

CITY COUNCIL MINUTES  
REGULAR MEETING

KERRVILLE, TEXAS  
MARCH 11, 2014

On March 11, 2014, 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 Reverend Patty Edwards, Minister of Unity Church of the Hill Country, followed by the Pledge of Allegiance led by Captain Paul Hill of the Tivy High School Air Force Junior Reserve Officer Training Corps.

COUNCILMEMBERS PRESENT:

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

COUNCILMEMBER ABSENT:

Gene Allen	Councilmember
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CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Deputy City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Ashlea Boyle	Special Projects Manager
Jason Lutz	City Planner
Stuart Barron	Director of Public Works

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

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

2. **PRESENTATIONS:**

2A. Certificate of Recognition to Heather Stebbins for serving seven years as Assistant City Attorney.

2B. Resolution of Commendation to Scott Rain for serving on the Main Street Advisory Board.

2C. Resolution of Commendation to Caroline Wilson for serving on the Main Street Advisory Board.

3. **CONSENT AGENDA:**

Mr. Conklin moved to approve consent agenda items 3A, 3B, and 3C; Ms. Keeble seconded the motion, and it passed 4-0:

3A. Minutes of the city council regular meeting held February 25, 2014, and the special joint city/county meeting held March 3, 2014.

3B. Purchase of a valve-vacuum trailer in the amount of \$59,146.00.

3C. Resolution No. 04-2014 authorizing the abandonment and release of a water and sanitary sewer easement generally located on an undeveloped tract generally located in the 1400 block of Bandera Highway (State Highway 173); and ordering recording. Resolution 04-2014.

**END OF CONSENT AGENDA**

**4. CONSIDERATION AND POSSIBLE ACTION:**

**4A. Presentation and approval of the fiscal year 2013 City of Kerrville Comprehensive Annual Financial Report (CAFR).**

Kevin Kemp, with BKD, LLP, presented the FY13 CAFR and noted the city had received the Government Finance Officers Association award for 29 consecutive years, and he believed the city would receive it for FY13. BKD issued a clean, unmodified opinion and stated that financial statements were presented in accordance with generally accepted accounting principles. He compared the FY12 to the FY13 audit and noted additions to major capital assets increased the city's net position by \$6.2 million or 5.2%. The unassigned fund balance was almost \$6.3 million which represented 30% of expenditures, exceeding the city's goal of 25%. The overall debt increased \$7.5 million, partly due to the \$10 million debt issued in the utility fund. Regarding the pension fund, he noted a change in accounting standards that would affect all cities beginning in 2015 whereby unfunded actuarial accrued liability would have to be reported as a liability. The city's unfunded pension fund liability was \$1.5 million, and the city already contributed at the TMRS required contribution rate and will have many years to fund the unfunded liability, so he did not expect the rule change to be a significant issue. He did not find any material weaknesses or significant deficiencies in any internal control, and a few things noted were already being implemented by staff.

Mr. MacDonald moved to accept the audit as presented; Mr. Conklin seconded the motion and it passed 4-0.

**4B. Economic development grant agreement between Kerrville Area Chamber of Commerce, Inc. (Kerrfest) and the City of Kerrville, Texas Economic Improvement Corporation (EIC), in an amount not to exceed \$25,000.00.**

Ms. Boyle reported that on February 24 EIC held a public hearing and approved the grant agreement for rental of grandstands for the 2014 Kerrfest event to be held May 15-18. Kerrfest attendance in 2013 was 3,300.

Council noted that EIC had budgeted \$100,000 for all events and Items 4B-4H totaled \$118,000 and questioned why EIC had approved funding events over their budget. Ms. Boyle noted that EIC considered the funding for each event vital. Ms. Keeble noted EIC planned to re-evaluate the program and try to keep financial contributions to \$100,000 in future years.

Ms. Keeble moved for approval of the agreement as presented; Mr. Conklin seconded the motion and it passed 4-0.

**4C. Economic development grant agreement between Kerrville Festival of the**

Arts, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (EIC), in an amount not to exceed \$20,000.00.

Ms. Boyle noted that on November 12, 2013, staff received authorization from city council to submit a funding application to EIC in the amount of \$20,000 for rental of amenities such as tents, canopies, tables, chairs, port-a-potties, golf carts, etc. The City, along with the Historic Downtown Business Alliance and the Kerr County Market Association, were planning a Kerrville Festival of the Arts event to be held downtown on May 24-25, Memorial Day weekend. EIC held a public hearing and approved the agreement on February 24.

Mr. MacDonald moved for approval of the agreement; Mr. Conklin seconded the motion and it passed 4-0.

4D. Economic development grant agreement between Kerrville Folk Festival, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (EIC), in an amount not to exceed \$7,800.00.

Ms. Boyle reported that on February 24 EIC held a public hearing and approved the grant agreement for rental of three buses to provide transportation to various events, hotels, and other locations on Memorial Day weekend.

Council noted the transportation was very under utilized in 2013, and if that trend continued, council should reconsider funding transportation.

Mr. Conklin moved for approval of the agreement as presented; Ms. Keeble seconded the motion and it passed 4-0.

4E. Economic development grant agreement between Texas Hill Country Wine & Brew Festival, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (EIC), in an amount not to exceed \$18,643.00.

Ms. Boyle reported that on February 24 EIC held a public hearing and approved the grant agreement for rental of items for the Texas Hill Country Wine and Brew Festival to be held Memorial Day weekend. She noted 1,200 participants in 2013.

Mr. Conklin moved for approval of the agreement; Mr. MacDonald seconded the motion and it passed 4-0.

4F. Economic development grant agreement between Kerrville's Fourth on the River, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (EIC), in an amount not to exceed \$23,100.00.

Ms. Boyle reported that on February 24 EIC held a public hearing and approved the grant agreement for rental of equipment and amenities for the Fourth on the River event to be held on July 4 in Lehmann-Monroe Park. She noted that 5,000 people attended the event in 2013 and there had been no admission fee.

Mr. MacDonald moved for approval of the agreement; Ms. Keeble seconded the motion and it passed 4-0.

4G. Economic development grant agreement between Historic Downtown Business Alliance, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (EIC), in an amount not to exceed \$5,016.00.

Ms. Boyle reported that on February 24 EIC held a public hearing and approved the grant agreement with Historic Downtown Business Alliance for the Sock Hop on the Star event to be held on September 27; 450 people attended in 2013.

Mr. Conklin moved for approval of the agreement as presented; Mr. MacDonald seconded the motion and it passed 4-0.

4H. Economic development grant agreement between High Five Events, LLC and the City of Kerrville, Texas Economic Improvement Corporation (EIC), in an amount not to exceed \$18,600.00.

Ms. Boyle reported that on February 24 EIC held a public hearing and approved the grant agreement with High Five Events for the Kerrville Triathlon Festival to be held the last weekend of September; 1,300 people attended the 2013 event.

Mr. MacDonald moved for approval of the agreement as presented; Mr. Conklin seconded the motion and it passed 4-0.

4I. Proposed street improvement and rehabilitation list for fiscal year 2014.

Mr. Barron reviewed the list of streets targeted for rehabilitation in FY14 as based on the city's pavement management system. The overall length of rehabilitation was estimated at 4.5 miles; depending on the bids, staff may be able to increase this number. The city would also be paving areas in Louise Hays Park.

Council noted that some streets did not have curb and gutter and encouraged staff to keep curb and gutter in the budget. Mr. Barron noted \$20,000 was budgeted for curb and gutter in the Barnett Street area.

Mr. Barron noted a 30% increase in base materiel last year, and he did not expect a large increase this year. Transportation to bring the asphalt from the plant to Kerrville was included in bids. He estimated the life expectancy of street base to be 30 years.

The following person spoke:

- Jimmie Spradling said he could show staff where streets that had been done a few years ago needed to be redone; streets do not last 30 years. Mr. Barron agreed there were failing streets throughout the city; however, streets with a good base could be repaved.

Council noted the quality of the foundation and base affect the final product.

Mr. MacDonald moved for approval of the list with the alternates as presented; Mr. Conklin seconded the motion and it passed 4-0.

## **5. INFORMATION AND DISCUSSION:**

5A. Presentation on the Neighborhood Improvement Program (NIP) scheduled for March 29, 2014.

Ms. Ondrias noted the city was partnering with Partners In Ministry (PIM), Schreiner University (SU), and several churches for a neighborhood clean-up program on March 29, 8:30-2:00 in the Loop 534/Meadowview area. Staff would notify property owners in that neighborhood that the program would be available. Volunteers would bring items to the curb, and staff would pick up debris and haul it off. PIM also identified 25 homes in the area and would be making minor home improvements. If people wanted to volunteer, they should contact PIM. The city street rehabilitation program (Item 4I) would begin on several of the streets in this area after the cleanup. City code compliance would follow up to keep the neighborhood clean in the future.

Council noted that hazardous waste materials were not part of this project, and people should not put such items on the curb. Ms. Ondrias noted that the city would have a hazardous waste day soon at the recycling center.

Council asked if the property at the intersection of Lemos and Water streets could be included in this cleanup. Ms. Ondrias noted it was not part of the targeted area, but it may be included in a future project.

5B. Update on T-hangar construction project at the airport.

Bruce McKenzie, airport manager, reported he would submit construction plans to the city by the end of the week for constructing a new 12 T-hangar facility. County crews moved 5,000 cubic yards of material, and the city street crews would do the paving after construction was complete. Construction would begin next month and completion was anticipated by July 1. Hangars ranged from 1,100-1,400 sq. ft. and prices from \$325 to \$350. The project was 90% funded by the state; the city and county funded 5% each. The goal was to make the airport self-sufficient, and each project completed increased the ad valorem tax base.

The Mooney Aircraft Pilots Association fly-in was scheduled for mid-April, and another fly-in was scheduled for May with about 200 aircraft participating.

**6. APPOINTMENT TO BOARDS AND COMMISSIONS:**

6A. Appointments to the Parks and Recreation Advisory Board.

Ms. Keeble moved to reappoint Meg Scott-Johnson and to appoint Jacklyn Kayne and Jay Munson, to the parks and recreation advisory board, all with terms to expire March 31, 2016; Mr. Conklin seconded the motion and it passed 4-0.

6B. Appointment to the Kerrville Public Utility Board of Directors.

Council noted the city and KPUB were currently in a lawsuit against the Lower Colorado River Authority and continuity was important. John Sample was currently serving as chairman of KPUB.

Mr. MacDonald moved to reappoint John E. Sample to the Kerrville Public Utility Board of Directors with term to expire April 21, 2019; Mr. Conklin seconded the motion and it passed 4-0.

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

8. **ANNOUNCEMENTS OF COMMUNITY INTEREST:**

- Saint Patrick's Day was March 17.
- City voters could request an application for a ballot by mail starting March 12 by contacting the voter registrar's office at 792-2242; early voting by personal appearance would be held April 28 through May 6, and election day would be May 10 at the Cailloux Theater. Voters would be asked to elect a mayor and two councilmembers, and to vote on eight proposed Charter amendments. Information was posted on the election page of the city's website and on the bulletin boards at city hall and the Butt-Holdsworth Memorial Library.

11. **EXECUTIVE SESSION:** None.

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

**ADJOURNMENT.** The meeting adjourned at 6:59 p.m.

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

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Jack Pratt, Jr., Mayor

ATTEST:

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Brenda G. Craig, City Secretary