

CITY COUNCIL MINUTES
TOWN HALL MEETING

KERRVILLE, TEXAS
January 27, 2016

On January 27, 2016, at 6:00 p.m., the Kerrville City Council attended the Kerr County Commissioners' Court's town hall meeting at the Hill Country Youth Event Center Exhibit Hall at 3785 State Highway 27 East, Kerrville, Texas.

COUNCILMEMBERS PRESENT:

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| Jack Pratt | Mayor |
| Gary F. Stork | Mayor Pro Tem |
| Stephen P. Fine | Councilmember |
| Bonnie White | Councilmember |

COUNCILMEMBER ABSENT:

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| Gene Allen | Councilmember |
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CITY CORE STAFF PRESENT:

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| Todd Parton | City Manager |
| Mike Hayes | City Attorney |
| Brenda Craig | City Secretary |
| Trent Robertson | City Planner |

Kerr County Commissioners' Court Town Hall Meeting to discuss property on the south side of State Highway 27 East between Oak Way and Splitrock Road

Chance Allen, Regional Vice President of Martin Marietta (MM), reviewed the economic benefits and donations of MM in Kerr County since it began operations in 2003. MM performed due diligence on the site prior to purchase and it revealed an abundance of high quality material. He noted there were several other mining operations located along the river corridor. The quarry would provide a buffer between the airport and the community.

Several MM representatives noted the following:

- Environmental stewardship and sustainability were important; embraced responsible environmental practices.
- Provided a safe and healthy work place for employees and persons who interacted with MM operations.
- MM was an enhancement to the community.
- MM constructed a 10 ft. high visual earthen berm and wrought iron and stone fence with native vegetation along the perimeter
- Paved area to limit trucks from getting dust and material on to Highway. 27.
- Will work with Texas Department of Transportation (TxDOT) to meet requirements for entry on to Highway 27.
- Environmental processes and permits were established by state and federal regulatory agencies, and MM applied for those permits which were necessary to operate their business:

Processes to meet environmental compliance for air: operate under saturated conditions (controls dust emissions by 95%);

- Water spray for dry operations
- Opacity and training to recognize dust emissions so they can operate the plant efficiently.
- Operate sweeper trucks.

Processes to meet environmental compliance for water under stormwater permit:

- Required that water leaving the plant was clean.
- Settling ponds to recycle water.
- Land grading activities, included filter berms and silt beds.
- Water samples taken on a quarterly basis and tested by an independent analytical lab; results sent to Texas Commission on Environmental Quality (TCEQ) to determine if MM was meeting all parameters set in the permit.

- Employees were required to take certification training annually on oil handling and water quality practices.
- Spill handling, provided containment tanks sufficient for secondary containment; performed monthly tank inspections.
- Internal audits of all facilities.
- Post closure when operations cease and MM leaves a facility; having discussions with UGRA about water impoundment, other examples of how abandoned quarries have been used are shopping center and golf course.

County Judge Tom Pollard noted there was no state statute giving counties authority over land use; the county had some authority under floodplain management. John Hewitt, Kerr County flood plain administrator, noted that as a participant in the National Flood Insurance Program, the county was required to regulate construction and development in the floodplain in order to protect human health and life and to minimize flood damage. Any development in the floodplain required a floodplain permit to determine where something could be built and how high; development on one property could not adversely impact a neighbor's property or change the flood plain elevation. Also, before a permit can be issued, it must be approved by the Texas Parks and Wildlife and TCEQ. Part of the subject property was in the floodplain; however, MM currently had no plans to develop in the floodplain so there was not a pending application. MM was required to do a stormwater runoff plan.

Charlie Hastings, County Road and Bridge Department, noted that Split Rock Road was constructed for residential use and not for heavy trucks, and a geotechnical review of the pavement was underway. There was concern of mixing heavy industrial vehicles with residential traffic.

Joel Anderson, TCEQ regional director of the San Antonio office, noted they managed compliance and enforcement over a 15 county area; permits, rules and

regulations were issued in Austin. MM was registered at this location as an Aggregate Production Operation (APO); he reviewed applicable regulations:

- Air: Permit by Rule (PBR) – a permit was currently under review but had not been finalized. MM would be required to register initially and have annual reviews; the permit can be cancelled if MM discontinued operations for 30 days.

- Must meet general requirements of 30 TAC Section 106.4, Section 106.143 (wet), Section 106.149, and Section 106.261 (not wet).

- Must keep records to demonstrate compliance.

- Must control dust by paving roads or watering.

- Must adhere to the provisions of the construction general permit:

- Registration is required, must be at least 100 ft. from nearest off-site receptor.

- Emissions for the limestone are limited to 6.0 pounds per hour and 10.0 tpy.

- Must adhere to provisions of the construction general permit requirements.

- Construction General Permit requirements:

- Develop a Stormwater Prevention Plan (SWP3) prior to construction and comply with applicable local sediment and erosion control plans.

- Develop a multi-sector general permit when construction is complete and begin daily operations; requirements depend on the operations conducted at the facility and stormwater exposure to those operations.

- A Motion to Over Turn (MTO) is a request for the commission to review the TCEQ executive director's approval of the application. A motion must explain why the commission should review the TCEQ executive director's action.

Mike Coward, TxDOT Engineer, noted that TxDOT had plans for improvements for SH27 East including additional turn lanes and shoulders; funding was scheduled in 2019, but may become available sooner if the MM project moves forward. He had discussions with MM about direct access to Highway 27 without having to use Split Rock Road.

Bruce McKenzie, Kerrville-Kerr County Airport Manager, noted the airport board's concern was the operational integrity and safety of the airport. The board had not discovered anything in the MM project that would adversely affect airport operations or safety. The projected does not affect the airport approaches or runway protection zones. He asked that MM file Form 7460 with FAA.

City Mayor Jack Pratt noted the subject property was in the city's extraterritorial jurisdiction and city council previously authorized staff to start the annexation process. MM was served with a non-annexation agreement on January 15 and MM had 30 days; the city would then schedule two public hearings and the annexation would be complete in April. The city had taken such action to protect this economic growth corridor; however, the city cannot guarantee any results. Mayor Pratt noted MM would use a tremendous amount of water, that is, 58-59 acre feet, which equated to 133 households annually; he asked if MM would recycle or reuse water?

Ray Buck, General Manager of Upper Guadalupe River Authority, stated he had been investigating abandoned quarry pits and their use as water storage reservoirs; that possibility exists and UGRA may negotiate with MM if they close the quarry.

Tara Bushnoe, UGRA, regarding water quality, UGRA has a county-wide monitoring program. UGRA has historical data for the subject location on Split Rock Road; currently turbidity was very low; UGRA will continue to monitor the site for clarity and turbidity.

Members of the public asked questions:

- Will MM mine in the field behind the new fence? MM, yes, intend to mine.
- Will MM make improvements to the Center Point plant? MM, was proud of the operation as it is now.
- Will public hearings be held in compliance with Texas Open Meetings Act so the public can speak? MM, there is no statute that requires a public hearing under the permits applied for; also not required to be at this meeting, but agreed to attend and have open discussion.
- How much water does MM have for their operation and how much will they use? MM has water rights sufficient to operate under their current plan; if MM needs more water, it will go through the required permits; MM has not applied for a discharge permit because they do not intend to discharge. MM will recycle and treat 80% of the water they use. MM has 50 acre feet per year that came with the property.
- Did MM get a permit from Headwaters for groundwater? MM yes.
- After application has been made, will the county floodplain administrator issue a permit? MM noted that two permits had been applied for: 1. Floodplain for activity, and 2. Construction stormwater operational permit. MM did not have plans for construction activity in the floodplain; applied for construction storm water operational permit.
- Will water reclamation be required? Mr. Anderson (TCEQ) stated there was not a permit that required water reclamation.
- If MM complies with the permits can they begin operations? Mr. Anderson (TCEQ) stated if MM meets the requirements, they will get construction and operation permits.
- How is air quality monitored? Mr. Anderson (TCEQ) noted this was a technical requirement for production. MM noted that TCEQ will respond to issues; however, MM self-monitors for compliance and will be responsive before an issue goes to TCEQ.
- What are the hours of operation? MM, noted the mining time was 7:00 a.m. to 5:00 p.m. Monday through Saturday, except holidays.
- How many MM employees live in Kerrville and Kerr County? MM, did not know.
- Will trucks be covered before entering Highway 27? MM in accordance with the tarp law, all vehicles must be covered before entering a state highway.
- Will MM take gravel from the river? MM, not under the current plan; however, if MM did mine in the river, it would have to file for the appropriate permits and meet

those requirements.

- How would MM operations be affected during water rationing? MM would use groundwater and recycled water for operations.
- According to a local realtor, property values dropped 50% in the immediate area.
- Will blasting damage foundations? MM noted that no blasting would take place. There will be a 50 ft. buffer between the mining and the river. MM was not mining in the floodplain; if they did, they would have to go through the process associated with those requirements.
- Where was MM going to crush rock? MM, initially will transport rock to the Center Point facility. MM intended to crush rock at the subject site in the future; at that time, MM will follow those regulations.
- When was the last time the Center Point facility was inspected by TCEQ? Mr. Anderson (TCEQ) noted 33 years ago.
- Would MM be willing to gift the property to the community when mining was completed? MM, unknown at this time.

APPROVED: _____

ATTEST:

Jack Pratt, Jr., Mayor

Brenda G. Craig, City Secretary