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CITY COUNCIL MINUTES
BUDGET WORKSHOP

KERRVILLE, TEXAS
JULY 25, 2017

On July 25, 2017, the Kerrville City Council budget workshop was called to order at 4:00 p.m. by Mayor White in the city hall council chambers at 701 Main Street.

COUNCILMEMBERS PRESENT:

Bonnie White	Mayor
George Baroody	Mayor Pro Tem
Vincent C. Voelkel	Councilmember
Mary Ellen Summerlin	Councilmember
C. Warren Ferguson	Councilmember

COUNCILMEMBER ABSENT: None.

CITY STAFF PRESENT:

Mark McDaniel	City Manager
Mike Hayes	City Attorney
E.A. Hoppe	Deputy City Manager
Brenda Craig	City Secretary
Sandra Yarbrough	Director of Finance
Kim Meismer	Director of General Operations
David Knight	Police Chief
Dannie Smith	Fire Chief
Guillermo Garcia	Executive Director for Strategic Initiatives

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

DISCUSSION AND DIRECTION TO STAFF REGARDING THE PROPOSED FISCAL YEAR 2018 BUDGET: CAPITAL FUNDS

Mr. McDaniel reviewed current and future capital projects and noted the following:

- Sports Complex: soccer opening 2017 fall, and baseball 2018 spring.
- \$959k prior year budget carryovers will be used to outsource large projects.
- Tennis Center renovation \$1.5m funded by EIC over two year period.
- Comprehensive Plan \$375k funded with cash.
- Possible general obligation debt (voter approval):
 - Public safety complex FY2020, \$10.2m (general fund/tax supported debt)
 - Streets and drainage FY2023, \$6m estimate (general fund/tax supported debt)
 - Aquatics Center, FY2021 \$5.1m estimate (EIC supported debt)
 - Park Improvements, FY2022, \$5.0m estimate (EIC supported debt)
- Water and sewer capital projects FY2018 priorities: Reuse system, \$23.0m, completion FY2018; Legion lift station, \$7.8m, construction in FY2019; TTHM (total trihalomethanes), engineering in process, cost will vary depending on solution recommended, \$1.7m budgeted in FY2018.

- FY2023 projects proposed to be funded with \$10m bond: ASR well/Headwaters well; Interceptor downstream of Knapp lift station; Knapp wet well and force main; and interceptor downstream of Jefferson lift station.
- No change in water/sewer rates for FY2018; however, proposed rate increases to fund capital projects (debt service) and increased operational expenditures as follows: FY2019: 6% water and 2% sewer; FY2020: 6% water and 2% sewer; and FY2021: 2% sewer.

Council reviewed proposed capital fund projects through 2027.

ADJOURNMENT. The meeting adjourned at 5:04 p.m.

APPROVED: 08/08/2017

ATTEST:

Bonnie White, Mayor

Brenda Craig City Secretary