

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
JUNE 10, 2014

On June 10, 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 Jan Bruster, Pregnancy Resource Center, followed by the Pledge of Allegiance led by Police Chief John Young.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Carson Conklin	Mayor Pro Tem
Gene Allen	Councilmember
Stacie Keeble	Councilmember
Gary F. Stork	Councilmember

COUNCILMEMBER ABSENT: None

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
John Young	Police Chief
Robert Ojeda	Fire Chief
Stuart Barron	Director of Public Works
Dieter Werner	City Engineer

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

1. VISITORS/CITIZENS FORUM:

1A. Edward Miranda stated he was circulating a petition to place an item on the county ballot to allow the sale of mixed beverages in County Precinct 2, which would involve the eastern portion of the city. He had 11 days to get 800 more signatures.

1B. Jeff Conrad spoke in opposition to the proposed tax appraisals that had been mailed 30 days prior, and stated he would appeal the tax increase to the appraisal district as it was outrageous. The appraisal of the building he owned on Water Street had increased 117% without any economic justification. He had been inspired to buy the property in part by the main street program, and recent investments and development in the downtown area were encouraging, but the high tax appraisals would hurt those efforts.

1C. Bill Rector, speaking as a member of the main street advisory board, was concerned about what the increase would do to the recent advancements in downtown, buildings would be vacant, businesses would close, and people would

lose their jobs. His property appraisal went up 83%. The MSAB would be looking at tax incentive programs that might be available.

1D. Kerry Wilt, President of Historic Downtown Business Alliance, noted that downtown commercial property valuations had increased at a significantly higher rate than anywhere else in Kerr County. Kerr Central Appraisal District (KCAD) outsourced recent appraisals to a San Antonio appraiser who started with downtown. Ten buildings in downtown were already empty because rent was too high, and increases may result in businesses having to relocate and would deter new businesses from moving into downtown. She discussed recent revitalization efforts, and high tax appraisals would be detrimental to progress. She requested council assistance against KCAD's attack on downtown and commercial properties and consideration such as tax incentives for businesses trying to stay open, not just for new businesses; providing a tax incentive to a new business would likely close an existing business because the existing business would not have the same opportunities for tax incentives. She requested creation of a downtown TIF zone.

1E. Patrick Wilt noted his appraisal increased 71%, almost \$200,000, and he gained only 1,300 sq. ft. The KCAD budget approved by city council last year included the hiring of a third party appraiser. Item 8A on the agenda was to consider establishing a 380 economic development program to incentivize new businesses; incentivizing newcomers would likely be replacing existing businesses, and he requested council protect the downtown.

1F. Kyle Bond, chairman of the Kerr Area Chamber of Commerce (KACC), recognized the city did not control appraisals, but he asked for council's help to develop a community policy regarding a cap on commercial appraisals similar to the cap on residential appraisals. He read a formal statement adopted by the chamber: The KACC expressed concern regarding the timing and degree of the latest commercial property value increases placed on business property owners. The recent significant increases in commercial property valuations caught many businesses off guard and may lead to some business closures. In an effort to protect all businesses, KACC asked that the city consider an annual maximum increase policy to protect the small businesses from unexpected cost increases in a single year. Any assistance for property owners in this regard was appreciated.

Mayor Pratt noted the city could not legally interfere in property appraisals; the council could hear citizens' unofficial protests, get more information on how taxes were assessed and whether the process was legal, and conduct joint meetings with KCAD to work out a solution. Any property owners who disagree with the appraisals must file a protest by June 13; he encouraged commercial owners to go together and work together to provide information to present in their protest.

2. RECOGNITIONS AND PRESENTATIONS:

2A. Resolution of Commendation was presented to Rex Boyland for serving on the City of Kerrville, Texas Economic Improvement Corporation.

3. CONSENT AGENDA:

Mr. Conklin moved to approve consent agenda items 3A and 3B; Ms. Keeble seconded the motion, and it passed 5-0:

3A. Minutes of the regular city council meeting held May 13, 2014, and the special meeting held May 20, 2014.

3B. Construction contracts with BRB Contractors, Inc. for the "lift station package" in the amount of \$3,391,600.00 and with Nelson Lewis, Inc. for the "force main package" in the amount of \$908,455.00 for the Jefferson lift station, force and gravity main project and execution of additional change orders which may exceed \$50,000 but not to exceed the total amount of \$4,500,000.00 and subject to adoption of a pending budget amendment.

END OF CONSENT AGENDA

4. PUBLIC HEARINGS:

4A. Voluntary annexation for 308.841 acres tract of land out of the Florentine Lara Survey No. 123, Abstract No. 225, M.K. and T.E.R.R. Survey No. 1861, Abstract 1242, and the J.D. Leavell Survey No. 1862, Abstract No. 1435 within Kerr County, Texas, and consisting of a residential subdivision to be known as The Heights of Kerrville and located west of Harper Road (FM 783) and between its intersection with Holdsworth Drive and Interstate 10.

Mr. Lutz noted this was the second public hearing. In response to questions raised at the May 27 meeting, drainage infrastructure was constructed in accordance with the subdivision plat approved by the city in 2008; infrastructure was approved and permitted for 60 lots, any subdividing of the lots would have to be approved by the city and would require significant infrastructure upgrades.

Mayor Pratt declared the public hearing open at 6:28 p.m.; no one spoke and the public hearing was closed at 6:29 p.m.

4B. Resolution No. 17-2014 adopting the address renumbering of specified properties along Yorktown Boulevard between its intersection with Sidney Baker N. (State Highway 16) and as it continues northwest.

Mr. Lutz noted inconsistencies in addresses along Yorktown from Sidney Baker. When Keystone Subdivision was platted, addresses were assigned by 9-1-1; however, those addresses were not in agreement with what was on the ground. The current addressing resulted in multiple properties with the same address and was problematic for public safety and emergency response. He recommended addresses be in descending order from Sidney Baker west consistent with neighboring parallel streets. Only four developed properties would be affected by the proposed change: 441 Yorktown would be changed to 457; 443 to 453, 540 to 310 and 544 to 306.

Mayor Pratt declared the public hearing open at 6:32; the following person spoke:

1. Denise LeMeilleur, co-owner of LeMeilleur's RV and Vehicle Repair at 500 Yorktown Blvd., noted that any change to her address would result in economic loss and disadvantage to her business and they recently spent money for maps and advertising. Any change would be a hardship as their business would have

to go through notification process with customers and companies they did business with, such as vehicle licensing, state vehicle inspections office, sales tax, etc. Most of the addresses proposed to be changed were currently vacant, and Yorktown addresses should follow the pattern established on other streets.

Mr. Lutz stated that under the proposal her address would not change. Ms. LeMeilleur supported the proposal recommended by staff, but she did not want to see it change if other property owners protested a change to their address.

No one else spoke and the public hearing was closed at 6:36 p.m.

Mr. Conklin moved to approve Resolution No. 17- 2014; Mr. Stork seconded the motion and it passed 5-0.

5. PUBLIC HEARING AND ORDINANCE, FIRST READING:

5A. Ordinance No. 2014-12, repealing Ordinance No. 2012-13 and creating a new "Planned Development District" for an approximate 4.241 acres consisting of Tracts I and II, Texas National Guard Armory Board in the Samuel Wallace Survey No. 113, Abstract No. 761, within the City of Kerrville, Kerr County Texas, and more commonly known as 411 Meadowview Lane; adopting a concept plan and conditions related to the development of said district to include a development schedule; containing a cumulative clause; containing a savings and severability clause; establishing s penalty or fine not to exceed \$2,000 for each day of violation of any provision hereof; and ordering publication. Mayor read the ordinance by title.

Mr. Lutz noted the current PDD was approved in 2013 when VFW purchased the land and converted it into office spaces. VFW proposed adding "public assembly" to allow rental of the facility to the public. VFW installed a sprinkler system. The 15 existing paved parking spaces met the requirements of the current PDD; however, the proposed site plan did not show any additional parking as required for public assembly; the applicant said parking would be added with funds generated by facility rentals; in the interim, there was gravel parking behind the facility. At the PZC public hearing several citizens spoke concerning traffic, drainage, trash, noise, and the sale of alcohol. Mr. Lutz noted that beer and liquor sales would be prohibited; however, any private agreement between the applicant and leasee may allow persons to bring in alcohol. PZC approved the ordinance 5-0. He noted the city's comprehensive plan specified low-density residential land use for the subject property; therefore, if the proposed ordinance passed the comprehensive plan would have to be amended.

Mayor Pratt declared the public hearing open at 6:42 p.m.; no one spoke and the public hearing was closed at 6:42 p.m.

Mr. Allen moved to approve Ordinance No. 2014-12 on first reading; Ms. Keeble seconded the motion and it passed 5-0.

6. ORDINANCE, SECOND AND FINAL READING:

6A. Ordinance No. 2014-10 declaring the adoption of amendments to the City of Kerrville, Texas, Charter in accordance with the adoption of propositions

Numbers 1 through 8 at the special election held on May 10, 2014; adopting the Charter, as amended; providing a cumulative clause; containing a savings and severability clause; providing an effective date; and providing other matters related to this subject. Mayor Pratt read the ordinance by title.

Mr. Hayes noted the ordinance would effectuate the amendments to the City Charter as approved by the voters at the May 10, 2014 election; no changes since first reading; he recommended approval.

Mr. Conklin moved to approve Ordinance No. 2014-10 on second reading; Mr. Allen seconded the motion and it passed 5-0.

7. ORDINANCE, FIRST READING:

7A. Ordinance No. 2014-13, amending the budget for fiscal year 2014 to allocate funds for various capital improvement projects.

Mr. Parton noted the adopted budget set funds aside, and this ordinance would allocate those funds into the CIP budget and designate funds into specific capital projects as previously directed by city council. The ordinance would also allocate cost savings and contingencies from closed projects to the Jefferson lift station project as approved in Item 3B contingent upon passage of this ordinance.

Mr. Conklin moved to approve Ordinance No. 2014-13 on first reading; Mr. Stork seconded the motion and it passed 5-0.

8. CONSIDERATION AND POSSIBLE ACTION:

8A. Resolution No. 18-2014 adopting the City of Kerrville Chapter 380 economic development program. Jonas Titas, executive director of the Kerrville Economic Development Corporation (KEDC), noted the document was the same as presented at the May 27 meeting, with clarification requested by council as to what qualified a business for a 380 agreement, i.e. Section I: program requirements to specify only one requirement had to be met, not all; and special programs that were deemed relevant by the city council. He noted the program was not solely a program for new businesses, but was also available to existing businesses for retention and expansion projects. KEDC voted unanimously to approve the document; currently there were no pending applications.

Council stressed that existing businesses had the opportunity to apply for retention and expansion projects under this 380 program, it was not just for new businesses to come in and compete against existing businesses as stated earlier in the meeting under visitors forum.

Ruth Spradling questioned if the information in the agenda was the complete 380 program and who would decide what businesses qualified. Mr. Parton provided her the full document; Mr. Titas said that all applications would be vetted through KEDC for a recommendation to city council to make the ultimate decision.

Mr. Stork moved to approve Resolution No. 18-2014; Mr. Conklin seconded the motion and it passed 5-0.

8B. Receive a staff update on the status of repairs to city and county owned buildings at the Kerrville/Kerr County Municipal Airport that currently house the Mooney International, Corporation and proposed economic development agreement, and provide direction to city staff as necessary.

Mr. Parton noted that the county issued \$550,000 debt to cover their share of the building/roofing repairs. The plan was that the city and county would each set aside a maximum of \$500,000 to reimburse Mooney International for the repair of city/county owned buildings leased by Mooney.

Corey Walters, member of the airport board, noted the airport board would present a request to the city council on June 24 to amend the airport budget to allocate funds to cover engineering consultant and design fees; they expected to receive the project scope, specifications and cost estimates by mid-July.

8C. Set fiscal year 2015 budget workshop.

The consensus of the council was to set a budget workshop for June 24, 8:30 a.m.

8D. Appointment of mayor pro tem.

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

9. BOARD APPOINTMENTS:

9A. Appointments to the City of Kerrville, Texas Economic Improvement Corporation. Deferred to executive session.

9B. Appointment of councilmembers to city boards and commissions.

Deferred to executive session.

10. ITEMS FOR FUTURE AGENDAS: None.

11. ANNOUNCEMENTS OF COMMUNITY INTEREST:

-June 14 get out doors day at Kerrville Schreiner Park; free access to KSP; all overnight camping half price.

-July 4th annual celebration in Louise Hays Park; activities in Lehmann-Monroe Park; open 11 a.m. concert to start at 4:00 p.m.; fireworks at 9:30 sponsored by Mamacita's Restaurant.

-June 14 Rotary Club hosting casino night at Comanche Trace; cost \$65 per person; funds raised for Christmas lighting and scholarships.

12. EXECUTIVE SESSION:

Mr. Conklin moved for the city council to go into executive closed session under Sections 551.071, 551.072, 551.074 and 551.087 of the Texas Government Code; motion was seconded by Ms. Keeble and passed 5-0 to discuss the following:

Sections 551.071 and 551.072:

Discuss the purchase, exchange, lease, sale, or value of real property, the public discussion of which would not be in the best interests of the City's bargaining position with third parties, regarding property interests related to the following:

- River trail.

Section 551.087:

8B. Repairs to city and county owned buildings at the Kerrville/Kerr County Municipal Airport that currently house the Mooney International, Corporation.

Sections 551.074:

9A. Appointments to City of Kerrville, Texas Economic Improvement Corporation.

9B. Appointment of councilmembers to city boards and commissions.

At 7:07 p.m. the regular meeting recessed and council went into executive closed session at 7:18 p.m. At 8:27 p.m. the executive closed session recessed and council returned to open session at 8:28 p.m. The mayor announced that no action had been taken in executive session.

13. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:

9B. Appointment of councilmembers to city boards and commissions.

Ms. Keeble moved to appoint councilmembers to the following boards and commissions; the motion was seconded by Mr. Conklin and passed 5-0:

CITY BOARD	EXISTING COUNCIL REPRESENTATIVE	PROPOSED COUNCIL REPRESENTATIVE
Airport Planning Committee	Jack Pratt Carson Conklin	Jack Pratt Carson Conklin
Audit Committee	Gene Allen Justin MacDonald	Gene Allen Carson Conklin
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	Gary Stork
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	Gary Stork
Playhouse 2000	Stacie Keeble	Stacie Keeble
Zoning Ordinance Input Committee (ZOIC)	Justin MacDonald	Gary Stork Carson Conklin

9A. Appointments to the City of Kerrville, Texas Economic Improvement Corporation. Mr. Conklin moved to reappoint David Wampler and Polly Rickert and to appoint Sheri Pattillo all with terms to expire June 1, 2016. The motion was seconded by Mr. Stork and passed 5-0.

ADJOURNMENT. The meeting adjourned at 8:30 p.m.

APPROVED: 07/08/2014_____

/s/_____
Jack Pratt, Jr., Mayor

ATTEST:

/s/_____
Brenda G. Craig, City Secretary