

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
JUNE 24, 2014

On June 24, 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 offered by Kristin Mudry, Kerr County Greeters, 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 CORE 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

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

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

2. **RECOGNITIONS AND PRESENTATIONS:**

2A. Recognition of Appreciation to LuAnn Anderson and Jackie Kayne for the Kerrville Festival of the Arts Event was presented by Mayor Pratt.

3. **CONSENT AGENDA:**

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

3A. Minutes of the regular city council meeting held May 27, 2014.

3B. Professional services agreement with Peter Lewis Architect and Associates, PLLC for design of the support facility for Playhouse 2000 in an amount not to exceed \$77,650.00.

3C. Construction contract and change order #1 with Nelson Lewis, Inc. for the construction of the Riverhills/Ridgewood transmission main -- phase 2 project in the amount of \$1,933,782.00 and execution of additional change orders which may exceed \$50,000.00 but not to exceed a total contract amount of \$2,033,782.00.

3D. Lease agreement between Grand Lodge of Hermann Sons and City of Kerrville.

END OF CONSENT AGENDA

4. ORDINANCE, SECOND AND FINAL READING:

4A. 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; containing a cumulative clause; containing a savings and severability clause; establishing a penalty or fine not to exceed \$2,000 for each day of violation of any provision hereof; and ordering publication. Mayor Pratt read the ordinance by title.

Mr. Lutz noted no changes since first reading.

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

5. ORDINANCE, FIRST READING:

5A. Ordinance No. 2014-13, amending the budget for fiscal year 2014 allocating funds for capital improvement projects involving city facility improvement and building projects, for the purchase of a vehicle to be used for utilities, and for costs associated with seeking permits for the landfill. Mayor Pratt read the ordinance by title.

Mr. Parton noted additional items had been added to the budget amendment since first reading on June 10 to accommodate the landfill permitting process; therefore, this ordinance was being presented for first reading.

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

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Amendment to the fiscal year 2014 airport budget to transfer \$100,000 from the airport reserve fund to pay a consulting firm to assess the city and county owned buildings leased by Mooney International as requested by the Kerrville-Kerr County Joint Airport Board.

Bruce McKenzie, airport manager, requested approval to transfer \$100,000 from the airport reserve fund to the operation fund to cover the cost of hiring an engineering consultant for the repair of the roofs currently leased by Mooney International at the airport.

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

6B. Roof and building repairs to city and county owned buildings at the Kerrville/Kerr County Municipal Airport that currently house the Mooney International Corporation.

Mr. Parton noted the Item 6A budget amendment would transfer \$100,000 from the airport reserve fund to the operating budget to cover the cost of hiring a consultant to provide a structural analysis of the buildings leased by Mooney International (MI) and provide specifications for building and roof repairs. Bid specifications should be complete by mid-July, and MI would bid and construct the project. The city and county would each contribute up to \$500,000 to be split equally toward repairs; if repairs exceeded \$1 million, MI would cover the overage. Staff was working with the county and airport board to create 380 and 381 tax abatement agreements for the project and to finalize a lease agreement with MI.

6C. Construction contract with JM Lowe and Company for the park improvements to Louise Hays Park and Lehmann-Monroe Park in the amount of \$1,362,520.00 and authorize execution of change orders which may exceed \$50,000.00 but will not exceed a total contract value of \$1,430,646.00.

Mr. Conklin filed a conflict of interest affidavit, noting he worked for JM Lowe and Company, and he left the room at 6:09 p.m.

Ms. Ondrias requested authorization to award the contract for the construction of two restroom facilities, pump house facility for the water feature, small pavilion, redo of the existing centennial stage and cover, small dance floor, renovation of existing pavilion, and the addition of the plaza area. The contractor would begin in August and anticipated completion by the end of December.

Council questioned if it was normal to receive only one bid on a project. Ms. Ondrias noted that several potential bidders had been contacted, but with the increase in construction activities across the state the city was receiving fewer bids; the city also received only one bid for another project opened that same day. She opined that the bid from JM Lowe was a good price with an experienced contractor.

Mr. Stork moved to award the construction contract to JM Lowe and Company as presented; Mr. Allen seconded the motion and it passed 4-0-1 with Members Stork, Allen, Keeble, and Pratt voting in favor of the motion; no one voted against the motion; and Mr. Conklin abstained.

Mr. Conklin returned to the dais at 6:18 p.m.

6D. Ratification of a challenge petition filed with the Kerr Central Appraisal District's Appraisal Review Board and/or take other appropriate action regarding the setting of property values within the city by the Kerr Central Appraisal District pursuant to the Texas Tax Code.

Mr. Stork moved to reaffirm the filing of the challenge petition and to direct staff to represent the city before the appraisal review board; Mr. Conklin seconded the motion and it passed 5-0.

6E. Kerr Economic Development Corporation fiscal year 2015 funding request in the amount of \$16,250.00.

Jonas Titas, executive director of KEDC, reviewed KEDC's activities the past year: created a 380 business incentive policy that was approved by city council and working on a 381 with Kerr County; updated demographics report; worked with an engineer to put together a conceptual plan for potential industrial buildings at the airport; began process to update the 2008 strategic plan; identified target markets: airport and aviation prospects, energy companies, small light manufacturing, craft agriculture, and hotel conference center; elected officers, adopted a new mission statement, prepared a new labor study, and was in the process of updating bylaws and ethics policies. The county approved a 381 tax abatement on June 23, in the amount of \$3.6 million to construct a manufacturing and distribution facility and tasting room for a new winery in the county. KEDC was also working with two prospects: a natural gas fueling station, and renovation of structures and roofs at the airport for Mooney International.

Mr. Titas noted the FY2014 year-end reserve balance was about \$60,000. The balance occurred when the director's position was vacant in the past. KEDC asked stakeholders to under fund the operating budget for a few years in order to decrease the cash balance. The city, county, and KPUB were asked to contribute \$16,250 each in the FY2015 budget. The KEDC board adopted the FY2015 budget with \$242,100.00 in expenditures and \$215,000.00 in income, thereby underfunding the FY2015 budget by \$27,100 to lower the fund balance. After adoption of the budget, KEDC would have a reserve of \$32,000.

Mr. Allen moved to approve the KEDC FY2015 budget as presented; Mr. Stork seconded the motion and it passed 5-0.

7. INFORMATION AND DISCUSSION:

7A. Budget update.

Ms. Yarbrough reported on city revenues and expenditures to date in the general fund, water and sewer fund, and hotel/motel fund; local unemployment was 4.3%; and 40 building permits were issued October-April for new residential construction.

8. ITEMS FOR FUTURE AGENDAS

There was discussion regarding cancelling the July 8 council meeting due to the two parades discussed in Item 9. No action was taken.

9. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Wednesday June 25, family magic at Cailloux Theater, 10-11:00 a.m.
- Thursday, June 26, Catapult Creation at Butt Holdsworth Library, 2-3:00 p.m.
- Thursday, July 3 Beaded USA Bag at Butt Holdsworth Library, 2-3:00 p.m.
- Friday, July 4 celebration in Lehmann-Monroe Park gates open at 11 a.m., concert throughout the afternoon and 9:30 p.m. fireworks display sponsored by Mamacita's, the event is free to the public.
- July 8, 5:30 p.m., Second Chance Wounded Warriors Parade hosted by Hill

Country Adventure will start at 1001 Junction Highway and end at the VA Hospital.

- July 8, 5:30 p.m., Motor Maids Inc., will hold their first convention in Texas in Kerrville, 300-400 women motorcyclists would join the Wounded Warriors Parade.

- City Manager Todd Parton recently ran in the Duluth, Minnesota Marathon, running 26 miles in 3 hrs. 7 mins. and qualified to run in the Boston Marathon.

10. EXECUTIVE SESSION:

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

At 6:32 p.m. the regular meeting recessed and council went into executive closed session at 6:33 p.m. At 6:36 p.m. the executive closed session recessed and council returned to open session at 6:56 p.m. The mayor announced that no action had been taken in executive session.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

ADJOURNMENT. The meeting adjourned at 6:57 p.m.

APPROVED: 07/08/2014

/s/
Jack Pratt, Jr., Mayor

ATTEST:

/s/
Brenda G. Craig, City Secretary