

CITY COUNCIL MINUTES  
REGULAR MEETING

KERRVILLE, TEXAS  
June 23, 2015

On June 23, 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 Neva Pratt, Vice President of Christian Assistance Ministry, followed by the Pledge of Allegiance led by Fire Chief Dannie Smith.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Gary F. Stork	Mayor Pro Tem
Stephen P. Fine	Councilmember
Bonnie White	Councilmember
Gene Allen	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	Police Chief
Trent Robertson	City Planner
Dannie Smith	Fire Chief

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

**1. VISITORS/CITIZENS FORUM:**

1A. David Lipscomb noted the 4 mile river trail that opened Saturday June 13 was a valuable asset to the city. Regarding the western segment along Guadalupe Street, he encouraged council to extend the trail as far as possible and then end the trail, but not to extend the trail via the sidewalk along the street as sidewalks were too narrow, had uneven surfaces, too close to traffic, and were away from the view of nature.

**2. PRESENTATIONS:**

2A. Resolution of commendation to Kenneth Early for serving on the Economic Improvement Corporation.

2B. Resolution of commendation to Larry Howard for serving on the Economic Improvement Corporation.

### **3. CONSENT AGENDA:**

Mr. Stork moved to approve consent agenda item 3A; Mr. Fine seconded the motion, and it passed 5-0:

3A. Authorization for the city manager to enter into a grant agreement with the Army Corps of Engineers to perform a volumetric survey on Lake Nimitz in an amount not to exceed \$19,092.00.

### **END OF CONSENT AGENDA**

### **4. ORDINANCES, SECOND AND FINAL READING:**

4A. Ordinance No. 2015-12, amending the city's "Zoning Code" by amending Article 11-I-10 "Residential Zoning Districts", subsection (F) "RT" – residential transition district with respect to the uses of "Schools" and "Churches", as those terms are defined, within this district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00); and ordering publication. Mayor Pratt read the ordinance by title only.

Mr. Robertson noted no changes since first reading on June 9 and recommended approval.

Mr. Allen moved for approval of Ordinance No. 2015-12 as presented on second and final reading; Mr. Fine seconded the motion and it passed 5-0.

### **5. CONSIDERATION AND POSSIBLE ACTION:**

5A. Request by the Joint Airport Board to proceed with the refurbishing of the Mooney parking lot, asphalt repair, and taxiway extension with participation from the City of Kerrville. The matter was rescheduled to the July 7 meeting.

5B. Amendment 1 to the Contract of Sale between the City of Kerrville and Cailloux Foundation Properties, LLC, for a proposed athletic facility. Matter was deferred to executive session.

### **EXECUTIVE SESSION:**

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

#### Section 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:

- Deliberation of a negotiated contract for a prospective gift or donation the public discussion of which would have a detrimental effect on the position of the City in negotiations with a third person.

At 6:10 p.m. the regular meeting recessed and council went into executive closed session at 6:13 p.m. At 6:41 p.m. the executive closed session recessed and council returned to open session at 6:42 p.m. The mayor announced that no action had been taken in executive session.

5B. Amendment 1 to the Contract of Sale between the City of Kerrville and Cailloux Foundation Properties, LLC, for a proposed athletic facility.

Mayor Pratt noted the Cailloux Foundation (CF) initiated this amendment to the agreement in order to be diligent in response to public concerns. He noted that under the proposed amendment, there was no need for an escrow agreement because the city would own the land and any project would be funded from bond proceeds. A performance bond would be part of the city's bid process, same as all city bids. A deposit would not be required since the land would be transferred to the city. The details necessary to complete the contract had not been received from attorneys until this afternoon.

Mr. Parton noted the original agreement was a contract for land purchase. In their interest to help the community and alleviate some of the challenges and concerns expressed previously about the original agreement, the CF proposed an amendment that would gift to the city 105 acres of land valued by an independent appraisal at \$1.5 million; and \$1.5 million cash, for a total of \$3 million for the project. Transfer of the title to the land would occur when construction begins. The \$1.5 million would be used to pay for design and consulting services and the remaining cash could be used for construction. The CF would provide bid documents necessary to proceed to bidding and project construction, including: engineering, grading, civil, and architectural and related plans. Construction management consultant services would be provided by CF to coordinate contracts, contractors, schedules, and review requests for draws for payment for work completed. The new amendment contained requirements that the city develop according to the scope of work identified in the original scope, and it would be a city-run bidding process in accordance with normal city bidding processes.

Ms. White said she received an email on Friday stating that the city manager contacted Senator Fraser's office to withdraw the request for an attorney general's opinion on the previously approved contract, and she received correspondence from a lady who said on Monday she received a telephone call from the city saying that Kerrville had reached an agreement. No agreement had been reached. The council did not have access to the amendment until 30 minutes before the meeting. She had not had time to review the amendment, and it was an entirely different document from the previous agreement. The amendment was no longer a contract for sale; it was a gift. It redesignated the land as parkland which may cause possible rezoning issues; she questioned if contiguous land owners had been notified. She spent a lot of time looking at the previous contract and researching state law and she needed time to review the amendment and compare and discuss changes.

The following comments were made by councilmembers:

- Complimented the Cailloux Foundation for being sensitive to the citizens' concerns and the city's position; the city was very appreciative of the gift of land and cash toward the project.

- The contract amendment had been well explained in plain English by staff in executive session and concerns were handled thoroughly.
- Confident that changes in the amendment addressed concerns expressed by the public about the process.

Mr. Stork moved to approve the agreement as amended and presented by staff today. Mr. Allen seconded the motion and it passed 4-1 with Councilmembers Stork, Allen, Fine, and Pratt voting in favor of the motion; and Councilmember White voting against the motion.

**6. INFORMATION AND DISCUSSION:**

6A. Budget update.

Ms. Yarbrough gave the financial report year to date for the period ending May 31, 2015: general fund revenues totaled \$18,502,556 and expenditures \$14,514,929; water and sewer fund revenues totaled \$5,876,663 and expenditures \$8,059,349; hotel/motel fund revenues totaled \$657,991 and expenditures \$684,224; 38 permits for new residential construction and 12 for new commercial construction. She reported the number of water customers: 8,029 residential, 1,211 commercial, and 536 irrigation; sewer customers 7,865 residential and 1,108 commercial.

Ms. White noted that water/sewer revenue was down and expenditures were high. Ms. Yarbrough noted revenue was down because people were not watering landscaping due to several rains. Expenditures were up because two major repairs had been made: 1) membranes at the water treatment plant, and 2) reuse ponds.

**7. ITEMS FOR FUTURE AGENDA:** None presented.

**8. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

- Kerrville's 4<sup>th</sup> on the River would be held Saturday, July 4 at Louise Hays Park.
- The grand reopening of Louise Hays Park, Lehmann & Monroe Park, and river trail was held Saturday, June 13; it was well attended and many were using the park.
- The police department honored 14 junior cadets, ages 11-15, who graduated from the Junior Citizen Police Academy.

**10. EXECUTIVE SESSION:** See Item 5B above.

**11. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION:** Item 5B above.

**ADJOURNMENT.** The meeting adjourned at 7:01 p.m.

APPROVED: \_\_\_\_\_

ATTEST:

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Jack Pratt, Jr., Mayor

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Brenda G. Craig, City Secretary