

CITY COUNCIL MINUTES  
REGULAR MEETING

KERRVILLE, TEXAS  
MAY 11, 2010

On May 11, 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 Tom Murray, Associate Pastor, St. Peter's Episcopal Church, followed by the Pledge of Allegiance led by Ashli, Demi, and Hilton Bock.

MEMBERS PRESENT:

Todd A. Bock	Mayor
R. Bruce Motheral	Mayor Pro Tem
Chuck Coleman	Councilmember
T. Scott Gross	Councilmember
Stacie Keeble	Councilmember

MEMBER ABSENT:

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
Mike Erwin	Director of Finance
Tara LaMontia	Assistant to the City Manager
Barbara Lanning	Financial Analyst
Sandra Yarbrough	Assistant Director of Finance

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

1. VISITORS/CITIZENS FORUM: No one spoke.

2. RECOGNITION AND COMMENDATIONS:

2A. Resolutions of commendation to Diana Bock and Claudio Castillo for serving on the parks and recreation advisory board.

2B. Proclamation proclaiming May 2010 as National Preservation Month.

2C. Proclamation proclaiming the week of May 10 as Salvation Army Week.

2D. Proclamation honoring Volunteer Auxiliary of Peterson Regional Medical Center.

3. CONSENT AGENDA:

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

3A. Approval of minutes of the special city council meetings of April 6, 2010, 2:00 p.m. and 6:00 p.m. and the regular city council meeting of April 27, 2010.

3B. Approval of an interlocal agreement with the district attorney, 198<sup>th</sup> Judicial District regarding the disposition of forfeited contraband.

**END OF CONSENT AGENDA.**

**4. ORDINANCE FIRST READING:**

4A. An ordinance amending Chapter 110, Article III “water management plan” of the code of ordinances of the city of Kerrville, Texas, by amending the water conservation stages resulting from drought conditions, amending the water conservation measures, adding a new Stage 5, and adding a permit requirement for athletic fields and golf courses; containing a cumulative clause; containing a savings and severability clause; providing a penalty for violation of any provision hereof; ordering publication; and providing other matters related to the subject. Mayor Bock read the ordinance by title only.

Mr. Hastings recommended the ordinance be adopted as presented.

The following person spoke:

- Carolyn Lipscomb suggested an alternative schedule that would reduce the hours and allow irrigation during various times instead of everyone watering at the same time of day; this would lessen stress and demand on the water system.

Mr. Motheral moved for approval of the ordinance on first reading without modification; Ms. Keeble seconded the motion and it passed 5-0.

**5. CONSIDERATION AND POSSIBLE ACTION:**

5A. Presentation and acceptance of the FY 2009 comprehensive annual financial report.

Mr. Erwin noted the firm Rutledge, Crain and Company performed the audit ending September 30, 2009; the auditors’ report found the city’s financial statements to be in conformity with generally accepted accounting principles.

Chris Rutledge stated the audit was acceptable and opined that it would receive the Government Finance Officers’ Association award. He noted that expenditures exceeded revenues and the city balanced through a drawdown of the general fund balance, which had been decreasing since 2007.

Ms. Keeble moved to accept the FY 2009 comprehensive annual financial report as presented; Mr. Coleman seconded the motion and it passed 5-0.

5B. Request to require e-verify from all city-wide business/employers.

Susan Baker presented information regarding e-verify, a free service under the federal homeland security program. She requested the city council pass an ordinance that would require all employers to use e-verify to determine the legal status of their employees, thus maintaining the security and integrity of Kerrville.

Mr. Parton noted e-verify was part of the city’s employment process.

**6. INFORMATION AND DISCUSSION:**

**6A. Presentation by Kit Werlein, President of Playhouse 2000, regarding operations at the Kathleen C. Cailloux Theater.**

Kit Werlein noted that since the Kerrville Performing Arts Society had cancelled their 2010 season, Playhouse 2000 had joined with the Symphony of the Hills and the Hill Country Youth Orchestra to bring top performing individuals and groups to Kerrville and had filled many of the cancelled dates. He did not see KPAS' decision to cancel as an impediment to the operation of the Cailloux Theater or to the financial stability of Playhouse 2000. Playhouse would accept the opportunity to fill the void and continue to produce first class entertainment. On behalf of Playhouse 2000, he wished KPAS well, and the doors remained open to KPAS in the future. Mr. Werlein read a statement from the Kenneth Cailloux Family and the Floyd Cailloux Foundation expressing their support of Playhouse 2000, its staff and directors, and their continued support for the groups that used the facility.

The following person spoke:

- Laurent Sorell stated he was a former KPAS board member, and he spoke in support of Mr. Werlein. He was ashamed of KPAS' actions, and he encouraged the city to continue to support the Playhouse 2000 board and staff.

**6B. Update on the response of Kerr County to the interlocal agreement for plat approval authority in the City of Kerrville's extraterritorial jurisdiction (ETJ) submitted to Kerr County Commissioners' Court (KCCC) on March 29, 2010.**

Mr. Parton noted as per the council's instructions at the March 23 meeting, staff had forwarded to the county an interlocal agreement adopting the blended standards for the city ETJ area, with a request for an official response to the documents. The city had not received an official response to date.

Kevin Coleman reported the commissioners had felt the interlocal agreement was an "all or nothing; accept or leave" proposition and they felt they could not accept the document as presented. KCCC then went into executive session; following executive session, the commissioners adopted the following two motions:

1. To ask for an attorney general's opinion about the applicability of the model subdivision rules in the etj of any city, specifically Kerr County and the City of Kerrville.
2. Directed the county attorney to invoke the arbitration clause of Chapter 242 of the state statutes with respect to the etj agreement between the city and county.

He noted the city had not received anything official in writing from the county regarding this matter.

Mr. Hayes stated an attorney general's opinion generally took about six months, and since this may impact other cities and counties as well, it may take longer. The AG may seek briefs from other cities and counties; he suggested the city submit comments. He felt that the county may not go to arbitration until after the AG's opinion was received.

Council noted the following points:

- The city and county had tried to work out an agreement for five years.
- Currently, developers in the ETJ had to work with two sets of standards and rules.
- Six months ago the city and county both agreed to develop a set of blended standards and the strongest standard, city or county, would be used.
- The state promulgated ETJ rules as a means of protection for cities so areas in an ETJ would be built to city standards thereby protecting potential growth areas; this was the basis of the original city/county interlocal agreement before the county withdrew.
- A good example of substandard development regulations was the black fire hydrant lying on the ground on Ranchero Road in front of Nimitz School; there was no fire protection even to the elementary school.
- The city council had sent a document to the county for review and adoption or comments; the county made the decision they did not want that document, but gave no specific recommendations for changes.
- The city should try one more time to have a joint meeting with the commissioners and try to get an agreement worked out.

Kevin Coleman felt the city and county were very close in developing the standards; however, he felt the county's issues now revolved around the process, i.e. who received, controlled, signed. The model subdivision rules developed by the state were very minimal, the city's standards were slightly above those base line standards; to expressly incorporate the state's minimal standards would weaken the city's rules.

Mr. Motheral noted that throughout their discussions, Commissioner Letz had been assured that the county would be included throughout every step of the process; there had never been any attempt to cut the county out, including signature blocks for the county to sign on the final plat. Regarding the model subdivision rules: 1) KCCC never passed a court order, so it did not exist; 2) KCCC had not applied for a colonia grant; therefore, the city would not adversely affect anything the county was doing. If KCCC had a potential colonia project and wanted to apply for a grant, the city could simply exempt that specific site from the ordinances that were in conflict. The city's rules in no way adversely affected anything the county proposed to do.

The consensus of the council was to place an action item on the next agenda:  
Discuss and take action on the ETJ interlocal agreement and ordinance.

6C. Kerrville budget/economic update.

Mr. Erwin reviewed financials and noted steps taken to reduce the FY2010 budget:

- Approximately \$1,000,000 budget amendment reduced spending.
- Reduction in HOT funds disbursement proportionately to allocations.
- Directors' salaries were frozen.
- Seven positions were held open; each position was reviewed by the city manager prior to hiring.
- Maximized use of grant funds for capital in police (vehicles, computers) and fire (computers).
- Deferred tax supported bond issuance.

**7. ITEMS FOR FUTURE AGENDAS:** None

**8. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

- The Crush Youth Soccer U11 Girls team won the state championship.

**9. EXECUTIVE SESSION:**

Mr. Coleman moved for the city council to go into executive closed session under Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices) and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code of the State of Texas; the motion was seconded by Mr. Gross and passed 5-0 to discuss the following matters:

Section 551.071:

- Contemplated claim and/or litigation involving Carter and Burgess dba Jacobs Engineering.
- Settlement agreement between the United States of America, the City of Kerrville, Texas, and Playhouse 2000 with respect to the Cailloux Theater and City Center for the Performing Arts under the Americans with Disabilities Act.
- Discuss legal issues related to the claim filed by Daniel Sanchez.

At 7:28 p.m., the regular meeting recessed and council went into executive closed session at 7:31 p.m. At 8:10 p.m., the executive closed session recessed and council returned to open session at 8:12 p.m. The mayor announced that no action had been taken in executive session.

**10. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION**

Discuss legal issues related to the claim filed by Daniel Sanchez

Ms. Keeble moved to reject the settlement claim filed by Daniel Sanchez. The motion was seconded by Mr. Motheral and passed 5-0.

**ADJOURNMENT.** The meeting adjourned at 8:13 p.m.

APPROVED: \_\_\_\_\_

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Todd A. Bock, Mayor

ATTEST:

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Brenda G. Craig, City Secretary