

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
JULY 10, 2012

On July 10, 2012, the Kerrville City Council meeting was called to order by Mayor Pratt at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Reverend Patty Edwards, Unity Church of the Hill Country, followed by the Pledge of Allegiance led by Sam Barker of the Military Officers Association of America.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Gene Allen	Councilmember
Carson Conklin	Councilmember
Justin MacDonald	Councilmember

COUNCILMEMBER ABSENT: None

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Brenda G. Craig	City Secretary
Kristine Ondrias	Assistant City Manager
Travis Cochran	Director of Information Technology Systems
Mike Erwin	Director of Finance
Robert Ojeda	Fire Chief
Kim Meisner	Director of General Operations
Mindy Wendele	Director of Business Programs
Jason Lutz	Senior Planner

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

1. VISITORS/CITIZENS FORUM

1A. David McElvain requested to be included in future meetings where the river trail was discussed as it would impact him.

2. RECOGNITION:

2A. Resolution of commendation to Kacy Smith for serving on the main street advisory board.

3. CONSENT AGENDA:

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

3A. Minutes of the joint meeting of the Kerrville City Council and the City of Kerrville Economic Improvement Corporation held on June 12, 2012.

3B. Resolution No. 22-2012 authorizing the use of internal combustion engines on the lake upstream of the city's impoundment dam for a triathlon.

END OF CONSENT AGENDA

4. PUBLIC HEARING:

4A. Annexation and zoning of approximately 9.83 acre tract of land, out of the F. Rodriguez Survey No. 72, Abstract No. 280, within Kerr County, Texas and consisting of the property addressed as 5623 State Highway 27.

Mr. Lutz noted this was the second required public hearing; staff had not received any comments from the public, and annexation was a requirement of the funding agreement with the economic improvement corporation.

Mayor Pratt declared the public hearing open at 6:08 p.m., no one spoke; Mayor Pratt closed the public hearing at 6:09 p.m.

5. ORDINANCE, FIRST READING:

5A. An ordinance amending the budget for fiscal year 2012 to account for the redesign and revised cost estimates for the Birkdale lift station/force main project.

Mayor Pratt read the ordinance by title only.

Mr. Parton noted the bids previously received for the original project exceeded the project budget. The project was redesigned and rebid, but those bids were expected to exceed the original project budget; therefore, he requested council increase the project budget by \$900,000 to a total of \$6.3 million so contracts could be awarded and the project could proceed. Mr. Parton proposed that funds be reallocated from the I & I (inflow and infiltration) project, from the fund balance from other closed projects, and from unallocated bond funds. He anticipated bid award and contracts would be on the July 24 agenda for council approval.

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

6. CONSIDERATION AND POSSIBLE ACTION:

6A. FY2013 budget for the operation of the Kerrville-Kerr County Airport. Stephen King, airport board chair, presented the FY13 budget at \$397,705, down from the FY12 budget of \$433,138, a reduction of \$20,000 each for the city and county. He noted the airport board proposed two budgets, one with the airport management services contract and one without, but did not officially act on either budget until after the city and county selected their preferred budget. He noted that the county agreed to continue to provide human resources services and financial services, at no cost to the airport, until the airport staff was prepared to assume the financial duties. He reviewed each line item.

Mr. Conklin moved to approve the FY2013 airport budget at \$397,705 contingent upon approval of the airport board; Mr. MacDonald seconded the motion and it passed 5-0.

6B. Construction of new parking lot at the Kerrville-Kerr County Airport.

Stephen King, airport board chair, stated that bids for the project were still out and the airport board requested the matter be tabled and council allow the board to resubmit it for consideration at a future council meeting. There was no action taken by the council.

6C. Resolution No. 21-2012 approving the refunding and reissuance of solid waste disposal revenue refunding bonds for Republic Services, Inc. which will benefit solid waste facilities within the city; approving a plan of finance with respect to such actions; and disclaiming liability.

Lee McCormick, representing Republic Services, Inc. (RSI), noted RSI assumed Allied Waste's debt, and the contract with the city, as a result of their merger. Allied Waste issued \$56.8 million in tax exempt bonds in 2007 to finance capital projects; of that, \$1.3 million was for the city's landfill and transfer station. RSI proposed to refinance a portion of the 2007 bonds to achieve better interest rate. Public hearings were held in San Antonio, and the city is required to issue a resolution approving the refunding of the revenue bonds by RSI; 21 of the 23 cities served by RSI have approved such resolution. Mr. McCormick stated that approval of the resolution would not obligate the city in any way, and would not affect the city's debt capacity or debt rating. If the city did not approve the resolution, that portion of the bonds may not be refunded.

Mr. MacDonald moved for approval of Resolution No. 21-2012; Mr. Allen seconded the motion and it passed 5-0.

7. INFORMATION AND DISCUSSION:

7A. Town Creek and Quinlan Creek drainage ownership and maintenance responsibilities.

Mr. Hastings estimated the combined floodplain area of Town Creek and Quinlan Creek to be 1,000 acres, which were 99.9% privately owned, and ownership dictated maintenance responsibility. The city acquired about two dozen tracts after the 2002 flood and cleaned and mowed those tracts annually. The city would have to get permission from property owners to maintain their property. The area of Town Creek from Hwy. 27 to the Guadalupe River comprised 18 acres of floodplain. If the city received property owner consent and accepted liability, he estimated the cost to maintain that section of floodplain at \$18,000-19,000 if contracted out; in-house would take three weeks of city street and drainage crew labor and \$10,000 for equipment rental and supplies.

Based on the assumption that only 20% of the total 1,000 acres of both creeks needed to be cleaned, Mr. Hastings estimated the cost at \$1 million if contracted out, or in-house would require \$100,000 for one time equipment purchase, and the city would have to hire an additional three person crew; the new crew would work drainage six months and streets six months. He estimated the annual recurring cost at \$160,000 for staff only, not including equipment rental or purchase and supplies. He stressed that the city would first have to get past private ownership and maintenance responsibility and liability issues, and each

area would have to be redone every five years. The only access point the city currently had to Town Creek was a small drainage area on Hamilton Street.

Mr. Hastings noted the city needed a current city-wide drainage master plan; the existing plan was prepared in 1980 and identified capital improvements inside the city limits at that time. He also noted that the city assumed drainage maintenance responsibility when areas were incorporated.

Regarding the 2002 flood, Mr. Hastings noted 12-17 inches of rain fell in 1 hour; staff mapped the debris line as a benchmark; based on the debris line, it was determined that the 2002 flood was considered a 1,000 year flood event for Quinlan Creek, and Town Creek was a 100 year flood event.

Mr. Parton cautioned that the city must treat all property owners the same and could not do work on private property that would benefit just that owner. He also discussed potential liability, and noted if the city removed vegetation, the city could become responsible for erosion control and embankment stabilization. He recommended a city-wide systematic program to address drainage.

Council and staff also discussed the following points:

- What responsibility and requirement did private property owners have to maintain their property? Mr. Hastings noted code enforcement of nuisance areas under current city ordinance. Mr. Hayes noted in 2002 the city tried to acquire easements in order to maintain their property, but only a few participated. The only other option is for the city to adopt and enforce regulations for creeks.
- If property owners do not maintain their property in the floodway, it affects other's property and creates a potential for flooding.
- Were any grants available for floodplain maintenance? Mr. Parton stated a few years ago the city looked at a 90-10 matching grant from the Texas Water Development Board; however the city would first have to provide an hydrological evaluation of water sheds in order to proceed with a grant application, and one objective would be to document existing conditions and prepare a strategy and recommendations and capital list to address needs. When the city reviewed the actual portion that would qualify for the grant, it did not address the city's local issues or justify the expense needed; the city's share of the local match would be approximately \$350,000. A few years ago the city looked at putting aside \$.5 million each year out of bond funds to do small drainage projects; the city had accomplished those smaller projects and the larger projects would likely exceed \$1 million as they required significant infrastructure.
- Concerned about the smaller, more frequent floods that went into homes and businesses.
- A city project should not benefit just a certain property; and maintaining one private property could set precedence for future requests.
- If the city maintained private property now, it could end up with the property in perpetuity.

The consensus of council was that staff should prepare recommendations and options for council's review; options should include a mechanism for maintenance enforcement of private property. If staff determined an area could be managed without impact on the budget or staff time, council would consider staff's recommendation.

7B. Water resources update.

Mr. Hastings noted the Texas Drought Monitor indicated the city was currently in moderate to severe drought. Recent rain brought the 2012 total to 5.9 inches. The 25 year average river flow was 140 cfs; currently at 34-35 cfs with recent rains. Long range models indicate rainfall will become normal in the fall. The city may stay in Stage 1 through the end of July. USGS recently recalibrated river flow gauges and recent rain have resulted in no notices from the state water master to cutback; the city currently was not diverting water from the river; over 700 mg was stored in ASR.

7C. Budget and economic update.

Mr. Erwin noted that in the past 20 months sales tax had increased over the same month in the previous year. HOT was down in June 2012 compared to June 2011. Water revenue was coming in at budget. Tax collection with KISD was working well, and the funds collected were transferred to the city daily. Revenue exceeded expenditures in the general fund and water and sewer fund.

8. BOARD APPOINTMENTS:

8A. Appointment to the library advisory board.

Mr. MacDonald moved to appoint Thomas David Jones with term to expire November 22, 2013; Mr. Allen seconded the motion and it passed 5-0.

8B. Appointment to the planning and zoning commission.

Mr. MacDonald moved to appoint John Barton Stevens with term to expire January 1, 2013; Mr. Allen seconded the motion and it passed 5-0.

9. ITEMS FOR FUTURE AGENDAS: None

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Playhouse 2000 Wizard of Oz presentation to begin July 27; suggested placing information on the city's website.
- Kerrville Triathlon scheduled for September 28-30.

11. EXECUTIVE SESSION: None

12. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION: None.

13. ADJOURNMENT. The meeting adjourned at 7:11 p.m.

APPROVED: _____

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Secretary