2C. Construction contract with S.J. Louis Construction of Texas Ltd. for construction of the G Street interceptor project in the amount of \$1,659,808.62, and authority to approve additional change orders, if any, any one of which may exceed \$50,000 but the total amount for such may not exceed the budgeted amount of \$1,908,780.62.

2D. A Resolution No. 18-2013 amending the city's policies and procedures regarding the allocation of hotel occupancy tax revenues. (staff)

END OF CONSENT AGENDA

3. PUBLIC HEARING:

3A. Annexation and zoning of 0.91 acre tract of land addressed as 2262 Bandera Highway.

Mr. Lutz noted this was the first of two public hearings for annexation of a 0.91 acre tract at Bandera Highway and Loop 534. The planning and zoning commission recommended annexation and S-36 commercial zoning district, which would accommodate restaurant and retail uses as planned by the owner.

Mayor Pratt opened the public hearing at 6:06 p.m.; the following persons spoke:

1. MichelleENZler, representing the adjacent property owner, Suzanne Hollimon, stated that the subject property was appraised at \$235,000; however, Ms. Hollimon had discounted the property by \$90,000 for the 30 foot access easement when she sold the property to Mr. Howard. The purpose of the easement was to provide access to the 27 acres behind the subject property; without access to the highway, the value of that property would decrease. Mr. Howard was now asking the city to remove the easement on the west side and put it on the cemetery side. She noted there was a utility easement through the cemetery, and she felt that a right of way easement did not belong in a cemetery. She understood from others that Mr. Howard could not simply remove the access easement from the property; further, Mr. Howard could not have control of that road.

2. Barry Knox supported the annexation; however, he noted adjacent property to the east of the subject property had an historic cemetery. The 30 foot access easement was to allow access from the highway to the 27 acres located behind the subject property; if the easement is removed by Mr. Howard, there would not be any access to the highway. He noted there was a road into the cemetery property, but it did not have access to the highway and it was not an access easement. Ms. Hollimon had paid \$90,000 to maintain the access easement.

Mayor Pratt closed the public hearing at 6:09 p.m.

Mr. Hayes noted the only issue before council at this time was to hold the public hearing; no action was required. Staff would look at the deeds and easements, and those issues would be addressed during the platting process.

Mr. Lutz noted there was a 30 foot easement along and parallel to the subject tract, but it was unclear which tract the easement was on. A replat could not be approved until after all subdivision requirements had been met, including access. The applicant had withdrawn his replat application at this time to work on issues, but he would probably resubmit it in July, but that would be after the annexation.

Council noted there were specific state laws that addressed ingress and egress to cemeteries.

4. PUBLIC HEARING AND ORDINANCES FIRST READING:

4A. Ordinance No. 2013-07, amending Ordinance No. 2011-08, which annexed property into the city and created a "Planned Development District" on the approximate 43.72 acre tract of land, being all of a revision of Hartshorn Country Sites, a subdivision of record found at Volume 7, Page 148, Plat Records of Kerr County, Texas, and all of the James Avery Craftsman Subdivision, a subdivision of record found at Volume 7, Page 149, Plat Records of Kerr County, Texas, and those portions of Avery Road North and Lessie Lane, public roads located within and between the two subdivisions, said property generally located at and east of the intersection of Harper Road (FM783) and Avery Road North; said amendment removing the requirement for the construction of public sidewalks. Mayor Pratt read the ordinance by title.

Mr. Lutz noted the city ordinances required sidewalks to be constructed in right of ways. The sidewalk master plan only required construction of sidewalks along dedicated right of ways; Avery Road and Lessie Lane were not dedicated right of ways, thus, sidewalks would only be required along Harper Road. The subject property was outside the city when the sidewalk master plan was created and the subject area was not addressed. Staff stated that a goal of the sidewalk master plan, i.e. to provide access for pedestrians, would not apply to this area; also, pedestrian safety along I-10 and Harper Road was a concern. Under the city ordinance, the subject property qualified for an exemption; however, the applicant requested the waiver be an amendment to the PDD. All responses received from neighboring landowners were in support of the waiver. The planning and zoning commission recommended approval of the amendment.

Mayor Pratt opened the public hearing at 6:15 p.m., and the following person spoke:

1. Howell Ridout, representing James Avery Craftsman, noted there was no pedestrian traffic to JAC as all visitors arrived by vehicles. The campus was rural and there were extensive pathways throughout the campus. The only comments received from neighbors were in support of the waiver. JAC was in the process of building a new retail store and visitors' center to attract visitors to the campus.

Mayor Pratt closed the public hearing at 6:20 p.m.

Mr. Conklin moved for approval of Ordinance No. 2013-07 on first reading; Mr. MacDonald seconded the motion and it passed 5-0.

5. ORDINANCES SECOND AND FINAL READING:

5A. Ordinance No. 2013-09 amending the City's "Zoning Code" by changing the zoning district of an approximate 31.40 acre tract of land generally located along and north of the 2100 block of E. Main Street from the "RC" residential cluster district to the "PI" public and institutional district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or

fine of two thousand dollars (\$2,000.00); ordering publication, and providing other matters relating to the subject. Mayor Pratt read the ordinance by title.

Mr. Lutz noted that no changes had been made since first reading on May 14.

Ms. Keeble moved for approval of Ordinance No. 2013-09 on second and final reading; Mr. Allen seconded the motion and it passed 5-0.

5B. Ordinance No. 2013-10 amending Chapter 6 “Advertising”, Article II “Signs” of the city’s Code of Ordinances to revise various definitions and revise the regulations for several types of signs; containing a savings and severability clause; providing for penalties not to exceed \$2,000.00; ordering publication; providing an effective date; and providing other matters related to the subject. Mayor Pratt read the ordinance by title.

Mr. Parton noted no changes had been made since approval on first reading on May 14, and staff recommended approval.

The following person spoke:

1. Ruth Spradling asked if anyone had spoken in opposition to the amendments at the May 14 meeting. She noted that persons who worked on the sign ordinance committee had spoken strongly in opposition to the changes.

Council noted that no one spoke against the ordinance on first reading on May 14.

Mr. Conklin moved for approval of Ordinance No. 2013-10 on second and final reading; Mr. MacDonald seconded the motion and it passed 5-0.

5C. Ordinance No. 2013-11 approving and adopting rate schedule “RRM – Rate Review Mechanism” for Atmos Energy Corporation, Mid-Tex Division to be in force in the city for a period of time as specified in the rate schedule; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; and requiring delivery of this ordinance to the company and ACSC legal counsel. Mayor Pratt read the ordinance by title.

Mr. Hayes noted the ordinance would adopt a rate review mechanism which deviated from the process specified in state law; however, it was a simpler process that had been negotiated by both sides, and he recommended approval. He anticipated that Atmos may submit a rate increase in July under this RRM.

Mr. MacDonald moved for approval of Ordinance No. 2013-11 on second and final reading; Mr. Conklin seconded the motion and it passed 5-0.

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Kerrville-Kerr County Joint Airport Board budget for Fiscal Year 2014. Stephen King, President of the Airport Board, noted the proposed FY14 budget

had been reduced by \$20,000 from 2013, \$10,000 each for the city and county. The total contribution in the proposed budget was \$80,412 each for the city and county, and it was a balanced budget. He stated that the T-hangar project was waiting for TxDOT funding, and following construction of the T-hangars, he anticipated significant increase in revenue, reducing the city's and county's contribution to the airport budget.

Mr. Allen moved to approve the airport board budget for FY2014 as presented; Mr. MacDonald seconded the motion and it passed 5-0.

6B. Economic development grant agreement between Kerrville's 4th On the River and the City of Kerrville, Texas Economic Improvement Corporation.

Ms. Boyle noted that EIC approved an agreement on May 20 to reimburse event organizers for rental of certain equipment needed for the Kerrville's 4th On the River event, not to exceed \$25,000.

Ms. Keeble moved to approve the agreement as presented; Mr. Allen seconded the motion and it passed 5-0.

6C. Economic development grant agreement between Kerrville Area Chamber of Commerce and the City of Kerrville, Texas Economic Improvement Corporation.

Ms. Boyle noted that EIC approved an agreement on May 20 to reimburse the chamber of commerce for rental of grandstands for spectators at the Kerrfest event held on May 16-19, 2013, not to exceed \$10,500. She noted that attendance to the event was estimated at 3,300.

Council questioned if the stands provided by the city were sufficient to meet the chamber's needs as there was concern about box seats not being provided. Kristan Weaver, representing the chamber, said the stands were sufficient, but they requested that box seats also be provided in the future.

Council also questioned if there was a deadline for the chamber to submit their request for reimbursement. Mr. Parton noted this reimbursement was for the 2013 Kerrfest and there would not be a timing issue.

Mr. MacDonald moved to approve the agreement as presented; Mr. Conklin seconded the motion and it passed 5-0.

6D. Economic development grant agreement between Texas Folk Music Foundation dba Kerrville Folk Festival and the City of Kerrville, Texas Economic Improvement Corporation.

Ms. Boyle noted EIC approved an agreement on May 20 to reimburse the Texas Folk Music Foundation for rental of chartered buses to transport people to and from three events being held Memorial Day weekend, i.e. Kerrville Folk Festival, Texas Arts and Crafts Fair, Kerr Market Days, and the downtown area, in an amount not to exceed \$8,500.

Council and staff noted the transportation services did not appear to be very well used, attributed mainly to weather conditions and first year issues. The city would evaluate whether to support transportation services in the future.

Mr. Conklin moved to approve the agreement as presented; Ms. Keeble seconded the motion and it passed 5-0.

6E. Economic development grant agreement between Texas Hill Country Wine and Brew Festival and the City of Kerrville, Texas Economic Improvement Corporation.

Ms. Boyle noted EIC approved an agreement on May 20 to reimburse Comanche Trace for rental of equipment needed for the Texas Hill Country Wine and Brew Festival to be held at Comanche Trace on July 6, not to exceed \$20,432.

Ms. Keeble moved to approve the agreement as presented; Mr. MacDonald seconded the motion and it passed 5-0.

6F. Application for 4B sales tax funding for improvements to the Cailloux Theater in an amount not to exceed \$200,652.

Ms. Boyle noted that on May 20 EIC moved to support two applications for facility improvements and equipment upgrades to the city-owned Cailloux Theater:

1. Playhouse 2000 for roof upgrades and improvements to the "VK Garage" area of the theater, including modular seating.
2. City of Kerrville for upgrades to the interior and exterior lighting with energy efficient lighting throughout the facility, estimated at \$121,000 interior and \$79,652 exterior. Staff noted that some of the interior lighting was not upgraded in the Playhouse 2000 renovation and was the original lighting installed in 1959. Mr. Parton noted he also had conversations with KPUB's general manager and the city may be eligible for energy efficiency grants that will cover some of the cost of the lighting, and a decision by KPUB on the grant would be known before final approval of grant submission is considered by city council.

Mr. MacDonald moved to authorize staff to make application to the economic improvement corporation to fund upgrades to the interior and exterior lighting at the Cailloux Theater in the amount not to exceed \$200,652; Mr. Allen seconded the motion and it passed 5-0.

6G. Appointment of Mayor Pro Tem.

Mr. Allen moved to appoint Carson Conklin as mayor pro tem; Mr. MacDonald seconded the motion and it passed 5-0.

7. INFORMATION AND DISCUSSION

7A. Update on activities of the Kerrville Economic Development Corporation.

Mr. Conklin reported on the following:

- Manufacturing prospect visited May 22, potential to create 40 new jobs within 3 years; possibility of bringing an existing facility up to standards if annexed into the city.
- Trucking prospect consolidation of operations could result in up to 9 jobs.
- Contacted by a water park developer.
- Guidelines drafted and presented to KEDC, EIC and city staff for comments.
- Wine corridor moving forward; presentation to KEDC; meeting with strategic planning committee.
- Working to design business retention and expansion plan with chamber of commerce.

7B. Economic update.

Ms. Yarbrough reported sales tax continued to increase 10.3% locally, 6.27% statewide over last year; increase of 10.87% in median housing listing over last year; the local unemployment rate was lower than the state and national rate; and general fund and water and sewer fund revenues exceeded expenditures.

7C. Pending legislation from the 83rd Texas Legislature, regular session.

Mr. Parton reviewed bills that the city had been following and noted that the following bills, which the city supported, passed and were waiting for signature: HB 2414, SB 1297, SB 985, SB 567. The following bills, which the city had either opposed or were on the watch list, also passed: SB 656, HB 1724, HB 1973, HB 693. Other bills had not made it out of committee and the session was closed.

8. BOARD APPOINTMENTS:

8A. Appointments to the Beautification Advisory Committee.

Mr. Conklin moved to appoint two additional members to create a five-member committee: John Risher with term to expire December 11, 2013, and Jimmie Spradling with term to expire December 11, 2014; Ms. Keeble seconded the motion and it passed 5-0.

8B. Appointments to the Economic Improvement Corporation.

Ms. Keeble moved to reappoint Gary Cochrane, Kenneth Early, and Larry Howard, all with terms to expire June 1, 2015; Mr. MacDonald seconded the motion and it passed 5-0.

8C. Appointment of councilmembers to various City boards and commissions.
Deferred to executive session.

9. **ITEMS FOR FUTURE AGENDAS:** None.

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Memorial Day celebration was held May 27.
- Shakespeare in the Park in Louise Hays Park, 8:00 p.m., May 31 and June 1.

11. 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 Mr. MacDonald and passed 5-0 to discuss the following matters:

Sections 551.071 and 551.072:

- River Trail.

Section 551.074:

- Appointment of councilmembers to various boards and commissions.

At 7:02 p.m. the regular meeting recessed and council went into executive closed session at 7:04 p.m. At 7:30 p.m. the executive closed session recessed and council returned to open session at 7:31 p.m. The mayor announced that no action had been taken in executive session.

12. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:

8C. Appointment of councilmembers to various City boards and commissions.

Ms. Keeble moved to appoint the following councilmembers to serve on city board and commissions; Mr. Conklin seconded the motion and it passed 5-0:

CITY BOARD	EXISTING COUNCIL REPRESENTATIVE	PROPOSED COUNCIL REPRESENTATIVE
Audit Committee	Gene Allen Justin MacDonald	Gene Allen Justin MacDonald
Beautification Advisory Committee	Jack Pratt	Jack Pratt
Economic Improvement Corporation	Stacie Keeble	Stacie Keeble
Food Service Advisory Board	Stacie Keeble	Stacie Keeble
Golf Course Advisory Board	Carson Conklin	Carson Conklin
Kerrville Economic Development Corporation	Carson Conklin	Carson Conklin
Kerrville Public Utility Board	Jack Pratt	Jack Pratt
Library Advisory Board	Justin MacDonald	Justin MacDonald
Main Street Advisory Board	Gene Allen	Gene Allen
Municipal Court Review Committee	Jack Pratt Stacie Keeble	Jack Pratt Stacie Keeble
Parks and Recreation Advisory Board	Gene Allen	Gene Allen
Planning and Zoning Commission	Justin MacDonald	Justin MacDonald
Playhouse 2000	Stacie Keeble	Stacie Keeble
Zoning Ordinance Input Committee (ZOIC)	Carson Conklin Justin MacDonald	Carson Conklin Justin MacDonald

ADJOURNMENT. The meeting adjourned at 7:32 p.m.

APPROVED: _____

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary