

CITY COUNCIL MINUTES  
REGULAR MEETING

KERRVILLE, TEXAS  
September 8, 2015

On September 8, 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 Tom Murray, Associate Pastor of St. Peter's Episcopal Church, followed by the Pledge of Allegiance led by Police Chief David Knight.

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
Kim Meismer	Director of General Operations
David Knight	Police Chief
Dannie Smith	Fire Chief
Stuart Barron	Public Works Director

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

**1. VISITORS/CITIZENS FORUM:**

1A. Robert Naman asked what assurance there was that the cost of the sports complex would be capped at \$9 million, not including interest. He noted the Cailloux contract did not have a firm dollar amount. He opined the public should vote on the project and the cost should be in the contract.

**2. PRESENTATIONS:**

2A Proclamation proclaiming September as National Recovery Month. (Tony Farmer, Kerrville Chapter of Young People in Recovery)

**3. CONSENT AGENDA:**

Items 3A and 3B were removed from the consent agenda.

Mr. Allen moved for approval of consent agenda items 3C through 3E; motion was seconded by Mr. Fine and passed 5-0:

3C. Interlocal agreement between the County of Kerr and City of Kerrville, Texas providing for the housing of city prisoners.

3D. Resolution No. 25-2015, approving the budget for fiscal year 2016 for the Kerr Emergency 9-1-1 Network.

3E. Administrative services contract between City of Kerrville, Texas and City of Kerrville, Texas Economic Improvement Corporation.

### **END OF CONSENT AGENDA**

3A. Resolution No. 23-2015 authorizing amendments to the Procedural Rules for Kerrville City Boards.

Mr. Parton noted the purpose of the rules was to have a policy that would bring consistency to all city boards; after adoption of the overall rules, staff will bring to council amendments to the various resolutions and ordinances that addressed the individual boards.

Council discussed the following:

- Rule 1.4 should state “written policies adopted by city council.” The city had many policies that did not apply to boards.
- Rule 2.8, removal of member, should state specific reason why a member may be removed, e.g. ethics, illegal, moral, etc.
- Rule 3.5, conflict of interest, there was nothing in state law that governed a board member from having a conflict; suggested writing a city policy that addressed conflicts for board members.
- Rule 2.4, multiple memberships, should not allow same person to serve on multiple boards.
- Rule 4.6, email policy, city make email service available, but not mandatory, to board members, this would allow members to have the ability to email without having their personal accounts subject to the public information act and open meetings act.

Council consensus was to send the document back to staff to clarify the points discussed in sections 1.4, 2.4, 3.5 and 4.6, and to eliminate membership stacking.

3B. Resolution No. 24-2015 amending the City of Kerrville Fee Schedule by revising fees charged for various services and uses provided or offered by the city.

Council discussed the following:

- Low overpass on I-10: Could the city charge a fee for escorting oversized vehicles being diverted through town on permits issued by TxDOT? Chief Knight noted since January the police department, paying off duty personnel, escorted 291 oversized vehicles through town without reimbursement to the city. It was noted that occasionally KPUB also provided escort services. The purpose of a fee would be: 1) reimburse city for cost of providing escort services, and 2) fund the city’s proposed \$1.5 million for the I-10 renovations. Chief Knight will discuss such fees with the state and report findings to council. The city was being asked to solve and fund the problem created by TxDOT. Mr. Parton noted that the I-10 project was a high priority with the state.
- Look at options for charging waste haulers to dispose of items at the landfill in order to recoup expenses and the cost of the landfill.

- Why did the cost of labor go down for traffic control from \$40 to \$27.50? Mr. Barron noted \$27.50 was the standard rate for other utility labor fees.
- Were builders aware of the increase in fees in the water and sewer fund? Mr. Barron noted fees had not increased since 2011; to his knowledge, builders were not aware of the proposed changes.

Mr. Fine moved to approve Resolution No. 24-2015; Ms. White seconded the motion and it passed 5-0.

**4. PUBLIC HEARING:**

4A. Second public hearing to set the 2015 ad valorem tax rate.

Mr. Parton noted no changes since first public hearing.

Mayor Pratt opened the public hearing at 6:41 p.m.; no one spoke; the public hearing was closed at 6:41 p.m.

**5. ORDINANCES, FIRST READINGS:**

5A. Ordinance No. 2015-20, adopting the annual budget for the City of Kerrville, Texas, fiscal year 2016; providing appropriations for each city department and fund; containing a cumulative clause; and containing a savings and severability clause. Mayor Pratt read the ordinance by title only.

Mr. Allen moved for approval of Ordinance No. 2015-20 on first reading; Mr. Fine seconded the motion and it passed 4-1 on record vote as follows:

Mayor Pratt	For
Councilmember Fine	For
Councilmember White	Against
Councilmember Stork	For
Councilmember Allen	For

Mr. Fine moved for a ratification vote to adopt the budget that will require raising more revenue from property taxes than the previous fiscal year. Mr. Allen seconded the motion and it passed 4-1 on record vote as follows:

Mayor Pratt	For
Councilmember Fine	For
Councilmember White	Against
Councilmember Stork	For
Councilmember Allen	For

5B. Ordinance No. 2015-21, levying an ad valorem tax for the use and the support of the municipal government for the City of Kerrville, Texas, for the fiscal year 2016; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. Mayor Pratt read the ordinance by title only.

Mayor Pratt noted the city proposed to adopt the same tax rate as in the past six years, \$.5625.

Mr. Fine moved for approval of Ordinance No. 2015-19 on second and final reading, and moved that the property tax rate be increased by the adoption of a tax rate of \$.5625, which was effectively a 2.2% increase in the tax rate. Ms. White seconded the motion and it passed 4-1 on record vote as follows:

Mayor Pratt	For
Councilmember Fine	For
Councilmember White	For
Councilmember Stork	Against
Councilmember Allen	For

**6. ORDINANCE, SECOND AND FINAL READING:**

6A. Ordinance No. 2015-19 amending the budget for fiscal year 2015 to account for various changes to the city's operational budget, including revenue and expenditures related to the city's acquisition of an aerial fire truck and a vehicle replacement for the police department. Mayor Pratt read the ordinance by title only.

Mr. Parton presented a revised draft budget based on council discussion at previous meetings, and noted recent changes:

- Leaf machine was removed; lack of support from council.
- Included additional funds received from KPUB, \$187,500; proposed body camera equipment and hardware for police department (\$113,700) and increase in street maintenance (\$73,800).

Council discussed whether items over \$50,000 should be done separately and as budget amendments. Mr. Parton noted the budget was only a plan to allocate resources and was not permission for staff to proceed or purchase, but only to begin the due diligence process. The established process was that any purchase over \$50,000 had to come before city council for final authorization. Staff would also investigate grants that may be available.

Mr. Fine moved for approval of Ordinance No. 2015-19 as presented; Mr. Stork seconded the motion and it passed 5-0.

**7. CONSIDERATION AND POSSIBLE ACTION:**

7A. City of Kerrville Municipal Surface Water Rights—Water Right Permits 3635 and 5208.

Mr. Barron discussed Permit 5208, Verde Creek; and Permit 3635 on Quinlan Creek for the golf course; he noted the diversion points were not located at the water treatment plant. He suggested two options:

1. Move both diversion points to the water treatment plant and reallocate the water for potable water use. To do so the city would have to do engineering studies and go to TCEQ to prove that that water could be relocated; however, the city would lose seniority to all senior water right holders down Verde Creek and Quinlan Creek, and down the Guadalupe River. He estimated the cost to the city at \$45,000 each to move the water rights, in addition to on-going maintenance contracts to Guadalupe Blanco River Authority, \$4,940 annual fee.

2. Abandon Permit 5208 on Verde Creek entirely and give it to the state; and split Permit 3635 on Quinlan Creek giving the diversion right to the state and keeping the impoundment right for the water feature at the golf course. This option would cost the city a one-time abandonment fee of \$200 to the state and \$160 to GBRA.

Both permits were very junior water rights not readily available during drought, and if the diversion points were moved the city would lose a significant amount of water. He opined that option 2 might allow the state to keep water in the streams, bays and estuaries; and the state might consider the city's goodwill when curtailing water from the river. He did not know the market value of the water rights; however, water in Canyon Lake was selling for \$130 per acre foot; Quinlan Creek had 80 AF, and Verde Creek had 40 AF. The annual expense of the golf course right (\$3,380) was paid to GBRA, not the state, under the upstream diversion/subordination agreement with GBRA. The 40 AF on Verde Creek was donated to the city, and the city asked the state to put that right in the city's name, but the state said the city would have to get GBRA to update the subordination agreement, which GBRA was unwilling to do without turning it into an upstream diversion contract, and that cost to the city would be \$130 AF annually.

Council also discussed the following:

- City has spent a lot of money protecting its water rights; however, the city cannot use the water because of state requirements and guidelines.
- Under junior rights status, when the city needed the water during drought, someone else had senior rights and would receive the water first. Mr. Barron agreed and these two permits were "very junior" and costly to keep.
- City should wait one year for completion of the Freese & Nichols study and testing that would determine what it would take to treat effluent to drinking standards before abandoning the water right on Quinlan Creek.

Mr. Hayes noted the Verde Creek permit was in the city's name, but TCEQ had not officially recorded it in city's name; therefore, the city would just abandon it.

Mr. Parton noted the Quinlan Creek permit for the golf course was for irrigation water, not drinking water, which was a different permitting issue. There was excess flow in the GBRA agreement that could be used to supplement drinking water. The city currently irrigated the golf course with effluent, and the proposed effluent project anticipated continuing to do so. The concern at the golf course was maintaining the water feature, that is, the right to impound and divert water for irrigation; however, staff has not evaluated the cost to do that.

Mr. Stork moved to keep the right of impoundment but not the diversion right for Permit 3635 at Quinlan Creek; and to abandon Permit 5208 on Verde Creek to the state; Mr. Allen seconded the motion. Ms. White amended the motion to retain the diversion point right at the golf course for one year until after the Freese and Nichols study had been completed. Mr. Stork and Mr. Allen agreed to the amendment and the amended motion passed 5-0.

**8. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:**

8A. Golf Course Advisory Board. Mr. Fine moved to appoint Helen Herd, Raymond Holloway, Eddie Pinson, and Michael Sigerman to the golf course advisory board; Ms. White seconded the motion.

Mayor Pratt requested members be voted on individually by separate motions.

Mr. Fine moved to appoint Helen Herd, with term to expire July 1, 2017; Ms. White seconded the motion and it passed 5-0.

Mr. Fine moved to appoint Raymond Holloway, with term to expire July 1, 2017; the motion died for lack of a second.

Mr. Fine moved to appoint Eddie Pinson, with term to expire July 1, 2017; Ms. White seconded the motion and it passed 5-0.

Mr. Fine moved to appoint Michael Sigerman, with term to expire July 1, 2017; Ms. White seconded the motion and it passed 5-0.

**9. ITEMS FOR FUTURE AGENDA:**

- Create a citizen's advisory council to study video gaming/gambling machines.

**10. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

- September 12, 1:00-2:30, library meeting room, The Friends of the Library would host four local writers who had self-published their work.
- September 12, 10:00-4:00, Friends of the Library bookstore would be open.
- Vouchers can be picked up at city hall for free bulk waste disposal at the landfill transfer station.
- Today is Gene Allen's birthday.
- September 13, 2:30 p.m. the dedication of the Coming King statue at the Coming King Foundation Sculpture and Prayer Garden; also, at 7:46 p.m. a Jewish Rabi would welcome in the New Jewish Year.
- Jack Pratt was elected Vice President of TML Region 7.

**11. EXECUTIVE SESSION:**

Ms. White requested separate motions be made for each executive session item:

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

11A. 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.

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

11A. 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:

- Acquisition of property at 529 Water Street.

At 7:18 p.m. the regular meeting recessed. Mr. Allen left the meeting at 7:18 p.m.

Council went into executive closed session at 7:28 p.m. At 7:36 p.m. the executive closed session recessed and council returned to open session at 7:37 p.m. Mayor Pratt announced no action was taken in executive session.

**12. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION**

No action was taken in open session.

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

APPROVED: 10/13/2015

ATTEST:

/s/

Jack Pratt, Jr., Mayor

/s/

Brenda G. Craig, City Secretary