

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
JANUARY 26, 2010

On January 26, 2010, the Kerrville City Council meeting was called to order by Mayor Bock at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Reverend Arlie Lammers of the First Christian Church (Disciples of Christ), followed by the Pledge of Allegiance to the Flags led by students of the Hill Country Home School Association.

MEMBERS PRESENT:

Todd A. Bock	Mayor
R. Bruce Motheral	Mayor Pro Tem
Chuck Coleman	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
Travis Cochran	Director of Information Technology
Kevin Coleman	Director of Development Services
Charlie Hastings	Director of Public Works
Kim Meisner	Director of General Operations
Mindy Wendele	Director of Business Programs
Mike Erwin	Finance Director
Robert Ojeda	Fire Chief
John Young	Police Chief
Antonio Martinez	Director of Library Services

VISITORS PRESENT: List on file in city secretary's office.

1. VISITORS/CITIZENS FORUM: The following persons spoke:

1A. Jimmie Spradling felt that water drought restrictions were too restrictive and questioned why the city continued to permit carwashes and seek economic development and expansion when it could not furnish water to existing customers. The council had stated that the city had plenty of water, but will not let people use it.

Mayor Bock noted council was in the process of rewriting the drought conservation ordinance which was based on river flow and did not take into consideration the city's entire aquifer storage system.

1B. Mr. Gross presented his most recent book to each councilmember.

2. RECOGNITION AND COMMENDATIONS:

2A. Resolutions of commendation to Tom Anthony and Rose Marie Jundzilo for serving on the food service advisory board. Recipients unavailable; Mayor Bock requested they be rescheduled.

2B. Recognition of Police Chief John Young upon graduation from the 239th session of the FBI National Academy.

2C. Appreciation of volunteer fire departments for assistance on January 7, 2010, fire at Lakeside Apartments. Representatives were recognized from the following VFDs: Center Point, Turtle Creek, Comfort, Ingram, and Fredericksburg.

2D. Proclamation for the rededication of Blackwell Fire Station. Mayor Bock read the proclamation and invited the community to attend a rededication ceremony to be held at 10:00 a.m. on February 6 at 1750 Goat Creek Road.

3. CONSENT AGENDA:

Mr. Gross moved for approval of items 3B through 3E; Mr. Motheral seconded the motion and it passed 5-0:

3A. Resolution No. 001-2010 ordering that a general election be held on May 8, 2010, for the election of mayor and two city councilmembers.

3A. Una resolucion 001-2010 que pide que una eleccion general este dado el 8 de Mayo de 2010, para la eleccion uno Alcalde, dos miembros del ayuntamiento de la ciudad.

3B. Authorize city manager to execute a contract with T.F. Harper in the amount of \$250,000.00 for the purchase of equipment and the installation of a spray park and storage building at Carver Park.

3C. Authorize city manager to execute a contract with CH2MHill in the amount of \$100,000.00 for engineering services for phase two of the aquifer storage recovery well #3 project.

END OF CONSENT AGENDA.

4. PUBLIC HEARING AND ORDINANCE, FIRST READING:

4A. An ordinance annexing an approximate 86.71 acre tract out of the W.T. Crook Survey No. 71, Abstract No. 114; said tract being located adjacent to the corporate limits of the city of Kerrville, Texas and generally located northwest of the Kerrville/Kerr County Airport fronting the northeast side of Peterson Farm Road; describing the territory to be annexed; adopting a service plan for the territory annexed; and establishing the zoning for the area annexed. Mayor Bock stated that Items 4A and 4B would be considered together and read both ordinances by title only.

Kevin Coleman noted that the Kerr Economic Development Foundation requested annexation of their property. The planning and zoning commission recommended a zoning designation of planned development district to accommodate the USDA-ARS Livestock Insects Research Laboratory as requested by KEDF.

Mayor Bock declared the public hearing open; no one spoke and Mayor Bock closed the public hearing.

Mr. Coleman moved for approval of the ordinance on first reading; Mrs. Keeble seconded the motion and it passed 5-0.

4B. An ordinance annexing an approximate 3.954 acre tract, said property being located adjacent to the corporate limits of the city of Kerrville, Texas, and consisting of a tract adjacent to the Kerrville/Kerr County Airport and being more particularly described as part of Lot 1, Shady Grove Subdivision; describing the territory to be annexed; adopting a service plan for the territory annexed; and establishing the zoning for the area annexed. Mayor Bock read the ordinance by title only. Kevin Coleman noted the airport board requested annexation of their property; the planning and zoning commission recommended airport district zoning.

Mayor Bock declared the public hearing open; no one spoke; and Mayor Bock closed the public hearing.

Mr. Coleman moved for approval of the ordinance on first reading; Mrs. Keeble seconded the motion and it passed 5-0.

5. ORDINANCE, FIRST AND ONLY READING:

5A. Ordinance No. 2010-01 authorizing the issuance, sale and delivery of approximately \$4,040,000 in aggregate principal amount of "City of Kerrville, Texas combination tax and revenue certificates of obligation (CO), Series 2010"; securing the payment thereof by authorizing the levy of an annual ad valorem tax and a pledge of certain surplus revenues of the city's waterworks and sewer system; and approving and authorizing the execution of a paying agent/registrar agreement, a purchase contract, an official statement and all other instruments and procedures related thereto. Mayor Bock read the ordinance by title only.

Mr. Erwin noted the CO would be backed by the full faith and credit of the city; however, many of the capital projects would be funded by water/sewer revenue. Financial Advisor Ann Burger Entrekin, First Southwest, noted the city had an AA-rating; interest costs were at a 40 year low (3.387051%); the life of the CO would be 8.990 years; and the underwriters were local companies.

Ms. Entrekin and staff responded to the following questions from the public:

- What was the total amount of debt of the city? \$30,990,000 which included \$18,470,000 in self-supported debt (water and sewer revenue fund); \$12,500,000 ad valorem supported debt.
- What percent of this proposed CO was ad valorem tax supported? Zero percent; all water and sewer revenue supported.
- Would the CO raise the ad valorem tax rate? No, but it would result in an increase in water and sewer rates to pay for the capital projects associated

- Is there a limit that could be borrowed? Statutorily city cannot have a tax rate of over \$2.50 and not more than \$1.50 of that could be for debt service, calculated on a 90% collection ratio; the city was far below that.

Mr. Coleman moved for approval of Ordinance No. 2010-01 on first and only reading; Mr. Gross seconded the motion and it passed 5-0 upon roll call vote as follows:

Mayor Bock	Aye
Mayor Pro Tem Motheral	Aye
Councilmember Coleman	Aye
Councilmember Gross	Aye
Councilmember Keeble	Aye

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Direction concerning notice of amendment to certificate of adjudication application No. 18-2002C submitted by Comanche Trace Ranch & Golf Club LLLP (CT) to the Texas Commission on Environmental Quality (TCEQ).

Mr. Hastings noted Comanche Trace had applied to TCEQ to amend their certificate to transport river water through their golf course for recreation, irrigation and recirculation purposes through a series of pumps, and then flow back to the river. He noted the existing certificate allowed CT to divert up to 136 acre feet of water per year and to impound water to maintain several reservoirs. The application would NOT increase the amount of river water CT could use, but would allow CT to establish additional ponds and use Stone Creek to transport the water.

Mr. Hayes noted the city had no real interest or right to divert water under CT's certificate now or in the future; however, the city should have been included as an applicant in the process because the city had one-half undivided interest in the water right, but instead the city received notice as a water rights holder. The city had the right to protest the amendment; however, the amendment would not increase the amount of water being diverted, it would only allow that water to be used in additional ponds. The city council could also decide to take no action on the amendment.

Mr. Hayes also discussed the city's existing development agreement with CT and noted it called for that water right to be transferred to the city, but CT had not completed that transfer stating that city effluent water could not be used on their golf course. The main concern was that CT not use groundwater for irrigation. The existing development agreement also required CT to deed their three existing wells to the city, and a restriction be filed prohibiting CT from drilling any additional wells; however, CT had not completed these requirements.

The following person also spoke:

- David Lipscomb noted that Headwaters Groundwater Conservation District was interested in having all unused wells capped.

It was the consensus of council that staff meet with CT representatives to clean up the existing development agreement and resolve the issue of water rights and wells. If the wells were city assets, the city should affect the transfer of those assets.

6B. Consider committee recommendation and select new city logo and tag line design.

Ms. Wendele noted the council-appointed committee had reviewed logos and tag lines that had been submitted.

Mr. Gross noted the designs submitted were not outstanding nor a substantial improvement from the existing logo and the committee would continue to review submissions. If the logo design was changed, he proposed there would be no additional cost to the city. The logo was stale and being reviewed in preparation of way finding signs. If an outstanding logo was not found, the city would not change. He also noted inconsistency between several city departments with the existing logo.

The following comments were made by council:

- Did not see a benefit to changing the logo as the existing logo was well known and if it was changed, the new logo would have to be reestablished.
- It would be more productive to spend staff time on other things.
- Requested a list of logos common in our area.

6C. Direction to staff regarding boardwalk pavilion construction completion and funding.

Mr. Gross noted that there may be action soon, assuming the Central Kerrville Development Corporation would grant a waiver or lease to another party.

The consensus of the council was that the city first receive assurance that the city would have no obligation or liability for construction or costs without council action.

6D. Direction to staff regarding changes to city licensing of peddlers and solicitors within the city limits.

Mayor Bock gave examples of complaints he received from citizens and his personal experience regarding solicitors. He requested a permitting process be considered that would assure proper identification and establish some guidelines, e.g. time limits.

The council also discussed the following points:

- Enforcement was a problem under the existing ordinance, particularly on nights and weekends.
- Need a process for identifying and checking out solicitors.
- Need to inform citizens of the ordinance and the process for reporting issues.

Mr. Hayes noted that under the First Amendment, the city cannot obstruct certain solicitations; however, citizens had the right to place “no soliciting” signs on their doors. He cited some issues that could be addressed in an ordinance, e.g. define hours of operation, provide contact information about the solicitor, require additional permitting for the sale of health and food products, and maintain a “no soliciting list” to be provided to solicitors.

6E. Update on FY10 employee compensation. (Councilmember Gross)

Mr. Gross discussed the FY10 employee compensation package and stated that future salary surveys should include a broader selection of local non-government, private sector employers, and should consider the local economy.

Council also noted the following points:

- Did not give a cost of living adjustment to all employees in FY10.
- Employee compensation should be considered during budget workshops and not during mid fiscal year.
- Many city positions were not comparable to the private sector, e.g. 52% of employees were public safety, 10% required special licensing and certifications, management positions were specific to government operations; these types of positions were only comparable to other cities and similar government entities.
- Satisfied with the list of benchmark cities used in city surveys.
- Council should be fiscally responsible when considering employee compensation.
- In 2006 the city solicited information from the local, private business sector, but most would not provide information on compensation and benefits.
- Future surveys should be more comprehensive and consider the total compensation package including all benefits.
- The city should do a better job of communicating to citizens how salaries were determined.

Ms. Meisner also suggested using information from the Bureau of Labor Statistics for the Central Texas area and the WorkSource Office.

6F. Direction to staff regarding status of application process for appointments to technical trade boards.

Kevin Coleman noted several vacancies on building/technical boards. He reviewed staff's efforts to seek applications and proposed options to fill vacancies:

1. Councilmembers personally contact potential applicants and invite them to apply.
2. Amend the board rules and procedures to allow persons to serve on multiple building/technical trade boards.
3. Amend associated ordinances to remove term limits on the building board of adjustment and appeals, as had been done on other technical trade boards.

The council also discussed the following points:

- Trades people had to be knowledgeable in specific areas.
- Boards did not meet frequently, so people could serve on more than one board.
- The city was only required to have a building board of adjustment.
- Could reduce the number of people needed if the city had only one unified building board and each board member represented a specific trade requirement.

The consensus of the council was that staff consider and bring a recommendation to the city council regarding having only a building board of adjustment as stated above.

6G. Receive report and consider official statement regarding homeless veterans' housing project. Guy Overby, KEDF, updated the council on a program started in 2006 to look at underdeveloped federally-owned properties that could be used for housing for homeless veterans; three sites were being considered in Texas, one was the Kerrville VA. In November 2009 the VA held a public forum in Kerrville, but it was not well attended. Information about the program and criteria for participants was not available. Congressman Smith requested a list of local concerns and questions, and he would discuss the list with the Board of Veterans Affairs and try to get information. It was unknown if the housing program was strictly for veterans or available to other low income housing assistance programs. If the application was approved, construction could start in summer 2010 and be operational in 2011.

Mr. Gross moved that council enthusiastically support the homeless veterans' housing project contingent upon full disclosure of details on how the facility would impact the Kerrville community.

Mr. Parton noted the city attorney would draft a letter for the mayor's signature to be forwarded to Congressman Lamar Smith stating the council's official position; he recapped the information to be addressed:

- What were the qualifying factors that applicants had to meet, including will housing be limited to veterans and their families only.
- What would be the impact, including financial, on the community and what services would local entities be expected to provide to residents, e.g. health care, education.
- Were there any future plans for expanding the program locally.
- The city fully supported veterans but needed full disclosure of the project and criteria before council could make an informed decision to support the project.
- If adequate information was not provided, the city would have to oppose the project.

Mr. Motheral seconded the motion and it passed 5-0.

6H. Discussion regarding the establishment of rules and procedures pertaining to the individual actions of councilmembers. (Councilmember Coleman)

Mr. Coleman discussed establishing a council statement of ethics policy that would support the Texas Open Meetings Act and ensure no open meetings violations.

Council discussed items that could be addressed in a policy:

- Prohibit discussion of city matters outside of a posted council meeting.
- No meetings with individuals unless approved by city council.
- Prohibit councilmembers from meeting with individuals; councilmembers serve all citizens not special interest person or group.
- Managing staff through the city manager based on direction of the full council.
- Councilmembers should work as a unified body and support decisions whether they agreed or disagreed with a council decision.

The consensus of the council was that each member would be cognizant of the issues and focus on a rededication of effort to work as one unified body.

7. INFORMATION AND DISCUSSION:

7A. Update on library renovation.

Mr. Martinez reported the following:

- The total project cost was estimated at \$6 million.
- The renovations steering committee met and established four phases for the library renovation project:
 - Phase I: Demolition or removal of buildings at 433 Water Street, relocation of Friends, and site work;
 - Phase 2: Begin renovation of main building, changes to increase usable space 15%.
 - Phases 3 &4: Renovation of history center, riverbank improvements and landscaping.
- Deadline to receive proposals for the removal of the two buildings at 433 Water Street was January 15.
- The city had a balance of \$56,000 for hazardous materiel removal and site work.
- A grant had been submitted for the replacement of the roof on the main library.
- The Friends committed \$200,000 for the construction of their facility behind 433 Water Street.
- The scope of the library foundation had been changed to “serve libraries in Kerr County” and not just the Butt-Holdsworth Memorial Library.
- The committee was writing the articles of incorporation for the foundation and meeting to discuss project management, establish a time line, strategic plan, and funding needs and sources.

Councilmembers discussed not proceeding with each identified phase until all financing was complete for that phase.

7B. Keep Texas Beautiful member.

Mrs. Keeble presented information to be completed in order to establish a Keep Kerrville Beautiful program affiliated with the Keep Texas Beautiful program, for example: organizational structure of the board (bylaws, guidelines, etc.); appointments to the board; community needs and assessment evaluations; prioritized projects list; establish a budget, and submission of the application package. She noted the program would be completely funded through donations and all projects would be performed by volunteers.

7C. Provide direction to city staff regarding public affairs programming for the city of Kerrville.

Mr. Parton discussed implementing an internal marketing program aimed at improving the city’s public affairs. Council discussed several outlets that could be used to disseminate accurate, timely and factual information to the public. Mr. Parton will present a more detailed plan at the February 9 council meeting.

The following person spoke:

- Carolyn Lipscomb suggested better and easier public access to information presented to the council at council meetings.

8. BOARD APPOINTMENTS:

8A. Appointments to the main street advisory board. Mr. Gross moved to reappoint Kyle Bond, Beck Coons, and Peter Lewis, and to appoint Crystal Lozano, all with terms to expire January 31, 2012. Mr. Motheral seconded the motion and it passed 5-0.

9. ITEMS FOR FUTURE AGENDAS

- Priorities for economic development.

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Todd Bock and Todd Parton were recognized as official Girl Scouts; Mayor Bock urged community support of the Girl Scouts program.

11. EXECUTIVE SESSION:

Mr. Coleman moved for the city council to go into executive closed session under Section 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), and 551.074 (personnel matters) of Chapter 551 of the Government Code of the State of Texas; the motion was seconded by Mr. Motheral and passed 5-0 to discuss the following matter:

Section 551.072:

- Discuss the purchase, exchange, lease, sale or value of real property located at 741 Water Street, Kerrville, Texas, for use as a city hall, the discussion of which would not be in the best interests of the city's bargaining position with third parties.

At 9:36 p.m., the regular meeting recessed and council went into executive closed session at 9:37 p.m. At 10:34 p.m., the executive closed session recessed and council returned to open session at 10:35 p.m. The mayor announced that no action had been taken in executive session.

12. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

ADJOURNMENT. The meeting adjourned at 10:35 p.m.

APPROVED: _____

Todd A. Bock, Mayor

ATTEST:

Brenda G. Craig, City Secretary