

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
NOVEMBER 11, 2014

On November 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 Justin Carpenter, Impact Cross Kingdom Ministries, followed by the Pledge of Allegiance led by Interim Fire Chief Dannie Smith.

COUNCILMEMBERS PRESENT:

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

COUNCILMEMBER ABSENT: None

CITY CORE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Day	Deputy City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Ashlea Boyle	Special Projects Manager
David Knight	Assistant Police Chief
Danny Batts	Chief Building Official
Dannie Smith	Interim Fire Chief
Stuart Barron	Director of Public Works
Chris Stewart	Senior Planner

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

1. VISITORS/CITIZENS FORUM:

1A. Ward Jones, Government Affairs Committee of the Chamber of Commerce, introduced chamber board members and noted that someone from the chamber would be attending all council meetings to maintain better communications with the city and gain information for their members.

2. PROCLAMATION:

2A. Resolution of commendation to Carol Lenard for service on the Parks and Recreation Advisory Board was presented by Mayor Pratt.

3. CONSENT AGENDA: Item 3D was removed from the consent agenda.

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

3A. Banking services Agreement with Wells Fargo for depository services.

3B. Submission of a funding application to the City of Kerrville Economic Improvement Corp. for 2015 Mardi Gras on Main event in the amount of \$10,000.00.

3C. Memorandum of Agreement with the Veterans Administration for emergency services for Freedom's Path development at the South Texas Veterans Health Care System.

3E. Resolution No. 37-2014 amending the City of Kerrville fee schedule by adding fees charged for the issuance of a hotel permit and related inspections.

END OF CONSENT AGENDA

3D. Development Agreement between Kerrville Senior Apartments Limited Partnership and the City of Kerrville, Texas, pursuant to the development and Construction of Freedom's Path Senior Veterans Residences Housing Project.

Mr. Parton noted the agreement between the city and Freedom's Path as originally designed would provide adequate fire flow and pressure to serve the project; however, when the city reviewed the water master plan, the city took the Spur 100 tank off line for health and water quality issues, which reduced fire flow and pressure to the project. The city will provide 1,200 ft. of water line to connect the project to the line that serves the VA from Memorial Blvd. The developer also had changes to incorporate into the agreement. Mr. Parton reviewed the changes:

- Second paragraph revised to match the city's resolution of support.
- #3: Added statement "subject to approval by the city engineer" to ensure that construction was in accordance with plans approved by the city engineer.
- #7: Reduced completion time of public improvements from 30 days to 20 days.
- #8: Added section 8 to provide guarantee of improvements to the lender that the city's utility would be completed timely. The timeline can be extended for acts of God, i.e. rain.

Mr. Parton noted that city crews would install the water line; estimated cost of \$30,000 for materiel and staff time estimated at five days for a total of \$50,000; this included the 1,200 ft. for looping. He recommended approval of the amendment to the development agreement with the changes stated.

Council noted when the project was first approved, combat disabled veterans were to be given first preference, and then veterans with service connected disabilities.

Mr. Stork moved to approve the agreement with the changes presented by staff; he withdrew the motion.

Mr. Stork moved to approve the agreement with the changes presented by staff, and to direct the city attorney to add a statement that combat disabled veterans be given priority. Mr. Allen seconded the motion and it passed 5-0.

4. PUBLIC HEARING:

4A. Annexation of property located at 421 Roy Street. Mr. Stewart noted the city received a petition for voluntary annexation in August, and council passed a resolution to proceed. The property owner requested the zoning classification of RM (residential mix) which was consistent with adjacent property uses.

Mayor Pratt opened the public hearing at 6:23; no one spoke and the public hearing was closed at 6:23.

5. PUBLIC HEARINGS AND ORDINANCES, FIRST READING:

5A. Ordinance No. 2014-23, amending the comprehensive plan for the City of Kerrville, Texas, pursuant to Chapter 213 of the Texas Local Government Code; by revising the Future Land Use Plan for certain properties located along West Main Street and between its intersection with Powell Ave N. and Cox Avenue N.; and specifically, changing the future land use of this area to Neighborhood Commercial. Mayor Pratt read the ordinance by title only.

Mr. Stewart noted the property owner in Item 5B requested rezoning of the property along West Main between Powell and Cox avenues from R-1, single family residential, to RT, residential transition, to allow neighborhood commercial uses. In order to accommodate that request, the city must first amend the comprehensive plan by revising the future land use plan (FLUP) to allow neighborhood commercial uses in this area. Notices were mailed to all property owners within 200 ft. The planning and zoning commission held a public hearing and no comments were received; P&Z voted to amend the FLUP map.

Mayor Pratt opened the public hearing at 6:27; no one spoke and the public hearing was closed at 6:27.

Mr. Allen moved for approval of Ordinance No. 2014-23 on first reading; Mr. Conklin seconded the motion and it passed 5-0.

5B. Ordinance No. 2014-22, amending the City's "Zoning Code" by changing the zoning district of certain properties located along West Main Street and between its intersection with Powell Avenue N. and Cox Avenue N.; such change will result in the placement of the properties within a Residential Transition (RT) district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00); ordering publication; and providing other matters relating to the subject. Mayor Pratt read the ordinance by title only.

Mr. Stewart noted the ordinance would change the zoning district from R-1, single family residential, to RT, residential transition. The RT zone limited the size of buildings to 3,000 sq. ft., and required buildings to be designed to match the appearance of a single family neighborhood in order to protect residential uses. Notices were mailed to all property owners within 200 ft.; one person called requesting information and opined that it would be an improvement to the neighborhood. The planning and zoning commission held a public hearing; no comments were received; PZC recommended approval of the ordinance.

Mayor Pratt opened the public hearing at 6:30; no one spoke and the public hearing was closed at 6:31.

Mr. Conklin moved for approval of Ordinance No. 2014-22 on first reading as presented; Ms. Keeble seconded the motion and it passed 5-0.

6. ORDINANCES, FIRST READING:

6A. Ordinance No. 2014-25 altering the prima facie speed limit on State Highway 173 (Bandera Highway) from approximately two hundred feet south of the intersection of the highway with Comanche Trace Drive and continuing south to the City's limits, such distance equal to 0.179 mile; reducing said speed limit to 55 miles per hour; authorizing installation of appropriate signs and markings; containing a savings and severability clause; providing for a maximum penalty or fine of two hundred dollars (\$200.00) and ordering publication. Mayor Pratt read the ordinance by title only.

Mr. Barron noted the state recommended the city adopt an ordinance lowering the speed limit for an approximate 200 feet on Hwy. 173 between Comanche Trace and the city limits to 55 MPH.

Mr. Conklin moved for approval of Ordinance No. 2014-25 on first reading; Mr. Allen seconded the motion and it passed 5-0.

6B. Ordinance No. 2014-26, amending Chapter 58, Article III of the City's Code of Ordinances titled "Smoking in enclosed public places and places of employment"; to prohibit the sale, purchase, and possession of electronic vaping devices; containing a cumulative clause; containing a savings and severability clause; ordering publication; and providing other matters related to the subject. Mayor Pratt read the ordinance by title only.

Mr. Parton noted the ordinance would establish the minimum age of 18 to purchase or possess electronic cigarettes or products.

Mr. Allen moved for approval of Ordinance No. 2014-26 on first reading; Ms. Keeble seconded the motion and it passed 5-0.

7. ORDINANCES, SECOND AND FINAL READING:

7A. Ordinance No. 2014-21 amending Chapter 30 "Businesses" of the City's Code of Ordinances by adopting a new Article V "Tourist Courts, Hotels, Inns, and Rooming Houses"; enacting minimum health and sanitation standards for tourist courts, hotels, inns, and rooming houses; requiring a hotel permit for all hotels operated within the City; establishing standards for the issuance of said permit; establishing rules and regulations under which such permit will remain in force; containing a cumulative clause; containing a savings and severability clause; providing for penalties not to exceed \$2,000.00; ordering publication; providing an effective date; and providing other matters related to the subject. Mayor Pratt read the ordinance by title only.

Mr. Allen moved for approval of Ordinance No. 2014-21 on second reading; Mr. Conklin seconded the motion and it passed 5-0.

9. INFORMATION AND DISCUSSION:

9A. Quarterly report by Playhouse 2000 (P2K). Jeffery Brown, Executive Director of P2K, noted there had been only three productions with 16 nights at

the Cailloux Theater before it was closed for repairs July through September. He reported third quarter total operating income at \$104,000; total operating expenses at \$113,000; net operating income at (\$8,000); and contributions of \$26,542 for construction of the new support facility. P2K established a committee for facility construction, and a fundraising campaign was scheduled to begin in January 2015. He reviewed highlights of upcoming events.

Mr. Brown reviewed construction activity at the Cailloux Theater:

Projects funded by the Economic Improvement Corporation (EIC):

- Overhead lighting project to repair/upgrade dimming equipment was completed.
- Upgrade to LED lighting should be completed within the month.
- Outdoor lighting upgrade—researching options for final design.

Cailloux Campus Support Facility:

- Design was 50% complete.
- Preliminary cost estimates due within the week but believe construction will cost more than funds on hand; city staff directed the architect to wait until P2K can confirm funds for completion before going to bid; waiting for final potential cost before proceed.
- Report on cost estimate and timeline for additional fundraising to be presented to EIC in November.
- May require extension of time on current EIC funding agreement.

Mr. Brown noted the board also planned to assess the five year plan (2012-2016) and create a next five year plan (2015-2019), evaluate the sustainability of the current business plan to determine if operations were fiscally sustainable, and evaluate all policy documents.

8. CONSIDERATION AND POSSIBLE ACTION:

8A. Tax abatement for James Avery Craftsman (JAC) expansion.

Paul Zipp, JAC Chief Financial Officer, and George Lee, Senior Vice President of Supply for JAC, noted this year was the 60th anniversary of JAC, which began in Kerrville in 1954, and JAC had made many contributions to the community over the years. JAC products were sold through 70 Avery stores in 10 states and all products were shipped from the Kerrville distribution center. The current payroll in Kerrville was \$5.3 million per month. JAC recently expanded the Kerrville retail and visitors' center at an estimated cost of \$2.2 million, and the human resource building estimated at \$775,000. Production had almost doubled in the past four years and capacity would be reached within 18-24 months. JAC must expand to support growth.

JAC planned an expansion project on a 29 acre site on the south side of Hwy. 27 across from the airport and next to Fox Tank Company; the estimated cost was \$14.3 million including site development, building construction, and equipment purchases. The proposed new complex would be 53,600 sq. ft. JAC also planned to relocate the Comfort operations to Kerrville and repurpose the existing 15,000 sq. ft. facility on Harper Road. The jobs incentive report indicated

that JAC would add an estimated 359 full time positions over six years, a total incentive of \$1,219,000. JAC requested tax abatement on capital additions over a five year period after construction (estimated 24 month construction period), which was estimated to net JAC about \$380,000.

(NOTE: Action taken following executive session.)

10. ITEMS FOR FUTURE AGENDAS: None.

11. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Mr. Parton recognized Trina Sanchez, Code Enforcement Manager, for efforts in handling a code enforcement issue at 516 West Water due to a recent fire; she worked with the landowner and organized volunteer labor force.
- The Holiday Lighted Parade was scheduled for November 22, 6:00 p.m., State Representative Andrew Murr would be the Parade Grand Marshal.
- Deadline for submission of art work for the 2015 Mardi Gras on Main event was November 24, selected art will be used on advertisements and signature wine bottles; entry fee was \$35.
- An exhibit honoring people who served in the military would be open to the public 10 a.m. to 4 p.m. through November 25 at the Kerr Regional History Center.

12. EXECUTIVE SESSION:

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

Sections 551.087:

- Tax abatement for James Avery Craftsman.

At 7:26 p.m. the regular meeting recessed and council went into executive closed session at 7:29 p.m. At 7:35 p.m. the executive closed session recessed and council returned to open session at 7:36 p.m. The mayor announced that no action had been taken in executive session.

13. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

8A. Tax abatement for James Avery Craftsman (JAC) expansion.

Mr. Allen directed staff to proceed forward to develop a 380 agreement for James Avery Craftsman. Mr. Stork seconded the motion and it passed 5-0.

ADJOURNMENT. The meeting adjourned at 7:37 p.m.

APPROVED: 12/09/2014

/s/

Jack Pratt, Jr., Mayor

ATTEST:

/s/

Brenda G. Craig, City Secretary