

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
JULY 9, 2013

On July 9, 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 Ms. Karen Quanstrom, Executive Director of Kerr County Habitat for Humanity, followed by the Pledge of Allegiance led by Byron Warren, with the Military Order of the Purple Heart.

COUNCILMEMBERS PRESENT:

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

COUNCILMEMBER ABSENT:

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Robert Ojeda	Fire Chief

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

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

2. **ORDINANCES, FIRST READING:**

2A. Ordinance No. 2013-08 annexing an approximately 0.91 acre tract out of original Survey No. 148, John A. Southmayde, Abstract No. 288, part of the Clergy Hollimon tract, within Kerr County, Texas; said property being located adjacent to the corporate limits of the City of Kerrville, Texas, and with the address of 2262 Bandera Highway; describing the territory to be annexed; adopting a service plan for the territory annexed; and establishing the zoning for the area annexed. Mayor Pratt read the ordinance by title.

Ms. Ondrias noted this was the first reading for a voluntary annexation at 2262 Bandera Highway. Public hearings were held by city council on May 28 and June 11. Council discussed traffic issues at this location.

Mr. MacDonald moved for approval of Ordinance No. 2013-08 on first reading; Mr. Allen seconded the motion and it passed 5-0.

2B. Ordinance No. 2013-14 amending Chapter 42 “Emergency Services” of the Code of Ordinances of the City of Kerrville, Texas, by amending Article III, “Emergency Medical Services” in its entirety to provide for the continued maintenance, operation, licensing, and regulation of such services; providing a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters relating to the subject. Mayor Pratt read the ordinance by title.

Staff requested the item be tabled.

3. CONSIDERATION AND POSSIBLE ACTION:

3A. Citizen request for soccer league practice field. (Elias Gomez)

Mr. Gomez was not in attendance.

3B. Ethics policy.

Mr. Hayes noted that council directed him to prepare an ethics policy for councilmembers; he provided samples from several cities and requested direction from council as to what they would like to have in an ethics policy.

Council discussed the following points:

- Did not want the policy to create additional committee or ethics advisors as mentioned in some samples; no additional expenses for the city.
- Secretary of State’s Office had ethics guidelines that could be used to create the city’s policy.
- Conflicts of interest should be addressed in the policy; sometimes a councilmember did not have a technical conflict under state law because they had no financial interest, but felt that a conflict existed, for example, serving on a board that had an issue before the city.
- Policy should not be burdensome; not create additional bureaucracy.
- Transparency; council should keep matters in open session and not go into executive session unless necessary.
- Council should provide a positive workplace environment and refrain from creating the perception of inappropriate direction to staff.
- Fiduciary responsibility; councilmembers should not use their office to benefit themselves.
- Intimidation; people should feel welcome at city hall.
- Councilmembers should not have the appearance of representing the city without first having the support of the council; if not, they should make it abundantly clear that they were speaking only as an individual citizen and were not representing the city.

Mr. Hayes will prepare a draft ethics policy for the next meeting.

4. INFORMATION AND DISCUSSION:

4A. Update on the Fiscal Year 2014 budget.

Mr. Parton discussed the assumptions on which the budget was being prepared:

General Fund:

- Fiscal sustainability (5 year fiscal forecast; adequate reserve funds)
- Maintain property tax rate at \$0.5625/\$100 valuation
- Maintain water and wastewater utility rates at current levels
- Sustain existing programs and services
- Implement salary adjustments in accordance with the compensation study.
- Anticipated possible termination of interlocal agreements with the county for EMS and firefighting services in FY2015; would require spending \$390,000 from reserve in FY2015 and spending \$142,300 in FY2016, and reduce spending by \$370,000 in FY2015; balanced budget by 2017. In addition, city would no longer serve as county emergency management coordinator and would no longer manage the county first responder program.
- Included replacement of aerial platform ladder truck over a 7 year bank loan
- Incorporated salary adjustments in accordance with the compensation study and personnel related expenses
- Revenue projections were conservative
- Cost projections allowed growth in recurring operational expenditures
- Capacity for new tax supported debt by FY2019.

Utility Fund:

- Maintained current utility rates
- Budget based on Stage 1 water restrictions
- Moderate increase in revenues through growth
- Maintained net retained earnings levels; will not drop below 25% reserve; above 25% to be budgeted for pay-as-you-go capital projects
- Maintained one-year bond payment reserve

Provided up to \$13 million in pay-as-you-go through FY2019 for capital projects: (\$1.0 million budgeted annually; \$2.75 million budgeted in FY2016; and \$3.0 million budgeted in FY2019). The utility master plan should be completed in the next few months and the city can begin to schedule capital projects.

- Incorporated salary adjustments in accordance with the compensation study and personnel related expenses.

Mr. Parton reviewed highlights of items included in the FY2014 budget and capital improvement plan and requested direction. The proposed FY2014 budget had to be filed in the City Secretary's Office by July 31. Budget workshops were scheduled for July 17, 9 a.m., and July 19, 8 a.m., if needed.

Mr. Parton noted that two-thirds of the general fund revenue, approximately, \$8.2-8.3 million, was generated from property tax; sales tax generated about \$5.5 million. He reviewed trends for several types of revenue growth.

Council commended staff for preparing a budget that anticipated the possible termination of contracts with the county for EMS and fire services; noting

however, that the city desired to continue to provide these services to residents of Kerr County at a fee that covered costs; it was the county that was proceeding to terminate services, and the city was preparing the FY2014 and future budgets in that direction. The consensus of council was to proceed as presented.

5. BOARD APPOINTMENTS:

5A. Appointments to the planning and zoning commission. Mr. Conklin moved to appoint Robert Waller to an alternate member position with term to expire January 1, 2015; Mr. MacDonald seconded the motion and it passed 5-0.

5B. Appointments to the golf course advisory board. Mr. Conklin moved to appoint Gregory Maxwell and Jeffrey Mitchel, both with terms to expire July 1, 2013; Ms. Keeble seconded the motion and it passed 5-0.

6. ITEMS FOR FUTURE AGENDAS

Mr. MacDonald asked if an item should be on the next agenda to authorize him to speak in Austin stating the city's support of the Freedom's Path veterans housing project at the Kerrville VA. Council consensus was that this was not necessary because council previously adopted a resolution supporting the project.

7. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- July 10, citizens were encouraged to line up around the 700 block of Main/Earl Garrett/Water Street starting at 6:00 to welcome the families of several Wounded Warriors who were visiting Kerrville.
- Kerrville's 4th on the River event was successful; thanks to event organizers, volunteers, and sponsors, especially Hagi and Mamacita's for sponsoring the fireworks.
- The Wine and Brew Festival held July 6 at Comanche Trace was also a successful event.
- Mr. Parton noted a collection service had been hired to collect late fines and fees, now totaling \$25,000, for the library. The initial courtesy notices were sent to 87 customers, totaling \$12,000.

8. EXECUTIVE SESSION:

Mr. Conklin moved for the city council to go into executive closed session under Sections 551.071 and 551.072 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:

- Former city hall building at 800 Junction Highway
- Jefferson lift station
- River Trail.

At 7:09 p.m. the regular meeting recessed and council went into executive closed session at 7:11p.m. At 7:16 p.m. the executive closed session recessed and council returned to open session at 7:17 p.m. The mayor announced that no action had been taken in executive session.

9. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:** None.

ADJOURNMENT. The meeting adjourned at 7:17 p.m.

APPROVED: _____

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary