

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
JANUARY 27, 2015

On January 27, 2015, 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, Unity Church of the Hill Country, followed by the Pledge of Allegiance led by David Knight, Interim Chief of Police.

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
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Ashlea Boyle	Special Projects Manager
David Knight	Interim Chief of Police
Dannie Smith	Fire Chief
Chris Stewart	Senior Planner
Dieter Werner	City Engineer

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

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

2. **RECOGNITIONS:**

2A. John C. and Linda Worden for volunteer service to the community.

3. **CONSENT AGENDA:**

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

3A. Authorization to submit a funding request to the City of Kerrville, Texas Economic Improvement Corporation for Phase I of the streetscape enhancement project in an amount not to exceed \$650,000.

3B. Authorization to initiate the request for proposals process for recreation equipment concessions in city parks and the river trail.

3C. Resolution No. 04-2015 ordering that a general election be held on May 9, 2015, for the election of two city councilmembers; appointing election judges,

adopting an electronic counting system; establishing a central counting station; appointing a central counting station manager; appointing a tabulation supervisor; appointing the central counting station presiding judge; and authorizing the early processing of ballots.

3C. RESOLUCIÓN 04-2015 QUE DECRETA QUE LAS ELECCIONES GENERALES SE LLEVEN A CABO EL 9 DE MAYO DEL 2015 PARA ELEGIR DOS CONCEJALES MUNICIPALES; NOMBRAR A LOS JUECES ELECTORALES; ADOPTAR UN SISTEMA ELECTRÓNICO DE CONTEO DE VOTOS; ESTABLECER UNA ESTACIÓN CENTRAL DE CONTEO; NOMBRAR A UN ADMINISTRADOR(A) DE LA ESTACIÓN CENTRAL DE CONTEO; NOMBRAR A UN SUPERVISOR(A) DE TABULACIÓN; DESIGNAR AL JUEZ PRESIDENTE DE LA ESTACIÓN CENTRAL DE CONTEO; Y AUTORIZAR EL PROCESAMIENTO TEMPRANO DE LOS VOTOS ELECTORALES.

END OF CONSENT AGENDA

4. PUBLIC HEARING:

4A. Proposed voluntary annexation of approximately 23.38 acre tract of land located at 5235 Highway 27 East, James Avery Craftsman.

Mr. Stewart noted that JAC petitioned the city for voluntary annexation of 23.38 acres at 5235 SH 27 East.

Mayor Pratt opened the public hearing at 6:10 p.m.; no one spoke and the public hearing was closed at 6:11 p.m.

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Presentation regarding a proposed athletics complex on approximately 75 acres located at the intersection of Holdsworth Drive and Town Creek Road and direction to city staff on negotiating an agreement with the Cailloux Foundation for its construction.

Mr. Parton presented the concept of a proposed 70-75 acre athletics complex at Holdsworth Drive and Town Creek Road in order that local youth would have affordable competition-level facilities for baseball, softball and soccer. He gave details of the project: 609 paved parking spaces; concession/restroom areas within each quad; championship area at center of complex; a 15,000-18,000 sq. ft. indoor multi-use facility for batting cages, pitching lanes, training, etc.; retail shop; meeting rooms, etc. The fields would be irrigated with reuse water.

Under the proposal, the Cailloux Foundation (CF) would donate \$2 million cash and the 70-75 acres, estimated at \$1 million. The city would contribute \$9 million from a 2015 debt issuance to be funded through an agreement (Item 5B) approved by the Economic Improvement Corporation (EIC) at their December 17 meeting. The EIC application was submitted as a quality of life project, even though there would be some economic benefit to the community through tourism and tournament activities. The CF would manage construction of the project, with city input into the design and construction, and the city would reimburse the CF based on actual contractor invoices. After completion of the project, the CF would dedicate the land and facilities to the city.

Mr. Parton stated that RVK, a professional architectural firm in San Antonio and a leader in sports complex design and planning, was doing the design work for the project, and RVK and local contractors estimated construction cost at \$12 million. Staff also met with representatives of D-BAT and other for-profit organizations and local investors who were interested in participating in the facility. If the facility was managed by the city, staff would work with various sports organizations to bring in tournaments. Mr. Parton stressed that priority use of the facility would be given to local organizations based on their scheduling and reservations. Revenue projections were based on the city operating the facility either with staff or by contracting out the services. A cost and revenue projection model anticipated the project would cash flow; however, the city budget could handle additional expenditures if needed. Mr. Parton stated that no additional property tax would be necessary to fund construction of the sports complex.

The proposed baseball and softball facilities would comprise of 12 fields meeting Little League, USSSA and ASA standards, and college and high school level facilities which were currently not available at the Little League facility. The existing baseball facility was maintained and managed by the Kerrville Little League; it had seven fields, a field house, two restrooms, storage area, concession area, non-paved parking, and irrigation was by private well.

The soccer area of the proposed complex contained 35 acres on the south side of Holdsworth Drive, and would accommodate future growth and additional programming. The proposed complex would have two restroom and concession areas and a 14' x 20' conference room. Fees to the organizations would be set at rates that would not require an increase in existing registration fees; however, the fee structure would be reevaluated after five years. The fees would help cover the cost of mowing, striping, utilities and capital costs.

The existing 13 acre soccer fields were managed by Hill Country Youth Soccer Assn. (HCYSA) and Crush Soccer Association on land at the city landfill, and that lease would expire in June. It contained two restrooms, a concession area, storage and meeting room, two portable toilets, non-paved parking, and irrigation was with reuse water. HCYSA and CRUSH paid \$30,000-40,000 annually to maintain their facility. Staff had several meetings with members of HCYSA and Crush and received comments and input into the design of the proposed facility.

The following persons spoke:

1. Teena Hirstine supported construction of the new complex and appreciated the support of the Cailloux Foundation and the City, and she supported both HCYSA and HCCA. HCYSA operated for 20 years at the current location. HCYSA was a non-profit organization that functioned at no cost to the city from revenue generated by the concession stand, this kept costs low so all kids could play. Under the proposed plan, HCYSA would be doomed to fail if forced to vacate the present location. She proposed that the city allow HCYSA to remain at the present location and allow opportunities for growth in both programs.

2. Gary Reichenau said he had been involved with HCYSA since it started 20 years ago and he helped do the grading and put in the existing soccer fields. It was a good location for soccer, but there was very little topsoil. There were not enough soccer fields now; both facilities were needed.
3. Fred Speck, representing HCYSA, was in favor of the new sports complex for baseball and soccer and it would be great for the community. He understood that priority use would be given to HCYSA and Crush and that nominal rates would be set so there would not be an increase in registration fees for five years, but he was apprehensive that the city could maintain low fees in the future. The city estimated outdoor maintenance at the proposed complex at \$365,000 per year. HCYSA's highest annual cost was \$37,000 for irrigation and maintenance; HCYSA could not cover even half the cost of the new complex. HCYSA operated at no cost to the taxpayer and kept registration low so all kids could play; no one was turned away; they had volunteer staff, coaches and referees. The existing area leased from the city totaled 30 acres, of which 13 acres were irrigated playing fields. The proposed complex had only 35 acres; he suggested the city build the new complex and give HCYSA a long term lease for continued use of the current fields in order to allow for future growth of soccer programs. The city could find alternative sources for soil.
4. Kiley Miller, a teacher at Schreiner University, thanked the CF and City for expanding youth soccer and making it a priority. She felt that better communication and involvement between the city and the soccer community could resolve some of the issues. She requested the city council hold formal conversations with both groups and see what their needs were before final plans were made so the groups could transition and make their plans also.
5. Carolyn Lipscomb asked if the CF would provide the land and \$2 million to build the complex if the city allowed the existing soccer fields to continue. Mayor Pratt noted it was not a condition; however, the city planned to expand operations at the landfill and create a reuse water reservoir. The need to close the lease at the soccer fields was not about dirt, the area was needed for municipal uses, including storage of future water supply. Ms. Lipscomb noted the city transferred trash to San Antonio so it would not fill the landfill. Mr. Parton noted that transferring was a temporary solution because the existing permitted area would last only seven years, and the city was in the process of expanding its permit and landfill cells. Ms. Lipscomb asked when the lease for the soccer fields expired. Mr. Parton noted June 2015. Ms. Lipscomb stated she was in favor of the new complex, but she questioned why the city was tearing up the \$1.2 million investment put in by HCYSA and Crush just for dirt if the city was not ready to expand now.
6. Sandra Garcia said she was in favor of the proposed facility, but the city would be spending a lot of money paying for facility maintenance and hiring staff instead of using volunteers. The proposed facility would not bring in the revenue stated and it would take away from the HCYSA. She asked that the city allow HCYSA to stay for a few more years until they could find their own property and build their own facility.

7. George Baroody noted he was on the Little League board, but speaking as a citizen, soccer and baseball were growing organizations and they received no financial support. The problem was the cost of the proposed facility--\$900,000 per year for 20 years, and if revenue did not come in as anticipated, user and registration fees would increase and they would lose players. As presented, the cost structure would have to go up for both organizations. Only the soccer fields needed to be moved, there was no need to move baseball. He suggested the city buy land with the \$3 million the CF offered. The city maintained the Singing Winds baseball field now and that was not working. The application to EIC was originally set up as an economic improvement application but was later changed to a quality of life project because it did not have enough revenue to support it as economic improvement; this was not a quality of life project. The proposed facility would take away the feeling of bonding that people get from volunteering.

Council also discussed the following:

- It would not be prudent of the council to allow HCYSA and Crush to make additional financial investments into the property when the city would be using the land for municipal purposes.
- The council was not trying to eliminate volunteers; volunteers were necessary to continue the baseball and soccer programs.
- The proposed soccer facility was 35 acres, almost triple the existing 13 acre soccer fields, and would accommodate future growth and additional programming.
- The proposed facility would have restrooms and people would not have to use portable toilets or put up with the smell from the wastewater plant or landfill.

Council asked Mr. Parton to explain why the area where the current soccer fields were located was needed for municipal purposes and to compare the footprint of the proposed effluent project to the existing soccer field.

Mr. Parton noted the city needed 200,000 cubic yards of soil to build a 26 ft. high berm for the effluent storage reuse project in order to store 350,000,000 gallons of effluent for water irrigation now and future potable water supply. Geotechnical testing had been done at the soccer fields and there was substantial amount of dirt available. If the city purchased soil elsewhere and hauled it to the landfill as suggested, the only storage area for that quantity of dirt was at the soccer fields, and the city would have the additional cost of transportation. The effluent project budget did include \$2 million for the purchase of dirt. The existing soccer fields were not in the footprint of the proposed effluent storage facility; however, excavation would occur up to the edge of the soccer fields. Also, Phase 2 of the project would be in the footprint of the existing facility and would put the fields underwater. The land was purchased many years ago for municipal use, and the lease for soccer fields always had been intended as a temporary lease.

Mr. Stork moved direct staff to negotiate an agreement with the Cailloux Foundation for construction of the athletics complex. Mr. Conklin seconded the motion and it passed 5-0.

5B. Project funding agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for the development and construction of an athletic complex adjacent to Holdsworth Road in an amount not to exceed \$9,000,000.00.

Ms. Boyle noted the agreement would provide funding for the athletics complex as presented in Item 5A. EIC approved the agreement on December 17, 2014.

Mr. Hayes confirmed that the bonding attorney approved the project.

Ms. Keeble moved to approve the funding agreement as presented. Mr. Allen seconded the motion and it passed 5-0.

5C. Abandonment of the Upper Guadalupe River Authority (UGRA) flood control easement established in 1980 in conjunction with impoundment of a portion of the Guadalupe River, Nimitz Lake. Item deferred to executive session.

6. INFORMATION AND DISCUSSION:

6A. Budget update.

Ms. Yarbrough gave the financial report for the period ending January 27, 2015: to date the general fund revenues totaled \$6,573,855 and expenditures \$5,311,586; water and sewer fund revenues totaled \$2,307,866 and expenditures \$3,025,522; hotel/motel fund revenues totaled \$246,802 and expenditures \$229,224; 7 permits were issued for new residential construction and 1 for new commercial construction.

7. APPOINTMENTS TO BOARDS AND COMMISSIONS:

7A. Appointment to the Economic Improvement Corporation. Item deferred to executive session.

8. ITEMS FOR FUTURE AGENDAS

9. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Daddy Daughter Dinner and Dance, February 14.
- Mardi Gras on Main event, February 17.
- Petitions and applications for a place on the May 9 ballot were being accepted through February 27 for Place 1 or Place 2 on the Kerrville City Council.
- First Friday Wine Share would be February 6 at the Butt-Holdsworth Memorial Library, sponsored The Friends of the Library.
- Stuffed Animal Sleepover scheduled for February 7 at the Butt-Holdsworth Memorial Library.

10. EXECUTIVE SESSION:

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

Sections 551.071:

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:

- Abandonment of the Upper Guadalupe River Authority (UGRA) flood control easement established in 1980 in conjunction with impoundment of a portion of the Guadalupe River, Nimitz Lake.

Sections 551.074:

- Appointment to the economic improvement corporation.

At 7:35 p.m. the regular meeting recessed and council went into executive closed session at 7:37 p.m. At 8:21 p.m. the executive closed session recessed and council returned to open session at 8:22 p.m. The mayor announced that no action had been taken in executive session.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION: None.

5C. Abandonment of the Upper Guadalupe River Authority (UGRA) flood control easement established in 1980 in conjunction with impoundment of a portion of the Guadalupe River, Nimitz Lake.

Mr. Allen moved to authorize abandonment of the Upper Guadalupe river Authority flood control easements established in 1980 in conjunction with impoundment of a portion of the Guadalupe River, Nimitz Lake. Mr. Stork seconded the motion and it passed 5-0.

7A. Appointment to the Economic Improvement Corporation.

Ms. Keeble moved to appoint James Wilson with term to expire June 1, 2015. Mr. Conklin seconded the motion and it passed 5-0.

ADJOURNMENT. The meeting adjourned at 8:23 p.m.

APPROVED: 2/10/15

/s/

Jack Pratt, Jr., Mayor

ATTEST:

/s/

Brenda G. Craig, City Secretary