

CITY COUNCIL MINUTES
OF SPECIAL MEETING

KERRVILLE, TEXAS
JULY 19, 2010

On July 19, 2010, the Kerrville City Council meeting was called to order by Mayor Wampler at 9:00 a.m. in the city hall council chambers, 800 Junction Highway.

MEMBERS PRESENT:

David Wampler	Mayor
R. Bruce Motheral	Mayor Pro Tem
Gene Allen	Councilmember
Stacie Keeble	Councilmember

MEMBER ABSENT:

Scott Gross	Councilmember
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STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Brenda G. Craig	City Secretary
Mike Erwin	Director of Finance
Travis Cochran	Director of Information Technology
Mindy Wendele	Director of Business Programs
Charlie Hastings	Director of Public Works
Robert Ojeda	Fire Chief
Sandra Yarbrough	Assistant Director of Finance
Sai Vongchampa	Budget Analyst
Tara LaMontia	Assistant to the City Manager
Mike Wellborn	Director of Engineering
Kevin Coleman	Director of Development Services
Susan Michelson	Municipal Court Clerk
Antonio Martinez	Director of Library Services
David Knight	Assistant Police Chief
David Vasquez	Solid Waste Manager
Stuart Barron	Water/Wastewater Utilities Manager
Malcolm Matthews	Director of Parks and Recreation
Scott McDonough	Manager of Golf and Tennis

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

**DIRECTION TO CITY STAFF FOR PREPARATION OF THE CITY OF KERRVILLE
FY11 BUDGET:**

Mr. Erwin noted the city's bond rating increased two steps.

Water and Sewer Fund and Solid Waste Potential Capital Projects:

Mr. Hastings discussed proposed FY11 projects:

-Complete the aquifer storage and recovery well (ASR) #3

- Drill the Methodist Encampment water well
- Rehabilitation of 12,000 feet of wastewater mains
- Construct the new Birkdale lift station and force main
- Complete the SCADA upgrades to all major utility sites
- Operation of the solid waste transfer station
- Expand the plastic recycling program
- Landfill operation permit modifications
- Flow equalization basin construction (construction in 2012)
- G Street water line design (construction in FY12)
- Jefferson lift station renovation (design in FY12/construction in FY13)
- Quinlan Basin (design in FY12/construction in FY13)
- Inflow and infiltration (FY11-13 design and construction)
- The city of Ingram sewer line was on line and would continue to expand in FY11. Several property owners along the line expressed desire to tie on to the city's system; however, the line serving that area was at capacity because of reserve flow for Ingram.

Mr. Erwin noted the FY11 budget anticipated a 5.6% increase in solid waste rates, still less than FY09 rates.

Mr. Erwin projected year end revenue at \$9,047,920, down from the original budget of \$9,606,000, due to a rainy year.

Mr. Erwin noted the increase in rates in FY10 was due to increased debt service payments.

Mr. Motheral discussed the benefits of moving toward a gravity flow sewer system and eliminating lift stations.

Hotel Occupancy Tax Funding:

Mr. Erwin projected \$850,000 revenue, with \$728,000 (6%) available for distribution, and \$122,000 (1%) designated for Arcadia Theatre or a downtown project. Ten requests totaling \$884,519.41 had been submitted. The Arcadia fund balance was about \$600,000. HOT contracts would be scheduled for council action on August 10.

With regard to the 1% HOT revenue dedicated to the Arcadia; the resolution had been amended to allow the funds to be used on a project in downtown that met the legal use of HOT funds, for example, convention center. Mr. Parton noted the council would have to amend a prior resolution in order to redirect this 1% HOT revenue. He recommended leaving the Arcadia fund balance in tact as the new owner had not yet begun renovations as required under the contract.

Proposed Social Service Funding:

Mr. Erwin noted the budget contained: \$15,000 for Dietert Center; \$5,000 to K-Star; and \$5,000 to Hill Country Crisis Council. K-Star and HCCC provided services to the police department. Ms. Ondrias noted the Dietert Center provided meals on wheels to the community. These items were at the same funding level as FY10 and funded in the general fund.

Special Events in FY2011:

Mr. Erwin noted \$12,000 budgeted in the general fund for the 4th of July fireworks.

Mr. Parton noted indirect benefits to the public, participants, and businesses; however, there were also indirect staffing costs associated with hosting the event in the park; he estimated the full cost to the city for the event was \$30-35,000.

Council discussed seeking a civic organization(s) to fund the fireworks. Mr. Parton also suggested seeking corporate sponsors and phasing out city funding.

ADJOURNMENT:

The meeting adjourned at 9:59 a.m.

APPROVED: _____

ATTEST:

David Wampler, Mayor

Brenda G. Craig, City Secretary