

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
FEBRUARY 9, 2010

On February 9, 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 Father Tom Murray of the Saint Peter's Episcopal Church, followed by the Pledge of Allegiance led by Dr. Jerry Lane of the Retired Military Officers 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 Cochrane	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
Robert Ojeda	Fire Chief
John Young	Police Chief
Mike Erwin	Director of Finance

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

1. **VISITORS/CITIZENS FORUM:** The following person spoke:
 - 1A. Valorie Olsen, Director of the Museum of Western Art, stated that during the month of February, the museum was offering free admission to Kerrville residents, under sponsorship of the H-E-B Food Stores.
2. **RECOGNITION AND COMMENDATIONS:**
 - 2A. Resolution of commendation to Wes Dorman for serving on the main street advisory board.
 - 2B. Resolution of commendation recognizing Willard L. Amann for serving on the mechanical board of adjustments and appeals.
 - 2C. Proclamation recognizing finance department for certificate of achievement for excellence in financial reporting. Mayor Bock noted the city of Kerrville had received this award from the Government Finance Officers Association for 24 consecutive years.

3. CONSENT AGENDA:

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

3A. Approval of minutes of the city council regular meetings held November 10, 2009; and special meeting held at 1:00 p.m. on November 17, 2009.

3B. Authorize the city manager to purchase new vehicles for the police department from Buyboard in the amount of \$116,473.

3C. A resolution amending the city of Kerrville's authorized representatives relating to participation in the Texas Local Government Investment Pool.

END OF CONSENT AGENDA.

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Direction to staff concerning the city's application to the Texas Commission on Environmental Quality for a Certificate of Convenience and Necessity (CCN) and consideration of requests from affected landowners for their property to be removed from the proposed CCN area.

Mr. Hastings noted council previously authorized the submission of a CCN application to TCEQ that would allow the city to be the water purveyor in the two mile extraterritorial jurisdiction (ETJ) area. The city's purpose behind the CCN application was to provide water supply sufficient to meet fire flow requirements, help ensure water sustainability in the area, and provide sufficient water for economic growth.

Mr. Hastings reviewed the opt out process and provided a list of property owners who had requested to be opted out of the city's CCN and provided revised maps including the opt out tracts. He requested council authorize staff to revise the CCN map to reflect all official opt out requests, both automatic and non-automatic, received during the opt out period and to resubmit the revised map reflecting the opt out properties to TCEQ by the March 5, 2010 deadline.

Mr. Motheral moved to accept the revised CCN map as stated by Mr. Hastings. Mr. Gross seconded the motion.

Mayor Bock encouraged the public to meet with Mr. Hastings if they had any individual questions.

The following persons spoke:

1. Gloria Louk noted the Pascal Creek Ranch Homeowners Association had not heard if their opt out request had been granted. Mayor Bock referred her to Mr. Hastings to review their location on the map and confirm their opt out request.

2. Carol Ann Neunhoffer noted that a small area of Julius Neunhoffer's land that was surrounded by his ranch remained in the CCN, but he had requested all 1,600 acres be opted out. She questioned whether the CCN would prohibit private landowners from selling water to their tenants. She also questioned whether the city's notice in the newspaper met Americans with Disabilities Act for public notification since some people were blind or illiterate. She felt the notification letter and map mailed to property owners was confusing and the property description was misleading; it was

difficult to understand what property was included. Mr. Hastings noted the letters stated the official property description on file with the Kerr Central Appraisal District. Mayor Bock asked that Mr. Neunhoffer meet with Mr. Hastings to confirm that the small area was included on the opt out map.

Emily Rogers, attorney representing the city in the CCN application, stated the notice was printed in accordance with TCEQ's requirements using their prescribed form, and that state law required the notice to be printed in the newspaper. A CCN was required for water purveyors who proposed to sell water as a public utility; raw water from a private well, such as that sold to a tenant, was not governed by a CCN.

3. Jim Schumacher said he had put off requesting to opt out and he was still on the map; he asked what he should do. Mayor Bock asked that he discuss his property with Mr. Hastings.

4. Shirley Smith noted her neighbor did not go through the opt out process by the deadline; could she still opt out? Mayor Bock asked her to meet with Mr. Hastings to get on the opt out map.

Staff anticipated that each time the ETJ line changed, the city would have to apply to TCEQ to increase the city's CCN area and follow the prescribed process.

The motion passed 4-1 with Messrs. Motheral, Gross, Bock, and Coleman voting in favor of the motion; and Councilmember Keeble voting against the motion.

4. PUBLIC HEARING AND ORDINANCE, FIRST READING:

4A. An ordinance creating a "planned development district" for retail trade I, business services I, life care development, multifamily residential, professional office, restaurant (general and limited), and personal services I on an approximately 11.16 acre tract of land, made up of 10.10 acres out of the Benjamin F. Cage Survey Number 116, Abstract Number 106 and 1.06 acres out of the Fritz Vollmering Survey Number 1432, Abstract Number 1519, within the city of Kerrville, Texas, and generally located west of Loop 534 (Veterans Highway) between Stoneledge Drive and Paragon Place; adopting a concept plan and conditions related to the development of said district; containing a cumulative clause; containing a savings and severability clause; establishing a penalty or fine not to exceed \$2,000 for each day of violation of an provision hereof; ordering publication; and providing other matters relating to the subject. Mayor Bock read the ordinance by title only.

Kevin Coleman noted the applicant proposed a mixed use development on 11.16 acres. Under the subdivision rules and regulations, the platting process and development site plan would be triggered when a building permit was requested. The city engineer would review the applicant's engineering and construction documents during the platting process, and assure that all standards were met, including drainage requirements. The owner must prove that drainage from his development will not impact neighboring property; however, the owner is not required

to fix existing conditions. The issue under consideration at this time was zoning; the planning and zoning commission recommended approval.

Mayor Bock declared the public hearing open and the following persons spoke:

1. Gerald Gauden noted that in 2002 water flooded several homes, and washed away two buildings and half of another home along the creek in this area. The owner of the subject tract brought in fill to raise the level in the drainage way, thereby increasing the height of flooding. Mr. Gauden strongly objected to allowing the higher elevation to remain as it would significantly worsen flooding problems. He noted there was zero elevation in the past and the area flooded; with the increased fill, floods would have great potential for destruction.

2. Kathy Gauden noted their property flooded prior to the fill being placed in the floodway, now the water had nowhere to flow and would create a worse flooding situation for them and their neighbors.

3. Kevin Spraggins, project engineer, noted the owner had completed testing and filed a certified compaction report, meeting the 95% compaction requirement, with FEMA in 2006. He noted that under existing FEMA guidelines, the engineering study showed no rise as a result of the fill that had been added. Also, the LOMR (Letter Of Map Revision) had been submitted to FEMA and the revised floodplain map would show the new floodplain line. The issue before council was zoning only and drainage was a separate issue that would be addressed in the platting process.

4. Walter Crock questioned how sure the council was that the information provided was correct. The engineer had stated that nothing changed, but in his opinion, it had changed significantly. The council noted they relied on staff's knowledge; however, nothing was 100% guaranteed.

No one else spoke and Mayor Bock closed the public hearing.

The council also discussed the following:

- This was a zoning issue and drainage issues would be addressed during platting and construction.
- Concern about suitability to build on the property and how the owner would address drainage and elevation issues.
- Could council authorize a statement on the plat to ensure that the development would not impair flooding?
- An engineer did the study and determined where the floodplain line was before fill was put in.
- Under the existing zoning, the owner could put in a more dense development than proposed under the requested zoning; the owner actually proposed a development that was more restrictive.

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

5. ORDINANCE, SECOND AND FINAL READING:

5A. Ordinance No. 2010-03 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 read the ordinance by title only. Mayor Bock requested items 5A and 5B be considered together; there was no objection from council.

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. The ordinance was approved by council on first reading on January 26, 2010.

Mr. Coleman moved for approval of Ordinance No. 2010-03 on second and final reading; Mr. Motheral seconded the motion and it passed 5-0.

5B. Ordinance No. 2010-02 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.

Kevin Coleman noted the airport board requested annexation of their property; the planning and zoning commission recommended airport district zoning. The ordinance was approved by council on first reading on January 26, 2010.

Mr. Coleman moved for approval of Ordinance No. 2010-02 on second and final reading; Mrs. Keeble seconded the motion and it passed 5-0.

6. CONSIDERATION AND POSSIBLE ACTION:

6B. Receive report from Kerr Economic Development Foundation (KEDF) regarding priorities and program for FY10 and discuss economic development priorities for the city of Kerrville. (Councilmember Gross)

Guy Overby, KEDF president, reported on KEDF's current activities and economic development program for FY10. He proposed that the community continue a letter writing campaign to elected officials in Washington in support of federal funding for construction of the USDA Livestock Insects Research Laboratory in Kerrville. He reviewed the Kerrville/Kerr County Economic Development Strategic Plan and discussed current projects and opportunities for expansion of local businesses. He noted EIC had been a great funding resource, citing \$300,000 for the community college center, which currently had an enrollment of over 700 students. He noted one particular concern was physician recruitment.

The council noted there were three hospitals and hospital boards and the city could collaborate and work with the three boards to recruit physicians and health care specialists.

The following person spoke:

1. Dr. Mike Grocki encouraged council and the community to actively participate in recruitment and retention of physicians. Kerrville should be strengthening its hospitals and retaining physicians, but physicians were going to out of town hospitals. He cited several reasons: high overhead, cost of labor force, cost and lack of sufficient office space, building code requirements inhibited consolidation of building space, and lack of community amenities. The city and community should be proactive in an organized coordinated recruitment effort. The city could offer tax incentives and adjust building codes to meet Medicare requirements and allow physicians to consolidate facilities and equipment and lower overhead expenses.

Mr. Gross moved that the city council express support for retention and recruitment of health care professionals to Kerrville, and that KEDF and city staff prepare a list of ways the city can assist in that effort. The motion was seconded by Mrs. Keeble and passed 5-0.

The council encouraged a "health care summit" with the leaders from all three hospitals in this process.

6A. Direction to staff concerning the city's application to the Texas Commission on Environmental Quality for a Certificate of Convenience and Necessity (CCN) and consideration of requests from affected landowners for their property to be removed from the proposed CCN area. (Note: This item was discussed earlier in the meeting.)

6C. Provide direction to city staff regarding public affairs programming for the city of Kerrville.

Mr. Parton reviewed the primary function of a public affairs program designed to provide timely, accurate, trusted and respected communication. He discussed ways to develop and improve program initiatives. Ms. Wendele discussed media outlets available and reviewed media coverage received in the last several months.

The council also discussed the following points:

- The primary focus should be to provide trusted information so citizens could better understand the decisions made by the council.
- Citizens should be able to trust that the information was accurate.
- City staff could create an email list.

Mr. Parton noted one project for FY10 was to rebuild the city's website. Mr. Cochrane gave a brief demonstration of the proposed new website.

7. INFORMATION AND DISCUSSION:

7A. Update on the status of the city's budget and current economic trends affecting the city of Kerrville.

Mr. Erwin presented the economic update as of January 31, 2010. The council discussed whether the economic recession would have any affect on future property appraisals and anticipated ad valorem taxes. Mr. Parton noted staff was preparing a list of FY10 budget cuts to be presented to council at a future meeting. Staff will continue to monitor and provide economic updates to council monthly.

7B. Review of community logos relative to ongoing discussion concerning the city's logo.

Ms. Wendele reviewed logos of other entities. Mr. Gross noted the logo would be evolutionary and similar to the existing city logo, but with more focus on the river. The committee was still accepting and evaluating logos submitted. The existing logo was being reviewed in advance of spending money on way finding signs.

7C. Update on Keep Kerrville Beautiful. (Councilmember Keeble)

Mrs. Keeble reviewed the KTB program mission and noted the ultimate goal was to make Kerrville the cleanest community in the state by getting citizens involved in improving the community. The program would be funded through donations and volunteer participation, no city funds would be necessary. Mrs. Keeble reviewed the city's responsibilities under the program and noted the city would appoint the board members. The board would establish their bylaws, set goals and objectives, and establish projects. The board would conduct fundraising and take the lead in creating partnerships with other entities and organizations. City sponsorship would give credibility to the program. She reviewed the benefits of the program and cited reasons why the city should be the lead agency. She proposed a review after one year and if progress was not apparent, the city could be dropped from the program. Mrs. Keeble noted the success of the program would be dependent upon the number of volunteers and the donations received.

The council also discussed the following points:

- The program should start with a private approach or other organization and not controlled by the city.
- Need more information, i.e. budget, work plan.
- Noted city budget constraints; wanted assurance the program would not affect the budget.
- The city was already doing many of the projects proposed.

8. **ITEMS FOR FUTURE AGENDAS:** None proposed.

9. **ANNOUNCEMENTS OF COMMUNITY INTEREST:**

- Alamo Area Community College recently held open house at Tivy Elementary with over 700 registered students.
- Rededication of Blackwell Fire Station at 1750 Goat Creek Road was held on Saturday, February 6.

10. **EXECUTIVE SESSION:** None.

11. **ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION:** None

ADJOURNMENT. The meeting adjourned at 9:06 p.m.

APPROVED: _____

Todd A. Bock, Mayor

ATTEST:

Brenda G. Craig, City Secretary