

CITY COUNCIL MINUTES
OF A SPECIAL MEETING

KERRVILLE, TEXAS
AUGUST 17, 2010

On Tuesday, August 17, 2010, the Kerrville City Council meeting was called to order by Mayor Wampler at 9:00 a.m., in the city hall council chambers, 800 Junction Highway, Kerrville, Texas.

MEMBERS PRESENT:

David Wampler	Mayor
R. Bruce Motheral	Mayor Pro Tem
Gene Allen	Councilmember
T. Scott Gross	Councilmember
Stacie Keeble	Councilmember

MEMBER ABSENT: None

STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Brenda G. Craig	City Secretary
Mike Erwin	Director of Finance
Travis Cochrane	Director of Information Technology
Charlie Hastings	Director of Public Works
John Young	Police Chief
Mindy Wendele	Director of Business Programs
Robert Ojeda	Fire Chief
Kim Meismer	Director of General Operations

Review and discuss the proposed FY11 budget as it pertains to the city's financial situation

Mr. Erwin gave the five year forecast of revenue and expenditures and noted that currently 13% of the city's annual budget, over \$1 million, went to pay off existing debt. He reviewed the existing debt issuances and the projects that were funded. He proposed that the FY11 tax rate remain the same at \$0.5625 and noted the effective tax rate would have been \$0.5753.

Ms. Ondrias reviewed the effect of not funding general fund CIP projects:

-\$6,000,000 Streets: failed streets were four times more expensive than routine maintenance.

-\$4,205,000 Fire Station: Replace a 30 year old facility and combine it with fire administration offices that were currently in leased facilities.

-\$1,300,000 Ladder Truck: Replace a 20 year old apparatus with new truck with better technology. Ladder truck was used to do swift water rescues as well as high rise structures and larger commercial buildings.

-\$1,000,000 Drainage: Correct flooding issues in some residential areas.

-\$500,000 Parks: Worn playground equipment becomes maintenance and liability issue and will have to be removed and space left vacant; repairs were needed at the Olympic Pool; address handicapped accessibility issues at the Cailloux Theater.

-\$327,000 Transportation: Arcadia Loop access road.

Mr. Erwin reviewed projects funded by \$6,200,000 utility debt in FY11. He noted that to continue the utility projects in the CIP would require a rate increase of \$1 per 1,000 gallons of sewer, an average increase of \$5 per month to fund additional debt. He noted the proposed fee schedule would be on the August 24 agenda for council action.

Council also discussed the following projects:

-Would Birkdale lift station be necessary if the city went to a gravity flow system?

Mr. Hastings noted the Birkdale lift station was necessary for growth, (i.e. Ingram and Harper Highway utility extension) and existing capacity issues. It would be put in at the depth necessary to gravity flow on the south side of the river. An entire gravity flow system would be possible; however, a high initial capital investment would be necessary and there was still life use in the existing system.

-Refurbish versus replacement of old fire truck and the various elements that go into the ISO rating. Chief Ojeda also noted that older trucks were more likely to not function during an emergency and could become liability and maintenance issues.

-Possible increase in some park fees.

Mr. Parton noted the winter retreat in November would focus in part on the city's sustainability in services, debt, revenue forecast, major equipment replacement, infrastructure, pavement management program, and drainage.

Review and discuss the proposed FY11 budget as it pertains to the use of performance information.

Mr. Erwin noted each department had provided their expected outcome measures and accomplishments based on the proposed FY11 budget.

Adjournment: The meeting adjourned at 9:38 a.m.

APPROVED: _____

David Wampler, Mayor

Brenda G. Craig, City Secretary