

AGENDA FOR REGULAR MEETING

KERRVILLE CITY COUNCIL

TUESDAY, JULY 26, 2016, 6:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS

KERRVILLE CITY COUNCIL AGENDA
REGULAR MEETING, TUESDAY, JULY 26, 2016, 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION: by Ken Foster, Pastor of Calvary Baptist Church.

PLEDGE OF ALLEGIANCE TO THE FLAG

1. VISITORS/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must fill out the speaker request form and give it to the City Secretary. City Council may not discuss or take any action on an item but may place the issue on a future agenda. The number of speakers will be limited to the first ten speakers and each speaker is limited to four minutes.

2. CONSENT AGENDA:

These items are considered routine and can be approved in one motion unless a Councilmember asks for separate consideration of an item. It is recommended that City Council approve the following items which will grant the Mayor or City Manager the authority to take all actions necessary for each approval:

2A. Minutes of the regular city council meeting held May 24, 2016. (staff)

2B. Professional Agreement for Tennis Professional by and between the City of Kerrville, Texas, and Jess Asper. (staff)

2C. Small Enterprise License Agreement with Environmental Systems Research Institute, Inc. for geographic information system (GIS) for the City's mapping use, in the amount of \$25,000.00 annually for three years for the total amount of \$75,000.00. (staff)

END OF CONSENT AGENDA

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the City hall of the City of Kerrville, Texas, and said notice was posted on the following date and time: July 22, 2016 at 5:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown
Deputy City Secretary, City of Kerrville, Texas

6:15 P.M. APPROXIMATELY

3. CITY COUNCIL RECESS:

THE CITY COUNCIL WILL RECESS THE REGULAR MEETING TO CONVENE A MEETING OF THE CITY OF KERRVILLE EMPLOYEE BENEFITS TRUST (see separate posted agenda).

THE KERRVILLE CITY COUNCIL WILL RECONVENE INTO REGULAR SESSION FOLLOWING THE MEETING OF THE CITY OF KERRVILLE EMPLOYEE BENEFITS TRUST.

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Resolution No. 16-2016, authorizing the transfer of the ownership of funds from the City of Kerrville to the City of Kerrville Employee Benefits Trust to pay for employee related benefits for fiscal year 2017. (staff)

4B. Request for City to abandon and/or convey a portion of H Street as it continues south of its intersection with Water Street. (staff)

4C. Interlocal Agreement pursuant to Interlocal Cooperation Act providing for City's funding participation with Kerr County in the creation of a Hazard Mitigation Action Plan. (staff)

4D. Confirm amount of funding from Kerrville Public Utility Board pursuant to Loan Agreement, with proceeds to be used for construction of reuse water pond. (staff)

4E. Amendment to Council rules with respect to Councilmember requests for information or assistance. (Councilmember Fine)

4F. Confirmation of the Joint Resolution of the City of Kerrville (Reso. 05-2016), Texas; Kerr County, Texas; Kerrville Independent School District; and Kerrville Public Utility Board supporting the adoption of the Rural Project Plan under consideration by the Texas Department of Transportation. (Mayor White)

4G. Review of Code of Ordinances for Rabies Vaccinations in Animals. (staff)

4H. Consideration of Letters of Intent for the provision of reclaimed water between Schreiner University and the City of Kerrville and between Southern Golf Properties and the City of Kerrville. (staff)

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Cheryl Brown
Deputy City Secretary, City of Kerrville, Texas

5. INFORMATION AND DISCUSSION:

5A. Receive and update from City staff and provide direction on the Fiscal Year 2017 (FY17) budget. (staff)

5B. Budget and economic update. (staff)

6. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:

6A. Appointments to the Golf Course Advisory Board. (staff)

7. ITEMS FOR FUTURE AGENDAS

8. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Announcement of items of community interest, including expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognitions of city officials, employees, or other citizens; reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by city officials or employees; and announcements involving imminent threats to the public health and safety of the city. No action will be taken.

9. EXECUTIVE SESSION:

City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above including if they meet the qualifications in 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, including the following matters:

9A. Sections 551.071: Consultation with Attorney; and 551.072: Discuss the purchase, exchange, lease, sale, or value of real property, the public discussion of which would not be in the best interests of the City's bargaining position with third parties, regarding property interests related to the following:

- River trail.

10. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

11. ADJOURNMENT.

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.

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Cheryl Brown
Deputy City Secretary, City of Kerrville, Texas

Agenda Item:

2A. Minutes of the regular city council meeting held May 24, 2016. (staff)

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
MAY 24, 2016

On May 24, 2016, the Kerrville City Council meeting was called to order at 6:30 p.m. by Mayor White in the city hall council chambers at 701 Main Street. The invocation was offered by Ann Buck, Executive Director of The Christian Women's Job Corps, followed by the Pledge of Allegiance led by Fire Chief Dannie Smith.

COUNCILMEMBERS PRESENT:

Bonnie White	Mayor
Gary F. Stork	Mayor Pro Tem
Stephen P. Fine	Councilmember
Glenn Andrew	Councilmember
Gene Allen	Councilmember

COUNCILMEMBER ABSENT: None

CITY CORE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Day	Deputy City Manager
Brenda Craig	City Secretary
Sandra Yarbrough	Director of Finance
Ashlea Boyle	Special Projects Manager
Curtis Thomason	Assistant Chief of Police
Dannie Smith	Fire Chief
Trent Robertson	City Planner
Kaitlin Berry	Special Projects Manager

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

1. OATH OF OFFICE FOR COUNCILMEMBER PLACE TWO GIVEN BY MARK PRISLOVSKY, PRESIDING JUDGE OF KERRVILLE MUNICIPAL COURT, ISSUED TO GLENN C. ANDREW.

2. VISITORS/CITIZENS FORUM:

2A. Tony Farmer stated he represented Young People in Recovery and offered their services to council.

2B. Renee Brooks Lofaso Massey played a recording of a commentary by Mayor White.

2C. Brandon Rodriguez spoke about his accomplishments and noted that Ms. White seemed to be judgmental in the recording in Item 2B, and he opined that the commentary did not reflect reality. He questioned if Ms. White could separate church and state and be a voice for all.

2D. Garland Winningham expressed his concern that Kerrville's election process did not allow for runoff elections and requested the City Charter be changed to have runoff elections like the county.

2E. Peggy McKay questioned if the river trail being discussed in executive session was to purchase additional real property to expand the trail; she thought it was complete.

Mr. Parton noted the original scope was for the river trail to extend to Guadalupe Park. The scope had not expanded; the project was being constructed in phases.

3. CONSENT AGENDA:

Mr. Fine moved to approve consent agenda items 3A and 3B; Mr. Stork seconded the motion, and the motion passed 5-0:

3A. Purchase of S650 T4 Bobcat Skid-Steer Loader for water reclamation from Ranchers ATV and Tractor in an amount not to exceed \$54,919.27 through BuyBoard Purchasing Cooperative.

3B. Authorization to submit Request for Proposals for professional services for the annual audit of the City's records and accounts and the preparation of a financial statement for a three-year period beginning with the city's 2015-16 Fiscal Year, with an option for two additional years.

END OF CONSENT AGENDA

4. PUBLIC HEARING AND ORDINANCES FIRST READING:

4A. Ordinance No. 2016-08 amending the comprehensive plan for the City of Kerrville, Texas, pursuant to Chapter 213 of the Texas Local Government Code, by revising the future land use plan for an approximate 5.61 acre tract of land located adjacent to State Highway 16 South (Medina Highway) and between its intersection with Southway Drive South and Fairway Drive East; and changing the future land use of this area from low-density residential to mixed use. Mayor White read the ordinance by title only.

Mr. Robertson requested items 4A and 4B (Ordinance No. 2016-08 and Ordinance No. 2016-09) be considered together since both ordinances pertained to the same property.

Mr. Fine moved for approval of Ordinance No. 2016-08 on first reading. Mr. Allen seconded the motion and it passed 5-0.

4B. Ordinance No. 2016-09 amending the city's "Zoning Code" by changing the zoning district for an approximate 5.61 acre tract of land located adjacent to State Highway 16 South (Medina Highway) and between its intersection with Southway Drive South and Fairway Drive East, and otherwise known as 1335 State Highway 16 South; by removing the approximate 5.61 acre tract from the "R-3" multifamily residential zoning district and placing it within the 34-S zoning district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00); ordering publication; and providing other matters relating to the subject. Mayor White read the ordinance by title only.

Mr. Robertson noted the owner requested to amend the comprehensive plan and change the zoning. The 34-S zone would allow more intense uses than the existing R-3 zone and could result in increased traffic. The surrounding property was commercial and the adjacent property was also zoned 34-S. The property across the highway was outside the city. Mr. Robertson noted that no concerns had been received in writing; however, staff received several questions which were directed to the applicant. The planning and zoning commission held a public hearing and voted 5-0 to approve both the comprehensive plan amendment and the zoning change. Staff recommended approval.

Mayor White declared the public hearing open at 6:26 p.m. and the following persons spoke:

1. Britt Benton, representing the developer, noted they planned to develop similar housing on the adjacent tract.
2. David Williams questioned if flooding potential had been reviewed as the property had flooded in the past.
Mr. Parton noted staff would address drainage issues during the building permit process and would require any mitigation at that time.

No one else spoke and Mayor White closed the public hearing at 6:28 p.m.

Mr. Fine moved for approval of Ordinance No. 2016-09 on first reading. Mr. Allen seconded the motion and it passed 5-0.

5. ORDINANCE FIRST READING:

5A. Ordinance No. 2016-10, approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2016 rate review mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC's legal counsel. Mayor White read the ordinance by title only.

Mr. Hayes noted that in March Atmos filed an application for a rate increase of \$35.4 million system wide. ACSC reviewed the schedule and evidence submitted by Atmos and recommended approval of an increase of \$29.9 million system wide. The ordinance would approve rates as recommended by ACSC resulting in monthly rate increases of 2.43% in residential rates (average \$1.26 per household); and a 1.43% in commercial rates (about \$3.81 per customer) to become effective June 1. He recommended approval.

Mr. Allen moved for approval of Ordinance No. 2016-10 on first reading. Mr. Fine seconded the motion and it passed 5-0.

5B. Ordinance No. 2016-11 amending the budget for Fiscal Year 2016 to account for the completion of various capital improvement projects within the city's water and sewer fund and reallocating said project balances to other capital improvement projects within the same fund. Mayor White read the ordinance by title only.

Mr. Parton stated the ordinance would close out several capital projects and reallocate the unused balance (about \$2 million) to other on-going capital projects: \$1.3 to utility construction building; \$600,000 for ASR 3; and remaining balance toward the next phase of the direct potable reuse water project. Mr. Parton stated he had verified with the city's bond counsel that moving bond funds for a utility project to a general fund project (UTC building) was an appropriate use of bond funds.

Mr. Fine moved for approval of Ordinance No. 2016-11 on first reading. Mr. Allen seconded the motion and it passed 5-0.

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Creation of and appointment to ad hoc committee regarding regulation of drones. Ms. Boyle noted that in March council instructed staff to place an item on the agenda to establish the committee; however, staff was monitoring developing federal regulations and recommended the matter be deferred. The consensus of council was to defer.

6B. Increase application request to the City of Kerrville, Texas Economic Improvement Corporation from \$250,000 to an amount not to exceed \$350,000 for lighting improvements to the Sidney Baker Bridge in Louise Hays Park. Staff requested authorization to make application to EIC to increase the lighting project funding from \$250,000 to \$350,000. Mr. Parton noted that EIC previously approved \$250,000 and it was in the EIC budget; however, the price quote (from the same company that constructed the spray fountain) came in higher than originally appropriated. The project could stay within budget by having fewer lighting fixtures but that would lessen the quality of the program. The project could also be done in phases.

Council discussed possible future damage and maintenance, increasing the scope to explore possible light show on the river itself and lighting on Tranquility Island. Council asked staff to look at lighting ideas, update the project with EIC, and investigate additional funding options and grants.

6C. Set a time, date and place for a fiscal year 2017 budget workshop with City Council. The consensus of council was to meet on Friday, June 17 at 2:00 p.m.

6D. Appointment of Mayor Pro Tem.

Mr. Stork moved to appoint Stephen Fine as Mayor Pro Tem; Mr. Allen seconded the motion and it passed 5-0.

7. INFORMATION AND DISCUSSION:

7A. Budget and economic update.

Ms. Yarbrough gave the financial report year to date for the period ending April 30, 2016: general fund revenues totaled \$17,533,797 and expenditures \$12,949,299; water and sewer fund revenues totaled \$6,397,249 and expenditures \$6,026,135; hotel/motel fund revenues totaled \$564,198 and expenditures \$457,600; 47 permits for new residential construction and commercial new/remodel construction totaled \$6,891,375. She provided budget information for seven major capital projects: Jefferson lift station, Broadway lift station, wastewater treatment plant clarifier/motor control center improvements, river trail, Louise Hays and Lehmann/Monroe Park, athletic complex, and reuse pond/distribution.

8. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:

8A. Appointment of council liaisons to various city boards:

Mr. Fine moved that Items 8A and 8B be in executive session. Mr. Andrew seconded the motion and it passed 5-0.

8B. Appointments to the City of Kerrville, Texas Economic Improvement Corporation. Deferred to executive session.

8C. Appointments to the Kerrville-Kerr County Joint Airport Board.

Ms. Craig noted the airport board recommended the reappointment of Corey Walters, Kirk Griffin, and Bill Wood; these appointments were approved by Kerr County Commissioners' Court on April 25, 2016.

Mr. Fine moved to reappoint Corey Walters, Kirk Griffin, and Bill Wood with terms to expire June 1, 2018; Mr. Allen seconded the motion and it passed 5-0.

9. ITEMS FOR FUTURE AGENDAS

- Report from zoning ordinance input committee.
- Report and health notifications and alerts on mosquito and insect control.

10. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- May 27, 10 a.m. Lowry Park segment of river trail opening May 27, 10 am
- May 27, 6 a.m. Festival of the Arts.
- Butt-Holdsworth Memorial Library had several summer activities scheduled.
- City offices will be closed Monday, May 30 in observance of Memorial Day.
- City is accepting applications for lifeguards.
- Kenneth Wilke was retiring from the police department Friday, May 27, after 26 years with the city.
- Randy Albrecht was recognized for 21 years of service with the city.
- Kristine Day's last day with the city after nine years of service will be June 10.

11. EXECUTIVE SESSION:

Mr. Stork moved for the city council to go into executive closed session under Sections 551.071, 551.072, and 551.074 of the Texas Government Code; motion was seconded by Mr. Fine and passed 5-0 to discuss the following:

Section 551.074:

8A. Appointment of council liaisons to various city boards.

8B. Appointment(s) to the City of Kerrville, Texas Economic Improvement Corporation.

11A. Sections 551.071 and 551.072:

- Discuss City of Kerrville, Texas vs. Stadter, 198th District Court of Kerr County, No. 13698B (condemnation).

11B. Sections 551.071 and 551.072:

Discuss the purchase, exchange, lease, sale, or value of real property, the public discussion of which would not be in the best interests of the City's bargaining position with third parties, regarding property interests related to the following:

- River trail.

At 7:25 p.m. the regular meeting recessed. 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 8:10 p.m. Mayor White announced no action was taken in executive session.

12. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:

8B. Appointment(s) to the City of Kerrville, Texas Economic Improvement Corporation.

Mr. Stork moved to reappoint Sheri Pattillo and James Wilson and to appoint Kenneth Early, all with terms to expire June 1, 2018; Mr. Allen seconded the motion and it passed 5-0.

8A. Appointment of council liaisons to various city boards:

Ms. White moved for the following appointments; motion was seconded by Mr. Fine and passed 5-0:

CITY BOARD	EXISTING COUNCIL REPRESENTATIVE	PROPOSED COUNCIL REPRESENTATIVE
Airport Planning Committee	Jack Pratt	Bonnie White Glenn Andrew
Audit Committee	Gene Allen Bonnie White	Glenn Andrew Gene Allen
Beautification Advisory Committee	Jack Pratt	Bonnie White
Economic Improvement Corporation	Gary Stork	Gary Stork
Food Service Advisory Board	Stephen Fine	Stephen Fine
Golf Course Advisory Board	Stephen Fine	Glenn Andrew
Kerrville Economic Development Corporation	Jack Pratt	Stephen Fine
Kerrville Public Utility Board	Jack Pratt	Bonnie White
Library Advisory Board	Gary Stork	Gary Stork
Main Street Advisory Board	Gary Stork	Gary Stork
Municipal Court Review Committee	Jack Pratt Bonnie White	Gene Allen Bonnie White
Parks and Recreation Advisory Board	Gene Allen	Gene Allen
Planning and Zoning Commission	Bonnie White	Glenn Andrew
Playhouse 2000	Stephen Fine	Stephen Fine

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

APPROVED: _____

ATTEST:

Bonnie White, Mayor

Brenda G. Craig, City Secretary

Agenda Item:

2B. Professional Agreement for Tennis Professional by and between the City of Kerrville, Texas, and Jess Asper. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Professional Agreement for Tennis Professional between the City of Kerrville and Jess Asper

FOR AGENDA OF: July 22, 2016

DATE SUBMITTED: July 20, 2016

SUBMITTED BY: Ashlea Boyle
Assistant Director of Parks and Recreation

CLEARANCES: Malcolm Matthews
Interim Deputy City Manager
Mike Hayes
City Attorney

EXHIBITS:

1. Professional Agreement for Tennis Professional by and between the City of Kerrville, Texas, and Jess Asper
2. Exhibit A – Grounds Maintenance Responsibility Map
3. Exhibit B – Volunteer Background Consent Authorization

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

In 2013, the City of Kerrville entered into an agreement with Jess Asper for tennis professional services at the H-E-B Tennis Center. This agreement was amended in 2015, which changed operational and financial responsibilities of the two parties.

The purpose of this temporary agreement is to continue on-site professional services at the tennis center, allow evaluation of the existing agreement, and provide time to address a new agreement. Under the terms of this temporary agreement, the tennis pro will continue to provide the following:

1. Be member in good standing with the United States Tennis Association
2. Maintain fully stocked pro shop
3. Maintain the courts, pro shop, and the defined tennis center grounds
4. Provide all janitorial services six days per week
5. Carry liability insurance at the required levels
6. May employ, at his sole cost, any additional staff
7. May provide, at his sole cost, any security measures

Under the terms of the agreement, the city will continue to provide the following:

1. Monthly utilities payments
2. Building repair and court/net/lighting repair
3. Any capital improvements

Asper will continue to receive all revenues related to lessons, court fees, and pro shop revenues.

If approved, this agreement will expire on October 31, 2016. The agreement can be extend month-to-month afterward, if mutually agreed by both parties.

RECOMMENDED ACTION

City staff recommends the approval of this agreement as presented.

**PROFESSIONAL AGREEMENT FOR TENNIS PROFESSIONAL BY AND BETWEEN
THE CITY OF KERRVILLE, TEXAS, AND JESS ASPER**

THIS AGREEMENT is made between the CITY OF KERRVILLE, TEXAS ("City"), and JESS ASPER ("Asper"), for and in consideration of the following promises and conditions:

1. **Appointment as Tennis Professional:** During the term of this Agreement, Asper agrees to provide personal and professional services to City as a tennis professional and with respect to other services specified below while in charge of the day-to-day operations of the H.E. BUTT MUNICIPAL TENNIS CENTER ("Tennis Center") in Kerrville, Texas, which is owned by City. In performing under this Agreement, Asper shall provide the following services and perform the following duties and obligations in a professional and workmanlike manner:
 - a. Asper shall at all times during the term of this Agreement and at his own expense be and remain a member in good standing of the United States Professional Tennis Association, or successor organization. In addition, Asper shall obtain and/or maintain, in his name and at his expense, any other licenses and certifications required in order for Asper to provide the services described herein;
 - b. Asper shall, at his own expense, maintain a fully stocked pro shop to include but not limited to men's, ladies', and children's goods and services along with equipment. The pro shop must be open for the taking of court reservations and the sale of sports merchandise, non-alcoholic beverages, and ice as determined by Asper. Should Asper decide to sell food, it must comply with all applicable food service regulations, including the City's;
 - c. Asper shall at all times keep clean and maintain the courts, pro shop, and grounds immediately adjacent thereto, including providing the following:
 - (1) tents for tournaments;
 - (2) on-court water supply;
 - (3) on-court trash removal;
 - (4) water removal equipment;
 - (5) watering and maintenance of lawns and landscaping, within the area more specifically described and depicted in **Exhibit A**, at least once per week during the growing season and unless rainfall occurs, all of which must be conducted in accordance with the City's Water Management Plan (Ch., 110, Art. III, City Code) and applicable water conservation stage;
 - (6) janitorial services, including trash removal, for the pavilion, pro shop, and restrooms; and

- (7) cleaning sidewalks and court aprons after lawn mowing.
- d. Asper is not responsible for the following:
 - (1) payment for monthly utilities, but limited to electricity, water, trash collection, and basic telephone service, and not including cable/satellite television or internet;
 - (2) repairs of fences, gates, and bleacher seats;
 - (3) net replacement;
 - (4) repairs or replacements of windscreens;
 - (4) building maintenance, including plumbing, mechanical (HVAC), and electrical systems;
 - (5) signage; and
 - (6) capital improvements, as that term is defined and used by the City.
- e. Asper may employ, at his sole cost, additional staff necessary to sufficiently perform his obligations pursuant to this Agreement. Prior to any such employment, Asper shall provide notice to City of the prospective employee's name and identifying information so that City may perform, or have performed, a background investigation. Asper shall have each prospective employee complete a form provided by City which will require the prospective employee to provide certain information and agree to the terms of this Agreement, a copy of which form is attached hereto as **Exhibit B**.
- f. Asper may, at his sole option and cost, provide such security measures as Asper deems necessary to protect the contents of the pro shop, including, but not limited to, the installation and maintenance of a burglar alarm system. Prior to any installation and use, Asper shall submit information concerning such system to the City for its review and written approval and shall thereafter inform and update the City regarding the assignment and use of all security access codes.

2. **Revenues, Sales, and Use Tax Return:**

- a. Asper shall receive all gross revenues pursuant to his operation of the Tennis Center and related to the services provided.
- b. Asper shall collect and remit all applicable state and local sales taxes it collects to the State of Texas. Asper shall thereafter send a copy of the sale and use tax return that it submits to the state within ten (10) days of its submission.

- c. Asper shall provide monthly written reports to the City for player counts (*i.e.*, traffic summary) that includes daily play, member play, junior play, tournament play, number of lessons and/or clinics, and the number of participants in both. The reports shall be broken down by day, week, month, and year. Reports are due to the City's Assistant Director of Parks and Recreation within ten (10) days of the end of each month.
 - d. Asper shall charge fees with respect to the public's use of the Tennis Center in accordance with the City's Fee Schedule, as adopted from time to time. Where such fees change, the City will provide Asper with a written copy.
3. **Term:** This Agreement shall be for a term commencing on July 27, 2016, and ending October 31, 2016, unless terminated earlier as provided herein. In addition, this Agreement is subject to an extension of the term in accordance with Section 10, below.
4. **INDEMNITY: ASPER, AND HIS EMPLOYEES, AGENTS, REPRESENTATIVES OR SUBCONTRACTORS, IF ANY, AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS CITY AND ALL OF ITS OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, LOSSES, PROPERTY DAMAGES, AND EXPENSES OF ANY CHARACTER WHATSOEVER, INCLUDING ATTORNEY'S FEES, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PROPERTY ON ACCOUNT OF ANY NEGLIGENT ACT OR OMISSION OF ASPER OR ANY OF HIS EMPLOYEES, AGENTS, REPRESENTATIVES, OR SUBCONTRACTORS IN THE EXECUTION, SUPERVISION, AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH ASPER'S SERVICES OR OPERATIONS PURSUANT TO THIS AGREEMENT.**

5. **Insurance:**

- a. Asper shall carry Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence of \$1,000,000 combined single limit. The policy must provide contractual liability coverage for liability assumed under this Agreement, products and completed operations coverage, independent contractor's coverage, and a waiver of a Transfer of Right of Recovery Against Others in favor of the City. If this coverage is underwritten on a claims made basis, the retroactive date shall be coincident with the date of this Agreement and the certificate of insurance shall state that the coverage is claims made and the retroactive date. Asper shall maintain coverage for the duration of this Agreement.
- b. If insurance policies are not written for amounts specified in Subsection a., above, Asper shall carry umbrella or excess liability insurance for any differences in amounts specified. If excess liability insurance is provided, it must follow the form of the primary coverage.

- c. Asper shall provide City at least thirty (30) days written notice of erosion of the aggregate limit below the minimum required combined single limit coverage.
 - d. Asper shall provide that all provisions of this Agreement concerning liability, duty, standard of care, together with the indemnification or defense provisions herein, shall be underwritten by contractual coverage sufficient to include such obligations within applicable policies.
 - e. Asper shall not commence work under this Agreement until he has obtained all required insurance and until such insurance has been reviewed by the City.
 - f. Asper shall produce an endorsement to each affected policy that contains the following:
 - (1) That names City as additional insured with right of subrogation against City waived;
 - (2) That obligates the insurance company to notify City of any non-renewal, cancellation, or material change to the policy, at least thirty (30) calendar days before the change or cancellation.
 - g. Asper shall not cause any insurance to be canceled or permit any insurance to lapse during the term of this Agreement or the six-month period following completion, in the case of a claims-made policy.
 - h. All certificates shall include a clause to the effect that the policy may not be canceled, reduced, restricted, or limited until thirty (30) calendar days after City has received written notice of such cancellation or change.
6. **Independent Contractor:** Nothing contained herein shall be construed to create any principal/agent, employer/employee, joint venture, partnership or other arrangement or relationship between City and Asper and any of his assistants, employees, or agents. Asper and his assistants, employees, or agents shall at all times be an independent contractor and shall maintain full control over the means of conducting the business operations permitted hereby, provided such means are consistent with the provisions of this Agreement. Neither Asper nor any of Asper's assistants, employees, or agents shall have the right to obligate the City in any manner whatsoever. At no time shall Asper or any of Asper's assistants, employees, or agents be entitled to any benefits provided or available to City's employees.
7. **Rules, Regulations, and Fees:** City retains the right to establish the rules and regulations for the use and operation of the Tennis Center, including, but not limited to, the establishment of court rental fees. Asper may determine the hours of operation, subject to written approval by the City Manager. Asper shall ensure that two courts remain open

for public play at all times during tournaments unless otherwise permitted in writing by City.

8. **Financial Records:** Asper shall maintain at the Tennis Center accurate financial records of the revenues and expenses related to the operation of the Tennis Center. City shall have the right to inspect and copy all such financial records during reasonable business hours, with or without notice.
9. **No Assignment:** This Agreement is for unique personal services which may not be assigned by Asper, in whole or in part, with any attempt at such assignment being void.
10. **Extension of Term:** City and Asper may agree to extend this Agreement; however, this provision does not constitute a guarantee that an extension of this Agreement will in fact be executed and any such extension is subject to current funding being approved by the City Council for the fiscal year commencing October 1, 2016, and all fiscal years thereafter. In addition, this Agreement may extend on a month-to-month basis upon agreement of the parties and subject to termination as provided by Section 11, below.
11. **Early Termination:** City or Asper may, at each's sole option, terminate this Agreement at any time upon thirty (30) days written notice to the terminating party.
12. [Intended to remain blank.]
13. **Interruption of Business:** City shall not be liable or responsible to Asper in any manner for any interruption, or adverse impact on, Asper's business as a result of casualty, flooding, acts of God, utility failures, or any other occurrence. City agrees to exercise reasonable efforts to restore access to and the use of the Tennis Center, but City shall not be responsible for failure to restore access or use within any particular period of time.
14. **Breach of Agreement:** In the event of default by Asper in the performance of his obligations hereunder, and Asper's failure to cure such default within fifteen (15) days after receipt of written notice from City, City, at his option and without prejudice to any other remedy, may immediately terminate this Agreement.
15. **Entire Agreement:** This Agreement embodies the entire agreement between the Parties, and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter. This Agreement may not be amended, discharged, or extended, except by written instrument executed by the Parties.
16. **Choice of Law; Venue:** This Agreement shall be governed by the laws of the State of Texas and shall be performed entirely within Kerr County, Texas.

SIGNED AND AGREED on the dates indicated below.

CITY OF KERRVILLE, TEXAS

JESS ASPER

Todd Parton, City Manager

Jess Asper

Date

Date

ATTEST:

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

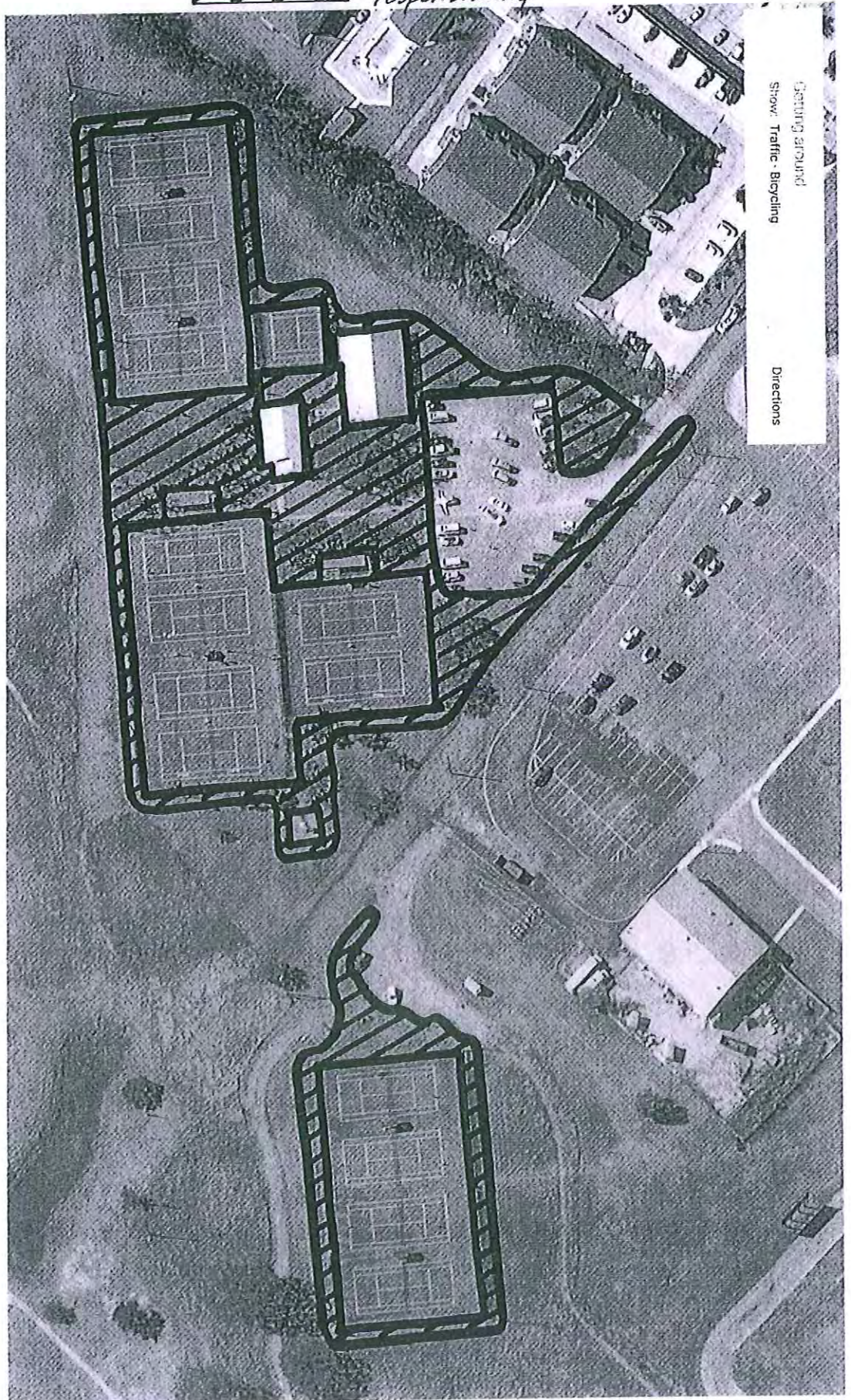
Michael C. Hayes, City Attorney



grounds maintenance
responsibility

Getting around
Show: Traffic · Bicycling

Directions



Volunteer Background Consent Authorization

1. In connection with my application to volunteer, I understand that a consumer report or an investigative consumer report will be requested. I understand that as directed by City of Kerrville policy and consistent with the job described, you may be requesting information from public and private sources about my: workers' compensation injuries, driving record, court records, education, credential, credit, and references.
2. Medical and workers' compensation information will only be requested in compliance with the Federal Americans with Disabilities Act (ADA) and/or any other applicable state laws. According to the Fair Credit Reporting Act, I am entitled to know if my request to be a volunteer is denied because of information obtained from a consumer reporting agency. If so, I will be notified and given the name and address of the agency or the source which provided the information.
3. I acknowledge that a fax or photographic copy shall be as valid as the original. This release is valid for most federal, state, and county agencies.
4. I hereby authorize, without reservation, any law enforcement agency, institution, information service bureau, school, employer, reference or insurance company contacted by the City of Kerrville or its agent, to furnish the information described above.

Employee Information			
<i>(please print clearly and complete all required information)</i>			
Legal Last Name	Legal First Name	Social Security Number	Date of Birth
Maiden or Other Names Used		Driver's License Number/State	CDL? ☐ Yes ☐ No
Current Home Address		Name as it Appears on License	
City	State	Zip	County
Other cities and states lived in during the past seven (7) years:			
City	State	County	When?
City	State	County	When?
City	State	County	When?
City	State	County	When?
City	State	County	When?
City	State	County	When?

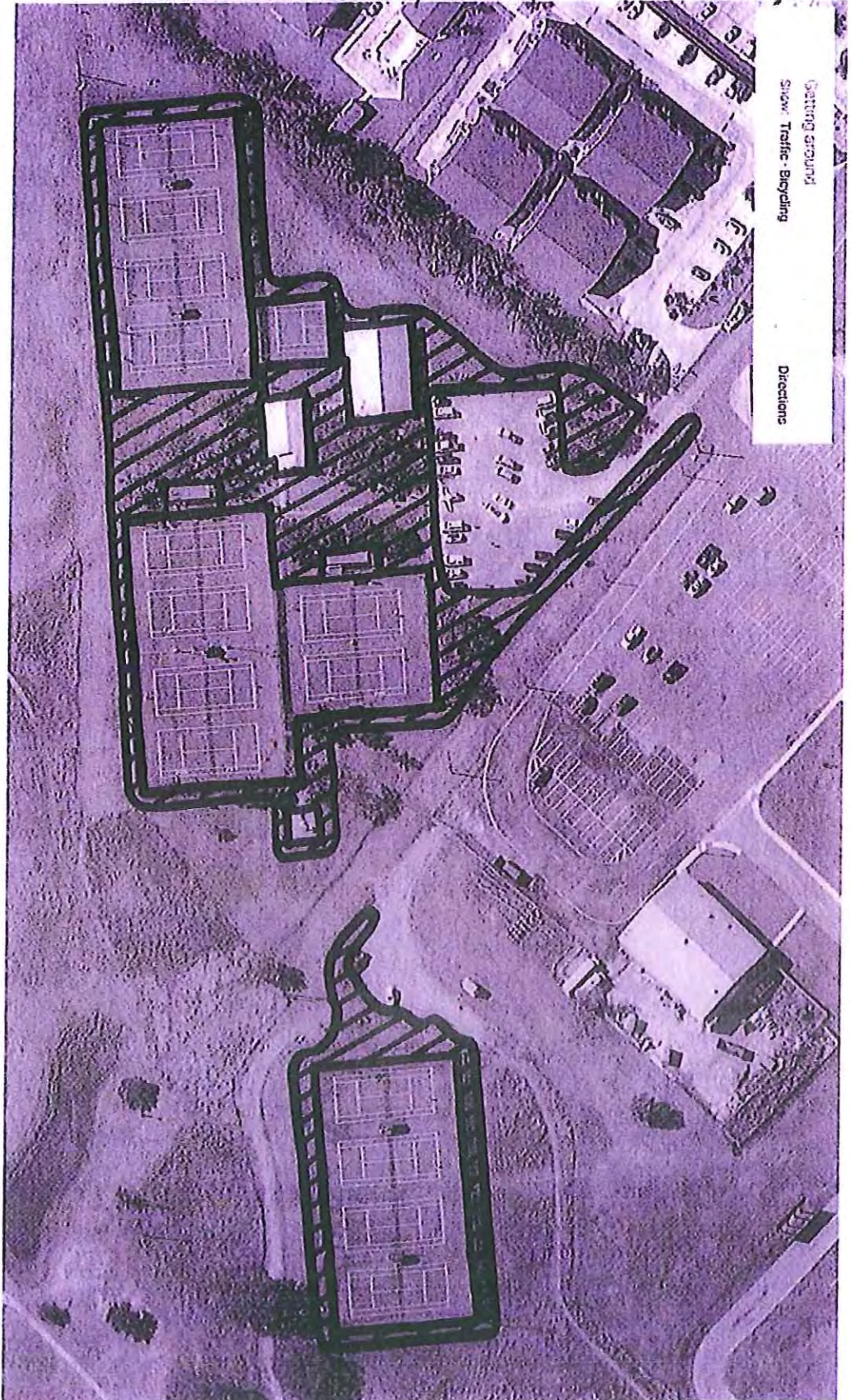
The above information is required by law enforcement agencies and other entities for positive identification purposes when checking public records. Information obtained via your application and any other information that you submit as part of the process will also be utilized. It is confidential and will not be used for any other purposes other than to potentially engage me as a volunteer.

I hereby release the City of Kerrville, its agents and all persons, agencies, and entities providing information or reports about me from any and all liability arising out of the requests for or release of any of the above mentioned information or reports.

Volunteer Signature	Date Signed
---------------------	-------------

Attachment A

 grounds maintenance responsibility



<https://www.google.com/maps/@30.0580493,-99.1246576,240m/data=!3m1!1e3>

Volunteer Background Consent Authorization

1. In connection with my application to volunteer, I understand that a consumer report or an investigative consumer report will be requested. I understand that as directed by City of Kerrville policy and consistent with the job described, you may be requesting information from public and private sources about my: workers' compensation injuries, driving record, court records, education, credential, credit, and references.
2. Medical and workers' compensation information will only be requested in compliance with the Federal Americans with Disabilities Act (ADA) and/or any other applicable state laws. According to the Fair Credit Reporting Act, I am entitled to know if my request to be a volunteer is denied because of information obtained from a consumer reporting agency. If so, I will be notified and given the name and address of the agency or the source which provided the information.
3. I acknowledge that a fax or photographic copy shall be as valid as the original. This release is valid for most federal, state, and county agencies.
4. I hereby authorize, without reservation, any law enforcement agency, institution, information service bureau, school, employer, reference or insurance company contacted by the City of Kerrville or its agent, to furnish the information described above.

Employee Information <i>(please print clearly and complete all required information)</i>			
Legal Last Name	Legal First Name	Social Security Number	Date of Birth
Maiden or Other Names Used		Driver's License Number/State	CDL? ☐ Yes ☐ No
Current Home Address		Name as it Appears on License	
City	State	Zip	County
Other cities and states lived in during the past seven (7) years:			
City	State	County	When?
City	State	County	When?
City	State	County	When?
City	State	County	When?
City	State	County	When?
City	State	County	When?

The above information is required by law enforcement agencies and other entities for positive identification purposes when checking public records. Information obtained via your application and any other information that you submit as part of the process will also be utilized. It is confidential and will not be used for any other purposes other than to potentially engage me as a volunteer.

I hereby release the City of Kerrville, its agents and all persons, agencies, and entities providing information or reports about me from any and all liability arising out of the requests for or release of any of the above mentioned information or reports.

Volunteer Signature	Date Signed
----------------------------	--------------------

Agenda Item:

2C. Small Enterprise License Agreement with Environmental Systems Research Institute, Inc. for geographic information system (GIS) for the City's mapping use, in the amount of \$25,000.00 annually for three years for the total amount of \$75,000.00. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Renew Geographic Information System Enterprise License Agreement with Environmental Systems Research Institute, Inc.

FOR AGENDA OF: 07/26/2016

DATE SUBMITTED: 07/19/2016

SUBMITTED BY: Trent Robertson,
City Planner

CLEARANCES: Malcolm Matthews
Interim Deputy City Manager

EXHIBITS: Exhibit A, License Agreement

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$75,000.00	\$25,000.00	\$25,000.00 FY16	01-807-217
		\$25,000.00 FY17	
		\$25,000.00 FY18	

PAYMENT TO BE MADE TO: Environmental Systems Research Institute, Inc.

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

Since 2010, the City of Kerrville has entered into three year enterprise license agreements with Environmental Systems Research Institute, Inc. (ESRI) for licenses of geographic information system (GIS) desktop and server software and developer tools. The current license agreement expires October 31, 2016 and needs to be renewed for another three year term.

The city's GIS system provides infrastructure and property data that is available for staff and public access, with layered controls. The three year agreement has numerous benefits including:

- Significantly lower cost per unit for licensed software compared to securing licenses for individual units annually
- Maintenance and technical support on all ESRI software deployed under the agreement

For a summary of the enterprise software included in this package, please refer to the attached Exhibit "A".

RECOMMENDED ACTION

Authorize the City Manager to renew a three year enterprise license agreement with Environmental Systems Research Institute, Inc. (ESRI) in the amount of \$25,000 per year.

Exhibit "A"

Software provided by the Environmental Systems Research Institute, Inc. Enterprise License Agreement:

Desktop (Unlimited Licenses)

ArcGIS for Desktop (Advanced, Standard, and Basic Editions)

Extensions:

ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager, ArcGIS Data Reviewer

Server Software (Unlimited Licenses)

ArcGIS for Server Enterprise (Advanced, Standard, and Basic Editions)

Extensions:

ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager, ArcGIS Image

Developer Tools (Unlimited Licenses)

ArcGIS Engine

Extensions:

ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics

ArcGIS Runtime Standard

Extensions:

ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Network Analyst

Subscriptions (Limited Licenses)

Esri Developer Network Standard (1)

Esri CityEngine Advanced (1)

ArcGIS Online (50)

Portal for ArcGIS (50)

Software Included With ArcGIS Online and Portal for ArcGIS

Collector for ArcGIS

Operations Dashboard for ArcGIS

Explorer for ArcGIS

Workforce for ArcGIS

Survey123 for ArcGIS

Map Viewer

Scene Viewer

ArcGIS Earth

ArcGIS Maps for Office

Esri Maps for SharePoint

Insights for ArcGIS

ArcGIS Open Data

AppStudio for ArcGIS

Web AppBuilder for ArcGIS

Esri Story Maps

Crowdsourcing Reporter/Manager/Polling

Configurable Apps



ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
3325 Springbank Ln, Ste 200
Charlotte, NC 28226-3343
Phone: (704) 541-9810 Fax: (704) 541-7620
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

*To expedite your order, please attach a copy of
this quotation to your purchase order.
Quote is valid from: 05/24/2016 To: 11/20/2016*

Quotation # 20488376

Date: May 24, 2016

Customer # 12836 Contract #

City of Kerrville
Public Works
701 Main St
Kerrville, TX 78028

ATTENTION: Joshua Young
PHONE: (830) 258-1499
FAX: (830) 896-0517

Material	Qty	Description	Unit Price	Total
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement -2016 payment	25,000.00	25,000.00
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement -2017 payment	25,000.00	25,000.00
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement -2018 payment	25,000.00	25,000.00
			Item Total:	75,000.00
			Subtotal:	75,000.00
			Sales Tax:	0.00
			Estimated Shipping & Handling(2 Day Delivery) :	0.00
			Contract Pricing Adjust:	0.00
			Total:	\$75,000.00

This quote & contract is for the City of Kerrville to continue their SGELA contract with Esri. The current contract is set to expire on Oct 31, 2016.

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Robyn Garrett

Email: rgarrett@esri.com

Phone: (704) 541-9810 x8640

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

If sending remittance, please address to: Esri, File No. 54630, Los Angeles, Ca 90074-4630



Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

Esri Use Only:

Cust. Name _____

Cust. # _____

PO # _____

Esri Agreement # _____

**SMALL ENTERPRISE LICENSE AGREEMENT
COUNTY AND MUNICIPALITY
(E214-1)**

This Agreement is by and between the organization identified in the Quotation ("Licensee") and **Environmental Systems Research Institute, Inc. ("Esri")**.

This Agreement sets forth the terms for Licensee's use of Products and incorporates by reference (i) the Quotation and (ii) the License Agreement. Should there be any conflict between the terms and conditions of the documents that comprise this Agreement, the order of precedence for the documents shall be as follows: (i) the Quotation, (ii) this Agreement, and (iii) the License Agreement. This Agreement shall be governed by and construed in accordance with the laws of the state in which Licensee is located without reference to conflict of laws principles, and the USA federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this Agreement apply only to the Products listed in Table A.

**Table A
List of Products**

Uncapped Quantities

Desktop Software and Extensions

ArcGIS for Desktop Advanced
ArcGIS for Desktop Standard
ArcGIS for Desktop Basic
ArcGIS for Desktop Extensions: ArcGIS 3D Analyst,
ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst,
ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS
Schematics, ArcGIS Workflow Manager for Desktop,
ArcGIS Data Reviewer

Server Software and Extensions

ArcGIS for Server Workgroup and Enterprise (Advanced,
Standard, and Basic)
ArcGIS for Server Extensions: ArcGIS 3D Analyst, ArcGIS
Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS
Network Analyst, ArcGIS Schematics, ArcGIS Workflow
Manager for Server, ArcGIS Image Extension for Server

Developer Tools

ArcGIS Engine
ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS
Spatial Analyst, ArcGIS Engine Geodatabase Update,
ArcGIS Network Analyst, ArcGIS Schematics
ArcGIS Runtime Standard
ArcGIS Runtime Standard Extensions: ArcGIS 3D
Analyst, ArcGIS Spatial Analyst, ArcGIS Network
Analyst

Limited Quantities

One (1) Annual Subscription to Esri Developer Network
(EDN) Standard*
One (1) Esri CityEngine Advanced Single Use License
One (1) Esri CityEngine Advanced Concurrent Use
License
One (1) ArcGIS Online Subscription
One (1) Portal for ArcGIS Subscription

OTHER BENEFITS

One (1) ArcGIS Online subscription with specified named users and credits as determined in the program description	Level 2
One (1) Portal for ArcGIS term subscription with specified named users as determined in the program description	Level 2
Number of Esri User Conference registrations provided annually	2
Number of Tier 1 Help Desk individuals authorized to call Esri	2
Maximum number of sets of backup media, if requested**	2
Virtual Campus Annual User License allowance	5,000
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package.)	

* Maintenance is not provided for these items.

**Additional sets of backup media may be purchased for a fee.

Licensee may accept this Agreement by signing and returning the whole Agreement with a sales quotation, purchase order, or other document ("Ordering Document") that matches the Quotation and references this Agreement. **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS AGREEMENT WILL GOVERN.** Unless otherwise mutually agreed to, this Agreement is effective as of the date of the last signature on the signature page ("Effective Date") or, if no date is provided with the signature, the date of Esri's receipt of Licensee's Ordering Document incorporating this Agreement by reference.

Term of Agreement: 3 years

This Agreement supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Products. Except as provided in Article 4—Product Updates, no modifications can be made to this Agreement.

Accepted and Agreed:

(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

LICENSEE CONTACT INFORMATION

Contact: _____

Telephone: _____

Address: _____

Fax: _____

City, State, Postal Code: _____

E-mail: _____

Country: _____

Quotation Number (if applicable): _____

1.0—ADDITIONAL DEFINITIONS

In addition to the definitions provided in the License Agreement, the following definitions apply to this Agreement:

"Deploy", "Deployed" and "Deployment" mean to redistribute and install the Products and related Authorization Codes within Licensee's organization(s).

"Fee" means the fee set forth in the Quotation.

"Incident" means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

"License Agreement" means (i) the applicable license agreement incorporated by this reference that is found at <http://www.esri.com/legal/software-license>; composed of the General License Terms and Conditions (E204) and Exhibit 1, Scope of Use (E300); and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed license agreement between the parties that supersedes such electronically acknowledged license agreement.

"Maintenance" means Tier 2 Support, Product updates, and Product patches provided to Licensee during the term of this Agreement.

"Product(s)" means the products identified in Table A—List of Products and any updates to the list Esri provides in writing.

"Quotation" means the offer letter and quotation provided separately to Licensee.

"Technical Support" means the technical assistance for attempting resolution of a reported Incident through error correction, patches, hot fixes, workarounds, replacement deliveries, or any other type of Product corrections or modifications.

"Tier 1 Help Desk" means Licensee's point of contact(s) to provide all Tier 1 Support within Licensee's organization(s).

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk.

"Tier 2 Support" means the Technical Support provided to the Tier 1 Help Desk when an Incident cannot be resolved through Tier 1 Support. Licensee will receive Tier 2 Support from Esri.

2.0—ADDITIONAL GRANT OF LICENSE

2.1 Grant of License. Subject to the terms and conditions of this Agreement, Esri grants to Licensee a personal, nonexclusive, nontransferable license solely to use, copy, and Deploy quantities of the Products listed in Table A—List of Products for the term provided on the first page (i) for the applicable Fee and (ii) in accordance with the License Agreement.

2.2 Consultant Access. Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Products exclusively for Licensee's benefit. Licensee will be solely responsible for compliance by consultants and contractors with this Agreement and will ensure that the consultant or contractor discontinues use of Products upon completion of work for Licensee. Access to or use of Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Customer locations, except for the purpose of hosting the Software or Data on Contractor Servers for the benefit of Licensee.

3.0—TERM, TERMINATION, AND EXPIRATION

3.1 Term. The term of this Agreement and all licenses hereunder will commence on the Effective Date and continue for the duration identified on the signature page, unless this Agreement is terminated earlier as provided herein. Licensee is only authorized to use Products during the term of this Agreement. For an Agreement with a limited term, Esri does not grant Licensee an indefinite or perpetual license to Products.

3.2 No Use upon Agreement Expiration or Termination. All Product licenses and all Maintenance, Esri Virtual Campus access, and Esri User Conference registrations terminate on expiration or termination of this Agreement.

3.3 Termination for a Material Breach. Either party may terminate this Agreement for a material breach by the other party. The breaching party will be given a period of thirty (30) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For an Agreement with government or government-owned entities, either party may terminate this Agreement before any subsequent year if Licensee is unable to secure

funding through the legislative or governing body's approval process.

4.0—PRODUCT UPDATES

4.1 Future Updates. Esri reserves the right to update the list of Products in Table A—List of Products by providing written notice to Licensee. Licensee may continue to use all Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Products are incorporated into the standard program, they will be offered to Licensee via written notice for incorporation into the Products schedule at no additional charge. Licensee's use of new or updated Products requires Licensee to adhere to applicable additional or revised terms and conditions of the License Agreement.

4.2 Product Life Cycle. During the term of this Agreement, some Products may be retired or may no longer be available to Deploy in the identified quantities. Maintenance will be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at <http://support.esri.com/en/content/productlifecycles>. Updates for Products in the mature and retired phases may not be available. Licensee may continue to use Products already Deployed for the term of this Agreement, but Licensee will not be able to Deploy retired Products.

5.0—MAINTENANCE

The Fee includes standard maintenance benefits specified in the most current applicable Esri Standard Maintenance Program document (found at <http://www.esri.com/legal>). At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Products will receive Maintenance. Licensee may acquire maintenance for other Software outside this Agreement.

a. Tier 1 Support

1. Licensee will provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.
2. The Tier 1 Help Desk will be fully trained in the Products.
3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.

4. The Tier 1 Help Desk will be the initial points of contact for all questions and reporting of an Incident. The Tier 1 Help Desk will obtain a full description of each reported Incident and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Incident. The Tier 1 Help Desk may also use any other information and databases that may be developed to satisfactorily resolve the Incident.
5. If the Tier 1 Help Desk cannot resolve the Incident, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk will provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.
6. Tier 1 Help Desk individuals are the only individuals authorized to contact Tier 2 Support. Licensee may change the Tier 1 Help Desk individuals by written notice to Esri.

b. Tier 2 Support

1. Tier 2 Support will log the calls received from Tier 1 Help Desk.
2. Tier 2 Support will review all information collected by and received from the Tier 1 Help Desk including preliminary documented troubleshooting provided by the Tier 1 Help Desk when Tier 2 Support is required.
3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.
4. Tier 2 Support will attempt to resolve the Incident submitted by Tier 1 Help Desk.
5. When the Incident is resolved, Tier 2 Support will communicate the information to Tier 1 Help Desk, and Tier 1 Help Desk will disseminate the resolution to the user(s).

6.0—ENDORSEMENT AND PUBLICITY

This Agreement will not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Products. Either party may publicize the existence of this Agreement.

7.0—ADMINISTRATIVE REQUIREMENTS

7.1 OEM Licenses. Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this Agreement. Licensee will not seek any discount from the OEM partner or Esri based on the availability of Products under this Agreement. Licensee will not decouple Esri products or services from the OEM partners' application or service.

7.2 Annual Report of Deployments. At each anniversary date and ninety (90) calendar days prior to the expiration date of this Agreement, Licensee will provide Esri with a written report detailing all Deployments. Upon request, Licensee will provide records sufficient to verify the accuracy of the annual report.

8.0—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT

8.1 Orders, Delivery, and Deployment

- a. Licensee will issue an Ordering Document upon execution of this Agreement and annually thereafter in accordance with the Quotation. Payment will be due and payable within thirty (30) calendar days of the anniversary date of the Effective Date, with the initial payment due within thirty (30) calendar days of execution of this Agreement. Esri's federal ID number is 95-2775-732.
- b. Upon receipt of the initial Ordering Document from Licensee, Esri will authorize download of the Products to Licensee for Deployment. If requested, Esri will ship backup media to the ship-to address identified on the Ordering Document, FOB Destination, with shipping charges prepaid. For those entities that avoid sales tax by downloading deliverables, request for delivery or receipt of tangible media may cause the Fee to be subject to taxes. Licensee acknowledges that should such taxes become due, Esri has a right to invoice and Licensee will pay any such sales or use tax associated with its receipt of tangible media.
- c. Esri will provide Authorization Codes to activate the nondestructive copy protection program that enables the Products to operate.

8.2 Order Requirements

- a. All orders pertaining to this Agreement will be processed through Licensee's centralized point of contact.
- b. The following information will be included in each Ordering Document:
 - (1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
 - (2) Order number
 - (3) Applicable annual payment due

9.0—MERGERS, ACQUISITIONS, OR DIVESTITURES

If Licensee is a commercial entity, Licensee will notify Esri in writing in the event of (i) a consolidation, merger, or reorganization of Licensee with or into another corporation or entity; (ii) Licensee's acquisition of another entity; or (iii) a transfer or sale of all or part of Licensee's organization (subsections i, ii, and iii, collectively referred to as "Ownership Change"). There will be no decrease in Fee as a result of any Ownership Change.

- 9.1 If an Ownership Change increases the cumulative program count beyond the maximum level for this Agreement, Esri reserves the right to increase the Fee or terminate this Agreement and the parties will negotiate a new agreement.
- 9.2 If an Ownership Change results in transfer or sale of a portion of Licensee's organization, that portion of Licensee's organization will uninstall, remove, and destroy or transfer the Products to Licensee.
- 9.3 This Agreement may not be assigned to a successor entity as a result of an Ownership Change unless approved by Esri in writing in advance. If the assignment to the new entity is not approved, Licensee will require any successor entity to uninstall, remove, and destroy the Products, and this Agreement will terminate upon such Ownership Change.

Agenda Item:

3.

THE CITY COUNCIL WILL RECESS THE REGULAR MEETING TO CONVENE A MEETING OF THE CITY OF KERRVILLE EMPLOYEE BENEFITS TRUST (see separate posted agenda).

THE KERRVILLE CITY COUNCIL WILL RECONVENE INTO REGULAR SESSION FOLLOWING THE MEETING OF THE CITY OF KERRVILLE EMPLOYEE BENEFITS TRUST.

Agenda Item:

4A. Resolution No. 16-2016, authorizing the transfer of the ownership of funds from the City of Kerrville to the City of Kerrville Employee Benefits Trust to pay for employee related benefits for fiscal year 2017. (staff)

TO BE CONSIDERED BY THE CITY COUNCIL

CITY OF KERRVILLE, TEXAS

SUBJECT: Approve the resolution authorizing the transfer of funds from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for employee related benefits for FY 2017.

FOR AGENDA OF: July 26, 2016

DATE SUBMITTED: July 12, 2016

SUBMITTED BY: Kimberly Meisner
Director of General Operations

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Resolution

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
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(Fees are a part of the Group Insurance line item and are budgeted in each department.)

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

Due to the action taken by the Trustees of the Employee Benefit Trust to approve the renewals and rates for the FY 2017 employee benefit plans, Council will now need to consider approval of the resolution authorizing the transfer of funds from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for the employee benefits for FY 2017.

RECOMMENDATION

Staff recommends City Council authorize the transfer of funds in the amount not to exceed \$6,500 per employee from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for employee benefits for FY 2016 and to authorize use of funds from the Benefit Trust Reserve Account for any overage.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 16-2016**

**A RESOLUTION AUTHORIZING THE TRANSFER OF THE
OWNERSHIP OF FUNDS FROM THE CITY OF KERRVILLE TO THE
CITY OF KERRVILLE EMPLOYEE BENEFITS TRUST TO PAY FOR
EMPLOYEE RELATED GROUP BENEFITS FOR FISCAL YEAR 2017**

WHEREAS, in 2008, pursuant to Resolution 61-2008, the City Council created an Employee Benefits Trust (the "Trust") for the administration of employee benefits pursuant to Chapter 222, Texas Insurance Code ("Chapter 222"); and

WHEREAS, Chapter 222, as amended, provides for the creation of single purpose, nonprofit trust established for the payment of premiums or revenues on group health, accident, injury, or life insurance benefits of employees of a municipality; and

WHEREAS, the creation of the Trust allows the City to provide the best possible insurance benefits to its employees at the most reasonable prices; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it in the public interest to transfer the ownership of the City's fund where gross premiums and revenue are maintained for the various City-offered employee group benefits, including health and dental insurance, life insurance, and disability benefits, to the Trust;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

The City Council of the City of Kerrville, Texas, authorizes the transfer of the ownership of the City of Kerrville Internal Service Fund to the City of Kerrville Employee Benefits Trust for fiscal year 2017.

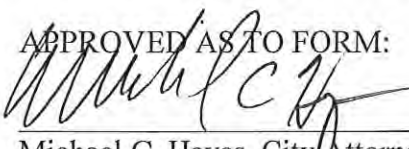
PASSED AND APPROVED ON this the ____ day of _____, A.D., 2016.

Bonnie White, Mayor

ATTEST:

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Agenda Item:

4B. Request for City to abandon and/or convey a portion of H Street as it continues south of its intersection with Water Street. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Direction to city staff regarding a request by Mr. Larry Howard to purchase a portion of the H Street right-of-way located on the south side of Water Street from the City of Kerrville

FOR AGENDA OF: July 26, 2016

DATE SUBMITTED: July 21, 2016

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES:

EXHIBITS: Letter from Mr. Larry Howard Dated June 9, 2016
H Street Parcel Map

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

Attached is a letter from Mr. Larry Howard proposing to purchase a portion of the H Street right-of-way located south of Water Street. This is a non-paved section of the right-of-way which houses one of the city's water wells and a storm drain that conveys stormwater from Water Street to the Guadalupe River.

The images below show the city's water well.



Left Image:
View of water well
looking south from
Water Street.

Right Image:
View of water well
and drainage
structure looking
north toward
Water Street.



The next images show the city's stormwater infrastructure.



Left Image:
View of storm pipe
looking south from
Water Street.



Right Image:
View of storm pipe
looking north toward
Water Street.

The property is approximately 60 feet wide as measured along the Water Street frontage and approximately 450 feet deep as measured perpendicular to Water Street. The city's water well and storm drain improvements are contained within the northern half of the property, within approximately 250 feet of Water Street. The grade of the property begins to drop off significantly just past the drainage system improvements.

The water well delivers treated water directly to a 6-inch main located within Water Street. A floodway boundary also begins at the southern fence line of the water well and extends southward toward the Guadalupe River.

In order to convey this property, it must find that it would be in the city's best interests. There are costs and liabilities associated with maintaining that rear portion of the property that is not likely to be developed by the city for a public purpose. The City Council also has the right to maintain any easements that it deems necessary. It would be important that the city maintain ownership for that portion of the lot that contains the public improvements (water well and drainage structure) plus additional space for their maintenance and/or expansion. The city should also maintain appropriate drainage easements for the conveyance of stormwater to the river.

Additionally, Kerrville would enforce a sanitary control easement extending in a 150-foot radius from the well site. A sanitary control easement would prohibit uses and development that might pollute the well, but could allow private structures or improvements within the easement on adjacent private property.

Private improvements could be allowed to cross the easements.

City staff is researching the manner in which the property was conveyed to the City of Kerrville. If the property was acquired via fee simple conveyance, the property could be sold through the appropriate public processes. If the property was conveyed via easement dedication then the City Council's action would be to abandon the easement and ownership would revert in equal measure to the current property owners to either side.

RECOMMENDED ACTION

That portion of the H Street right-of-way located below the outfall of the drainage pipe and behind the city's well site is surplus property which is not usable for a public purpose. Additionally, the conveyance of this property would alleviate the city of maintenance responsibilities and liabilities of ownership.

City staff requests direction from the City Council on whether it would like to consider conveying a portion of the H Street right-of-way pursuant to this request. In the event that the City Council determines it to be in the best interest of the city to convey this property, city staff recommends that:

1. The City of Kerrville retain ownership of that portion of the property that contains the well site and drainage infrastructure;
2. The City of Kerrville retain ownership of that portion of the property that is located within 45 feet of the rear section of the existing security fence for the water well;
3. The City of Kerrville maintain a drainage easement that accommodates the conveyance of stormwater to the river; and
4. The City of Kerrville allow for private improvements to be located across the easement provided that they do not interfere with the city's use of them for their dedicated purpose(s).

City of Kerrville

Todd Parton, City Manager

9 June 2016

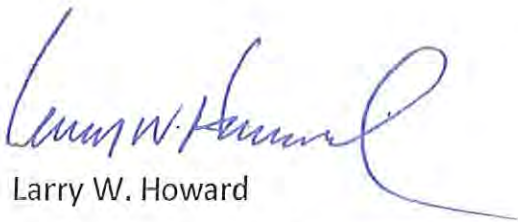
Mr. Parton,

I would like to purchase the property located at the end of H Street in Kerrville along Water Street. This is the H Street Well location and the property in the rear of the lot is what I would like to purchase. This property is in the Flood Way and has no apparent easements or visible improvements.

I will be willing to pay for the survey and appraisal for this tract. I currently have the property located at 1709 and 1717 Water St under contract and this property adjoins the city tract.

Please pass this along to the City Council and let me know the next step to getting this accomplished.

Thank you and if you have any questions, please call me at 830-739-3615.

A handwritten signature in blue ink, appearing to read "Larry W. Howard". The signature is fluid and cursive, with a large loop at the end.

Larry W. Howard

BK Independent Production, LLC



H St Well Site



Nearby Property Ownership

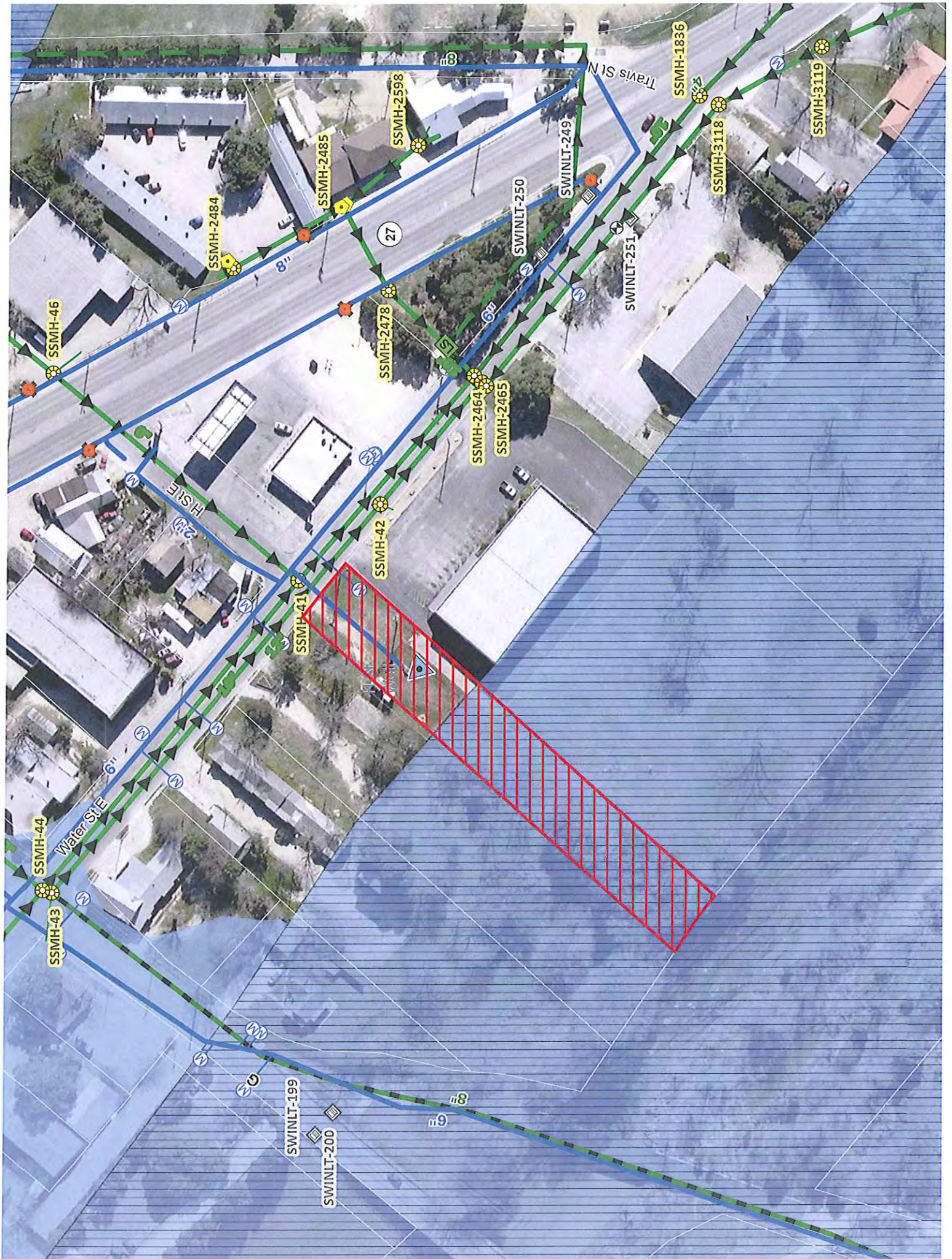


Legend

Kerr CAD Tax
Parcels



Exported By: joyoung
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0 50 100 200
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Agenda Item:

4C. Interlocal Agreement pursuant to Interlocal Cooperation Act providing for City's funding participation with Kerr County in the creation of a Hazard Mitigation Action Plan. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Hazard Mitigation Planning

FOR AGENDA OF: 07/26/2016

DATE SUBMITTED: 06/03/2016

SUBMITTED BY: Dannie Smith
Fire Chief

CLEARANCES: Todd Parton
City Manager

EXHIBITS:

AGENDA MAILED TO: Brenda Craig, City Secretary

APPROVED FOR SUBMITTAL BY CITY MANAGER:



Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$	\$	\$	

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OR FINANCE:

SUMMARY STATEMENT

Chapter 418 of the Texas Government Code (The Texas Disaster Act of 1975), and Title 37, Part 1, Chapter 7 of the Texas Administrative Code, requires jurisdictions to develop emergency operations plans. These plans consist of a basic plan and 22 functional annexes. Our hazard mitigation plan is one of the functional annexes of our emergency operations plan.

The Texas Division of Emergency Management has designated July 07, 2017, as the deadline by which jurisdictions must develop new comprehensive hazard mitigation plans. Jurisdictions must meet this deadline for eligibility of state hazard mitigation grants. Meeting this deadline is also necessary for our City to continue at the (highest level), advanced level of planning preparedness.

Texas has identified numerous projects, and designated millions of grant dollars for jurisdictions that fulfill this obligation. Kerr County has solicited GrantWorks to develop a comprehensive hazard mitigation plan at a cost of \$152,000, and is seeking our participation. The Federal Government will share in this cost at \$114,000, leaving a balance of \$38,000, to be equally split between Kerr County and other participating agencies. Our share of the grant match is \$3,800. Participation does not obligate our City to Kerr County mitigation projects, and does allow our organization to pursue our own mitigation grants. However, lack of participation will cost our City approximately \$60,000 for the development of such plan.

RECOMMENDED ACTION

Approve Intergovernmental Agreement with Kerr County for the development of a hazard mitigation plan, not to exceed \$3,800.

THE STATE OF TEXAS §
KERR COUNTY §

INTERGOVERNMENTAL AGREEMENT
Pursuant to the Interlocal Cooperation Act
Texas Government Code, Chapter 791

This AGREEMENT is made between KERR COUNTY, TEXAS, hereinafter referred to as the COUNTY, acting through its Commissioners Court, and the CITY OF KERRVILLE, TEXAS, hereinafter referred to as the PARTICIPANT, acting through its City Council, as authorized by Texas Government Code Chapter 791 which authorizes local governments to enter into contracts for governmental functions and services to increase efficiency and effectiveness.

The COUNTY is applying for FEMA grant funds, hereinafter referred to as the GRANT, administered by the Texas Department of Emergency Management (TDEM). The GRANT will be used to create a countywide Hazard Mitigation Action Plan, hereinafter referred to as the PLAN. The approved Hazard Mitigation Action Plan will be effective for five (5) years and will include the COUNTY, PARTICIPANT, and other participants. The term of this Agreement shall be from the date of the PARTICIPANT'S execution of this Agreement until the GRANT is administratively closed by TDEM. Either party may terminate this Agreement with thirty (30) days written notice to the other party, except such early termination shall not relieve the PARTICIPANT from the local matching funds commitment and payment terms addressed below.

Parties agree that the COUNTY shall:

1. Serve as the primary participant and contact in all matters pertaining to the GRANT and the conduit for communication between itself, the PARTICIPANT, and TDEM.
2. Endeavor to execute its GRANT responsibilities in a timely and efficient manner.
3. Be the repository of all receipts and documentation pertinent to the GRANT and furnish such to TDEM upon its request.
4. Ensure that the PARTICIPANT shall not be responsible for any GRANT-related costs other than those outlined herein without the PARTICIPANT's written approval.
5. Provide a draft of the PLAN for review and comment by PARTICIPANT during the planning process and prior to COUNTY submittal of the PLAN to TDEM.

Parties agree that the PARTICIPANT shall:

1. Be an additional participant in the PLAN.
2. Cooperate in a timely manner with COUNTY requests to provide information needed to fulfill the COUNTY'S obligations under the GRANT and to complete the PLAN.
3. Designate the Fire Chief or designee(s) to participate in the development of the PLAN and to update the PARTICIPANT of progress.

4. Provide \$3,800 in local matching funds to the COUNTY within sixty (60) days of such request by the COUNTY, to be used toward the GRANT.

This Agreement constitutes the entire Agreement between the parties with regard to the GRANT and may not be modified except as agreed by the parties in writing. The parties further agree that any GRANT funds provided to the COUNTY are without warranty of any kind to the PARTICIPANT or any third party, and that to the extent allowed by law the PARTICIPANT shall hold harmless the COUNTY, its officers, agents, and employees from any and all loss, damage, cost demands, or causes of action of any nature or kind for loss or damage to property, or for injury or death of any person, arising in any manner from the performance of the GRANT. Nothing herein shall be construed to create any rights in third parties.

EXECUTED BY:

KERR COUNTY, TEXAS

CITY OF KERRVILLE

TOM POLLARD
COUNTY JUDGE

BONNIE WHITE
MAYOR, CITY OF KERRVILLE

DATE

DATE

ATTEST:

ATTEST:

REBECCA BOLIN
COUNTY CLERK

BRENDA CRAIG
CITY SECRETARY

Agenda Item:

4D. Confirm amount of funding from Kerrville Public Utility Board pursuant to Loan Agreement, with proceeds to be used for construction of reuse water pond.
(staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Establish amount of funds for the City of Kerrville to borrow from the Kerrville Public Utility Board pursuant to City of Kerrville Resolution No. 09-2016

FOR AGENDA OF: July 26, 2016 **DATE SUBMITTED:** July 21, 2016

SUBMITTED BY: Todd Parton
City Manager **CLEARANCES:**

EXHIBITS: City of Kerrville Resolution No. 09-2016
Loan Agreement Between the City of Kerrville and the Kerrville Public Utility Board

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

On March 22, 2016, the City Council passed and approved Resolution No. 09-2016 which authorized the City of Kerrville to enter into a loan agreement with the Kerrville Public Utility Board in an amount not to exceed \$8.5 million. The purpose of the loan is to provide funding to the City of Kerrville for the construction of the water reclamation project.

Pursuant to the loan agreement, an amount of up to \$8.5 million is payable to the city by August 1, 2016. The loan matures on August 1, 2026, and bears a 2.4% interest rate. A debt retirement schedule will be pro-rated to the actual amount loaned.

City staff recommends that the city establish a loan amount of \$7.5 million. This will ensure that there are adequate funds secured for the full construction of the water reclamation project. There is currently \$11,300,000 of funding secured for the project – Series 2016 CO in the amount of \$10 million and Water and Sewer Fund cash in the amount of \$1,300,000. Securing \$7.5 million through the loan would provide \$18,800,000 for construction. The total project cost for the reclamation water project, including distribution infrastructure, is \$18,500,000. The additional funds would reduce the amount of the cash contribution needed and allow them to be redistributed to other water and sewer capital projects.

City Council has also approved an application to the EIC for an amount of up to \$3 million

to fund the construction of water reclamation distribution infrastructure to serve the Kerrville Sports Complex, Schreiner University, and the Riverhill Golf Course. EIC funds contributed toward the water reclamation project would allow some of the already dedicated funds to be applied toward future projects.

RECOMMENDED ACTION

City staff recommends that the City Council establish a loan amount of \$7,500,000 with the Kerrville Public Utility Board to ensure that adequate funds have been secured for the full construction of the water reclamation project.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 09-2016**

A RESOLUTION AUTHORIZING THE CITY TO ENTER INTO A LOAN AGREEMENT WITH AND A PROMISSORY NOTE TO THE KERRVILLE PUBLIC UTILITY BOARD FOR AN AMOUNT NOT TO EXCEED \$8,500,000.00; SUCH FUNDING TO BE USED BY THE CITY FOR IMPROVING ITS WASTEWATER TREATMENT FACILITIES TO INCLUDE ITS REUSE SYSTEM

WHEREAS, the City of Kerrville, Texas ("City") is a Home Rule city under the Constitution and laws of the State of Texas operating under its Charter, as amended (date: June 10, 2014); and

WHEREAS, by adoption of Ordinance No. 87-45 on the 10th day of December, 1987, it created a Board of Trustees ("Board") to manage and control a newly acquired electric transmission and distribution system ("electric system") from the Lower Colorado River Authority which provision has been continued through a succession of subsequent City bond ordinances, the most recent being Ordinance No. 2013-21, adopted October 22, 2013, and the Board has continuously managed the City's electric system since its members were appointed and qualified for office; and

WHEREAS, City Council finds that it is necessary for the health, safety, and welfare of the public to improve its wastewater treatment facilities by developing and constructing commencing in January, 2017, water mains and supplementary improvements, with an estimated cost not to exceed \$8,500,000.00, such mains to be used in conjunction with a treated water reuse pond, said project referred to herein as the "Reuse Pond / Distribution Project"; and

WHEREAS, the City finds it needs to issue debt in an amount not to exceed \$8,500,000.00 or secure some other type of loan to pay for the construction of the Reuse Pond / Distribution Project; and

WHEREAS, the Board has accumulated funds for a contingency which did not materialize and also received funds in repayment of losses from power purchases and as a result has a large amount of funds for which it has no immediate need; and

WHEREAS, both the City and the Board believe it to be in each of their best interests and mutually beneficial as well, for the Board to loan the City an amount necessary for the City's Reuse Pond / Distribution Project, in an amount not to exceed \$8,500,000.00 and subject to an agreement with standard commercial loan terms negotiated and agreed to by both parties; and

WHEREAS, the Board believes that loaning the City funds in this manner will actually provide it with a rate of return that exceeds the deposit of said funds in any number of interest bearing accounts or investments that it is authorized to make; and

*Resolution
09-2016*

WHEREAS, the City believes that the interest rate proposed by the Board is 1) both fair and is either at or below the current market rate for borrowing funds, and 2) will save it from the cost and fees of issuing certificates of obligations; and

WHEREAS, City Council finds that the City is duly authorized to borrow money through commercial loans, and the Board is duly authorized under Ordinance 2013-21 and general law to loan money not immediately necessary for the reliable, adequate, and efficient operation of the electric system; and

WHEREAS, City Council, after study, finds the above-described loan transaction is the most economical and advantageous financing method for its citizens to develop a necessary public project;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

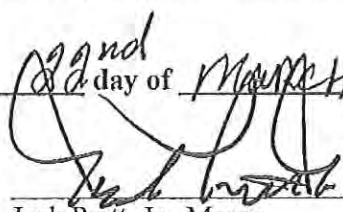
SECTION ONE. The proposed Note and Loan Agreement, which are attached as Exhibits A and B, by and between the City and KPUB, dated January 1, 2017, are hereby approved and the City Manager is authorized to sign and execute said documents and take all other actions necessary for this transaction.

SECTION TWO. The funds from the loan will be solely dedicated to and used by the City for the development and construction of the Reuse Pond / Distribution Project.

SECTION THREE. The City will repay the loan under the terms and conditions of the Note and Loan Agreement from current revenues from its water and wastewater utility systems deposited in their maintenance and operation fund.

SECTION FOUR. The City Manager shall cause annual budgets to provide for repayment of the principal and interest of the loan to the extent that the City is obligated to make repayment during any fiscal year and shall cause any required disclosures to reflect the obligations of the City for repayment of the loan.

PASSED AND APPROVED ON this the 22nd day of March A.D., 2016.



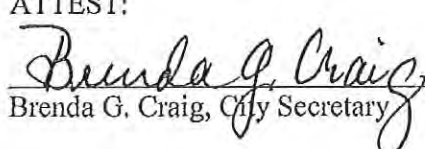
Jack Pratt, Jr., Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:



Brenda G. Craig, City Secretary

**Exhibit A
Promissory Note**

Basic Information

Date: January 1, 2017

Borrower: City of Kerrville, a Texas municipal entity

Borrower's Mailing Address: 701 Main Street
Kerrville, Kerr County, Texas 78028
Attn: City Manager

Lender: Kerrville Public Utility Board

Place for Payment: Office: 2250 Memorial Blvd.
Kerrville, Texas 78028
Attn: _____

Mailing Address: P.O. Box 294999
Kerrville, Texas 78029-4999
Attn: _____

Principal Amount: Not to Exceed Eight Million Five Hundred Thousand and NO/100 (\$8,500,000.00)

Annual Interest Rate: Two and 40/100 percent (2.4%)

Maturity Date: December 30, 2026

Annual Interest Rate on
Matured, Unpaid Amounts: Ten and No/100 percent (10%)

Terms of Payment (principal and interest): Payments made pursuant to the amortization schedule which is included in ATTACHMENT A. The amortization schedule shall be pro-rated pursuant to the actual amount loaned by the Lender to the Borrower.

Security for Payment: None

Promise to Pay

Borrower promises to pay to the order of Lender the Principal Amount plus interest at the Annual Interest Rate. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due by the Maturity Date. If any amount is not paid either when due under the Terms of Payment or on acceleration of maturity, Borrower promises to pay any unpaid amount plus interest from the date the payment was due to the date of payment at the Annual Interest Rate on Matured, Unpaid Amounts.

Defaults and Remedies

Notwithstanding any other provision of this note, in the event of a default, before exercising any of Lender's remedies under this Note, Lender will first give Borrower written notice of default and Borrower will have ten days after notice is given in which to cure the default. If the default is not cured ten days after notice, Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Waivers

Borrower waives, to the extent permitted by law, all (i) demand for payment, (ii) presentation for payment, (iii) notice of intention to accelerate maturity, (iv) notice of acceleration of maturity, (v) protest and (vi) notice of protest.

Attorney's Fees

Borrower also promises to pay reasonable attorney's fees and any other related costs if an attorney is retained to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

Prepayment

Borrower may prepay this Note at any time without premium or penalty.

Usury Savings

Interest on the debt evidenced by this note will not exceed the maximum rate or amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the Principal Amount or, if the Principal Amount has been paid, refunded. On any acceleration or required or permitted prepayment, any excess interest will be canceled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the Principal Amount or,

if the Principal Amount has been paid, refunded. This provision overrides any conflicting provisions in this note and all other instruments concerning the debt.

Other Clauses

When the context requires, singular nouns and pronouns include the plural.

BORROWER

CITY OF KERRVILLE, a Texas municipal entity

By: _____

Name: Todd Parton

Title: City Manager

ATTACHMENT A
City of Kerrville
Amortization Schedule

Principal Amount \$ 8,500,000.00
Interest Rate 2.4%
Term (in years) 10
Issue Date 8/1/2016
First Payment Date 2/1/2017
Last Payment Date 8/1/2026

Date	Principal	Interest	Total	Balance
8/1/2016				8,500,000
2/1/2017		102,000	102,000	8,500,000
8/1/2017		102,000	102,000	8,500,000
2/1/2018		102,000	102,000	8,500,000
8/1/2018		102,000	102,000	8,500,000
2/1/2019		102,000	102,000	8,500,000
8/1/2019		102,000	102,000	8,500,000
2/1/2020	607,143	102,000	709,143	7,892,857
8/1/2020	607,143	94,714	701,857	7,285,714
2/1/2021	607,143	87,429	694,571	6,678,571
8/1/2021	607,143	80,143	687,286	6,071,429
2/1/2022	607,143	72,857	680,000	5,464,286
8/1/2022	607,143	65,571	672,714	4,857,143
2/1/2023	607,143	58,286	665,429	4,250,000
8/1/2023	607,143	51,000	658,143	3,642,857
2/1/2024	607,143	43,714	650,857	3,035,714
8/1/2024	607,143	36,429	643,571	2,428,571
2/1/2025	607,143	29,143	636,286	1,821,429
8/1/2025	607,143	21,857	629,000	1,214,286
2/1/2026	607,143	14,571	621,714	607,143
8/1/2026	607,143	7,286	614,429	(0)
TOTAL	8,500,000	1,377,000	9,877,000	

R09-2014

Exhibit B
LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is made and entered into by and between KERRVILLE PUBLIC UTILITY BOARD ("Lender") and CITY OF KERRVILLE, a Texas municipal entity ("Borrower").

In consideration of their respective obligations, undertakings and commitments herein set forth and subject to the terms, provisions and conditions hereof, the parties hereto agree as follows:

SECTION 1. THE LOAN

1.01 Loan. Subject to and upon the terms and conditions herein set forth, Lender agrees to loan to the Borrower the sum not to exceed \$8,500,000 (the "Credit Amount") on a term basis, in accordance with the provisions hereof (the "Loan").

1.02 Promissory Note Evidencing the Loan. The Loan will be evidenced by and payable in accordance with a Promissory Note ("Note") in the principal amount not to exceed \$8,500,000, dated January 1, 2017. The Loan matures on December 30, 2026 (the "Maturity Date"), and will bear interest at the rate set forth in the Note. All payments under the Note will be made in immediately available funds to Lender's address as set out in Paragraph 6.06, prior to 3:00 p.m., Kerrville time, on or before the due date thereof; funds received after that time will be deemed to have been received by Lender on the next following banking day.

1.03 Voluntary Prepayments. Prior to demand or maturity of the Loan, the Borrower has the right to prepay the Loan, in whole or in part, at any time and from time to time, without premium or penalty.

SECTION 2. CONDITIONS PRECEDENT

The following are conditions precedent to the funding of the Loan:

2.01 No Event of Default (hereinafter defined) or Unmatured Event of Default (hereinafter defined) will then exist.

2.02 The representations and warranties herein will be true and correct in all material respects.

2.03 Lender will have received a copy, duly certified by the City Secretary of the Borrower, of the resolution of the City Council of the Borrower authorizing the borrowing hereunder and the execution and delivery of this Agreement, the Note and all other applicable Loan Documents and of the specimen signatures of the officers of the Borrower authorized to sign this Agreement, the Note and all other applicable Loan Documents.

R09-2014

SECTION 3. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to Lender the following:

3.01 Organization and Existence. The Borrower is the City of Kerrville, Texas, a municipal entity.

3.02 Authorization, Enforceability, Etc. Borrower has received proper legal authorization to borrow the Credit Amount and has the legal authority to place the Loan proceeds into a special fund. The execution, delivery and performance by the Borrower of the Agreement, Note, and all other applicable Loan Documents does not and will not (i) violate any provision of any agreement, law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect which adversely affects or could adversely affect the financial condition of the Borrower; or (ii) result in a breach of or constitute a default under the Borrower's City Charter or any indenture or any Certificate or loan or credit agreement or any other agreement or instrument to which the Borrower is a party or by which the Borrower is bound or affected, and will not result in the creation or imposition of any lien, charge or encumbrance on, or security interest in, any of their respective properties pursuant to the provisions of any such agreement or instrument; and (iii) Agreement, Note, and all other applicable Loan Documents, when duly executed and delivered, will constitute legal, valid and binding obligations of the Borrower, respectively, enforceable against such parties in accordance with their respective terms.

3.03 Full Disclosure. No information furnished by the Borrower in connection with the transactions contemplated hereby contains any materially untrue statement or omission of material fact.

3.04 Litigation. There is no litigation, proceeding or investigation pending or threatened against or affecting the Borrower.

SECTION 4. COVENANTS

4.01 Utility Fund, Special Use and Project Budget. All of the Loan proceeds will be deposited into the Borrower's Utility Fund and will only be used for the construction of a reuse water pond in strict compliance with the Project Budget set out on **APPENDIX A**, attached hereto.

4.04 Funding Source and City Budget. In addition to the terms set out on the Promissory Note, Borrower will pay the Note: (i) from revenues held in the maintenance and operations fund of the City of the Kerrville water and waste water system; and (ii) this debt obligation and the amount of the annual payments due must be shown in the annual City budget, until paid in full. The Note is not collateralized by or in any manner pledged for repayment by the tax revenues of the City, and no sinking fund is created for that purpose.

4.06 Notice of Default. Promptly upon becoming aware of the occurrence thereof, the Borrower will furnish to Lender written notification of any Event of Default or any event which, with the giving of notice or the lapse of time, or both, could constitute an Event of Default (an "Unmatured Event of Default"), specifying in connection with such notification all actions the Borrower proposes to take or is taking in order to remedy such circumstances.

4.07 Further Assurances. The Borrower will promptly deliver to Lender such information (not otherwise required to be furnished pursuant to the Loan Documents) respecting its business, affairs, assets, and liabilities, and such opinions, certifications, and documents, in addition to those mentioned in this Agreement, as Lender may reasonably request.

SECTION 5. EVENTS OF DEFAULT

5.01 Event of Default. As used herein, the term "Unmatured Event of Default" means an event or condition, which with the passing of time or giving of notice or both would constitute an Event of Default. After 10 days written notice for a monetary default or 30 days written notice for a non-monetary default, an "Event of Default" will exist if any of the following occurs:

(a) Payment. The Borrower fails to make any payment of principal or interest on the Note when due or fails to make any payment of fees or other amounts with respect to the Loan when such payment is due; or

(b) Performance. The Borrower fails to perform or observe any covenant or provision contained herein; or

(c) Loan Documents. A default occurs under any of the Loan Documents; or

(d) Warranties or Representations. Any warranty, representation or other statement by or on behalf of the Borrower or any Guarantor contained in the Loan Documents, or in any instrument furnished in compliance with or in reference to the Loan Documents, is false, misleading, or incorrect in any material respect as of the date made.

5.02 Certain Rights of Lender.

(a) Remedies Upon Default. Should an Event of Default occur, Lender may, in its discretion, do any one or more of the following:

(i) Acceleration. Declare the unpaid balance of the Loan immediately due and payable, whereupon it will be due and payable.

(ii) Termination. Terminate any commitment of Lender to lend hereunder in its entirety or as to any portion thereof, to the extent Lender will deem appropriate.

(iii) Setoff. Setoff any amounts due and owing to Lender by Borrower, whether principal, interest or fees, including any amounts accelerated pursuant to the terms hereof, against any funds contained in any account maintained by Borrower at Lender.

(iv) Exercise of Rights. Exercise any and all rights afforded by the Loan Documents or by any applicable laws, whether at law, in equity or otherwise, as Lender will deem appropriate, including, but not limited to, the rights to bring suit or other proceeding before any court or any governmental department, agency or instrumentality of any sort whatsoever, either for specific performance of any covenant or condition contained in the Loan Documents or in aid of the exercise of any right granted to Lender in the Loan Documents.

(b) Lender Not in Control. None of the covenants or other provisions contained in this Agreement will give Lender the right or power to exercise control over the affairs and/or management of the Borrower.

(c) Cumulative Rights. All rights available to Lender hereunder and under the Loan Documents will be cumulative of and in addition to all other rights granted to Lender at law or in equity, whether or not Lender will have instituted any suit for collection or other action in connection with the Loan Documents.

(d) Waiver by Borrower. Borrower hereby waives any and all demands for payment, presentments for payment, notices of intention to accelerate, notices of acceleration of maturity, protests and notices of protests regarding the Loan.

SECTION 6. MISCELLANEOUS

6.01 Term. This Agreement continues, unless sooner terminated or extended as provided herein, until the Maturity Date. Upon any such termination, the Borrower's obligations and the powers and rights of Lender hereunder will continue in full force and effect until the Loan has been paid in full and all other liabilities and obligations of the Borrower hereunder have been satisfied.

6.02 Controlling Agreement. All agreements between the Borrower and Lender, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency or event whatsoever, whether by reason of demand or acceleration of the maturity hereof or otherwise, will the amount contracted for, charged, received, paid or agreed to be paid to Lender for the use, forbearance, or detention of the funds evidenced hereby or otherwise, or for the performance or payment of any covenant or obligation contained in any instrument securing the payment thereof, exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever, interest would otherwise be payable to Lender in excess of the maximum lawful amount, the interest payable to Lender will be reduced to the maximum amount permitted under applicable law; and if from any circumstance Lender will ever receive anything of value deemed interest by applicable law in excess of the maximum lawful amount, an amount equal to any excessive interest will be applied to the reduction of the principal hereof and not to the payment of interest or if such excessive interest exceeds the unpaid balance of principal hereof, such excess will be refunded to the Borrower. All interest paid or agreed to be paid to Lender will, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension hereof) so that the interest hereon for such full period will not exceed the maximum amount permitted by applicable law. The term "applicable law" as used herein means the laws of the state of Texas or the laws of the United States, whichever laws allow the greater rate of interest, as such laws now exist or, to the extent allowed by law, may be changed or amended or come into effect in the future. This paragraph will control all agreements between Borrower and Lender.

6.03 No Third Party Beneficiary. This Agreement is for the sole benefit of the Borrower and Lender and is not for the benefit of any third party.

6.04 Number and Gender. Whenever used herein and where the context requires, the singular member includes the plural, and the plural includes the singular, and the use of any gender will be applicable to all genders.

6.06 Notices. All notices permitted hereunder will be given to the addressee at the following address:

If to Lender: Kerrville Public Utility Board
2250 Memorial Blvd.
Kerrville, Texas 78028
Attention: _____

Mailing Address
P.O. Box 294999
Kerrville, Texas 78029-4999
Attention: _____

If to Borrower: City of Kerrville
701 Main Street
Kerrville, Texas 78028
Attn: City Manager

All notices given hereunder will be in writing and will be considered properly given if mailed by first-class United States mail, postage prepaid, registered or certified with return receipt requested, or by delivering same in person to the addressee, or by prepaid telegram. All notices permitted herein to be given by mail will be effective upon deposit in to the care and custody of the U.S. Postal Service. Notice given in any other manner will be effective upon receipt at the address of the addressee. Either party may change its address for purposes of receiving notice hereunder upon not less than 15 days notice given in the manner prescribed herein.

6.07 Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the state of Texas and the laws of the United States of America applicable to transactions in the State of Texas. Borrower and Lender agree that the sole and exclusive place of jurisdiction for resolution of any dispute arising out of or relating to this Agreement will be Kerrville, Kerr County, Texas.

6.08 Invalid Provisions. If any provision herein or in the Loan Documents is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision will be fully severable, the document affected will be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part thereof, and the remaining provisions thereof will remain in full force and effect and will not be affected by the severance herein provided. Furthermore, in lieu of such illegal, invalid, or unenforceable provision there will be added automatically a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

6.09 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Borrower, Lender and their respective successors and assigns; provided, however, Borrower may not transfer or assign any of its rights or obligations hereunder without the express written consent of Lender.

6.10 Amendment. Except as provided herein, this Agreement may not be amended or modified except by written instrument signed by the parties hereto.

6.11 Expenses. Whether or not any advance is made hereunder the Borrower agrees to pay the reasonable expenses of Lender in connection herewith, including all legal fees, all filing and recording fees, costs of credit reports and of inspections of any collateral, and all costs involved in enforcement and collection pursuant to the terms of the Loan Documents, which expenses will be due and payable on demand therefor. Without limiting the generality of the foregoing, Borrower will, except in connection with a billing error inquiry, pay to Lender a fee of \$20.00 per hour for any research requested or authorized, whether orally or in writing, by Borrower with respect to the Loan. Borrower will further pay \$1.00 per copy for any photocopies requested or authorized, whether orally or in writing, by Borrower with respect to the Loan.

6.12 Entire Agreement. This Agreement and the Loan Documents constitute the entire understanding and agreement between the Borrower and Lender with respect to the transactions contemplated hereby and supersede all prior written or oral understandings and agreements between the Borrower and Lender with respect thereto. The Borrower hereby acknowledges that, except as incorporated in writing herein and in the Loan Documents, there are not, and were not, and no persons are or were authorized by Lender to make, any representations, understandings, stipulations, agreements or promises, whether oral or written.

6.13 Captions and Section Headings. Captions and section headings used herein are for convenience only and will not be used in construing this Agreement.

6.14 Loan Agreement Governs. In the event of any conflict between the terms of this Agreement and any terms of any other Loan Document, the terms of this Agreement will govern. All of the Loan Documents are by this reference incorporated into this Agreement.

6.15 USA Patriot Act Notice. Lender hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the Act.

IN WITNESS WHEREOF, the Borrower and Lender have caused this Agreement to be executed
this _____ day of _____, 201__.

BORROWER:

City of Kerrville, a Texas municipal entity

By: _____

Name: _____

Its: _____

LENDER:

Kerrville Public Utility Board

BY: _____

Name: _____

Its: _____

APPENDIX A
Project Budget

Reuse Water Project Budget

Reuse Infrastructure Components	Cost Estimate
105 MG Reuse Pond	\$ 8,900,000
3,000 L.F. of 24" Gravity Line from WWTP	\$ 770,000
Reuse Pump Station	\$ 1,700,000
4,500 L.F. of 12" Pipeline to Existing Reuse System	\$ 620,000
30,000 L.F. Extension of 8"/10" Reuse Distribution Pipeline	\$ 2,800,000
Construction Contingency @ 25%	\$ 3,697,500
<i>TOTAL CONSTRUCTION ESTIMATE</i>	<i>\$ 18,487,500</i>
Prior Funding - Series 2016 Bonds	\$ 10,000,000
KPUB Loan (Maximum Amount)	\$ 8,500,000

C. Of. 2016

MEMORANDUM

To: Stephen Fine
Philip Stacy
John Sample
Fred Gamble
Mayor Jack Pratt

From: Mike Wittler

Date: March 18, 2016

Re: Consideration of a Promissory Note and Loan Agreement between KPUB and the City of Kerrville for an Amount Not to Exceed \$8,500,000

We sought the opinion of John Davidson, KPUB's Special Counsel, and Jeffrey Kuhn, KPUB's Bond Counsel, regarding whether or not KPUB has the authority to loan money from its System Funds to the City of Kerrville for partial funding of a wastewater facility. They responded verbatim "KPUB has the authority to grant or loan the funds to the City, provided it satisfies the funding and rate covenants contained in and otherwise complies with the provision of Ordinance No. 2013-21 as adopted by the City Council on October 22, 2013."

Davidson prepared a Promissory Note, Loan Agreement and KPUB Board Resolution for a loan not to exceed \$8,500,000. Those documents have been reviewed by Jeffrey Kuhn, Mike Hayes, KPUB and City staff. We asked Steven Adams, KPUB's Financial Advisor, to review KPUB's Financial Statements, existing loan agreement with Broadway Bank and KPUB's wholesale power agreements for credit and collateral requirements. He found no reason that KPUB could not make a loan to the City.

We also notified Broadway Bank and KPUB's Auditor, Bill Fisher of BKD, that a loan from KPUB to the City was being contemplated. Neither one raised concerns about the proposed loan.

The proposed loan will have a ten year repayment term with the first three years being interest only payments and a 2.4% interest rate. The length of the loan and interest rate are based on the City's other loan for the wastewater facility. KPUB is currently earning 0.3% average interest on its investments.

Please let me know if you have any questions or concerns.

Sincerely,

Mike Wittler, P.E.

ROA-2016

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is made and entered into by and between KERRVILLE PUBLIC UTILITY BOARD ("Lender") and CITY OF KERRVILLE, a Texas home rule municipality ("Borrower").

In consideration of their respective obligations, undertakings and commitments herein set forth and subject to the terms, provisions and conditions hereof, the parties hereto agree as follows:

SECTION 1. THE LOAN

1.01 Loan. Subject to and upon the terms and conditions herein set forth, Lender agrees to loan to the Borrower an amount not to exceed \$8,500,000 (the "Credit Amount") on a term basis, in accordance with the provisions hereof (the "Loan").

1.02 Promissory Note Evidencing the Loan. The Loan will be evidenced by and payable in accordance with a Promissory Note ("Note") in a principal amount not to exceed \$8,500,000, dated August 1, 2016. The Loan matures on August 1, 2026 (the "Maturity Date"), and will bear interest at the rate set forth in the Note. All payments under the Note will be made in immediately available funds to Lender's address as set out in Paragraph 6.06, prior to 3:00 p.m., Kerrville time, on or before the due date thereof; funds received after that time will be deemed to have been received by Lender on the next following banking day. Borrower has agreed to pay the Note in accordance with **SCHEDULE 1**, attached hereto (and the Note) and made a part hereof for all purposes. **SCHEDULE 1** sets out interest only payments for the first 3 years and then interest plus principal payments until the Maturity Date.

1.03 Voluntary Prepayments. Prior to demand or maturity of the Loan, the Borrower has the right to prepay the Loan, in whole or in part, at any time and from time to time, without premium or penalty.

SECTION 2. CONDITIONS PRECEDENT

The following are conditions precedent to the funding of the Loan:

2.01 No Event of Default (hereinafter defined) or Unmatured Event of Default (hereinafter defined) will then exist.

2.02 The representations and warranties herein will be true and correct in all material respects.

2.03 Lender will have received a copy, duly certified by the City Secretary of the Borrower, of the resolution of the City Council of the Borrower authorizing the borrowing hereunder and the execution and delivery of this Agreement, the Note and all other applicable Loan Documents and of the specimen signatures of the officers of the Borrower authorized to sign this Agreement, the Note and all other applicable Loan Documents.

SECTION 3. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to Lender the following:

3.01 Organization and Existence. The Borrower is the City of Kerrville, Texas, a home rule municipality.

3.02 Authorization, Enforceability, Etc. Borrower has received proper legal authorization to borrow the Credit Amount and has the legal authority to place the Loan proceeds into its water and sewer capital projects fund. The execution, delivery and performance by the Borrower of the Agreement, Note, and all other applicable loan documents (the "Loan Documents") does not and will not (i) violate any provision of any agreement, law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect which adversely affects or could adversely affect the financial condition of the Borrower; or (ii) result in a breach of or constitute a default under the Borrower's City Charter or any indenture or any payment obligation or loan or credit agreement or any other agreement or instrument to which the Borrower is a party or by which the Borrower is bound or affected, and will not result in the creation or imposition of any lien, charge or encumbrance on, or security interest in, any of their respective properties pursuant to the provisions of any such agreement or instrument; and (iii) the Loan Documents, when duly executed and delivered, will constitute legal, valid and binding obligations of the Borrower, respectively, enforceable against such parties in accordance with their respective terms.

3.03 Full Disclosure. No information furnished by the Borrower in connection with the transactions contemplated hereby contains any materially untrue statement or omission of material fact.

3.04 Litigation. There is no litigation, proceeding or investigation pending or threatened against or affecting the Borrower.

SECTION 4. COVENANTS

4.01 Utility Fund, Special Use and Project Budget. All of the Loan proceeds will be deposited into the Borrower's Utility Fund and will only be used for the construction of a reuse water pond in strict compliance with the Project Budget set out on **APPENDIX A**, attached hereto.

4.04 Funding Source and City Budget. In addition to the terms set out on the Promissory Note, Borrower will pay the Note: (i) from revenues held in the maintenance and operations fund of the City of the Kerrville water and wastewater systems (the "System"); and (ii) this debt obligation and the amount of the annual payments due must be shown in the annual City budget, until paid in full. The Note is not collateralized but is secured solely by a lien on and pledge of the net revenues of the Borrower's System.

4.06 Notice of Default. Promptly upon becoming aware of the occurrence thereof, the Borrower will furnish to Lender written notification of any Event of Default or any event which, with the giving of notice or the lapse of time, or both, could constitute an Event of Default (an

"Unmatured Event of Default"), specifying in connection with such notification all actions the Borrower proposes to take or is taking in order to remedy such circumstances.

4.07 Further Assurances. The Borrower will promptly deliver to Lender such information (not otherwise required to be furnished pursuant to the Loan Documents) respecting its business, affairs, assets, and liabilities, and such opinions, certifications, and documents, in addition to those mentioned in this Agreement, as Lender may reasonably request.

SECTION 5. EVENTS OF DEFAULT

5.01 Event of Default. As used herein and as set forth in the Note, the term "Unmatured Event of Default" means an event or condition, which with the passing of time or giving of notice or both would constitute an Event of Default. After 10 days written notice for a monetary default or 30 days written notice for a non-monetary default, an "Event of Default" will exist if any of the following occurs:

(a) Payment. The Borrower fails to make any payment of principal or interest on the Note when due or fails to make any payment of fees or other amounts with respect to the Loan when such payment is due; or

(b) Performance. The Borrower fails to perform or observe any covenant or provision contained herein; or

(c) Loan Documents. A default occurs under any of the Loan Documents; or

(d) Warranties or Representations. Any warranty, representation or other statement by or on behalf of the Borrower or any Guarantor contained in the Loan Documents, or in any instrument furnished in compliance with or in reference to the Loan Documents, is false, misleading, or incorrect in any material respect as of the date made.

5.02 Certain Rights of Lender.

(a) Remedies Upon Default. Should an Event of Default occur, Lender may, in its discretion, do any one or more of the following:

(i) Acceleration. Declare the unpaid balance of the Loan immediately due and payable, whereupon it will be due and payable.

(ii) Termination. Terminate any commitment of Lender to lend hereunder in its entirety or as to any portion thereof, to the extent Lender will deem appropriate.

(iii) Setoff. Setoff any amounts due and owing to Lender by Borrower, whether principal, interest or fees, including any amounts accelerated pursuant to the terms hereof, against any funds contained in any account maintained by Borrower at Lender.

(iv) Exercise of Rights. Exercise any and all rights afforded by the Loan Documents, including without limitation, the Note, or by any applicable laws, whether at law, in equity or otherwise, as Lender will deem appropriate, including, but not limited to, the rights to bring suit or other proceeding before any court or any governmental department, agency or instrumentality of any sort whatsoever, either for specific

performance of any covenant or condition contained in the Loan Documents or in aid of the exercise of any right granted to Lender in the Loan Documents.

(b) **Lender Not in Control.** None of the covenants or other provisions contained in this Agreement will give Lender the right or power to exercise control over the affairs and/or management of the Borrower.

(c) **Cumulative Rights.** All rights available to Lender hereunder and under the Loan Documents will be cumulative of and in addition to all other rights granted to Lender at law or in equity, whether or not Lender will have instituted any suit for collection or other action in connection with the Loan Documents.

(d) **Waiver by Borrower.** Borrower hereby waives any and all demands for payment, presentments for payment, notices of intention to accelerate, notices of acceleration of maturity, protests and notices of protests regarding the Loan.

SECTION 6. MISCELLANEOUS

6.01 **Term.** This Agreement continues, unless sooner terminated or extended as provided herein, until the Maturity Date. Upon any such termination, the Borrower's obligations and the powers and rights of Lender hereunder will continue in full force and effect until the Loan has been paid in full and all other liabilities and obligations of the Borrower hereunder have been satisfied.

6.02 **Controlling Agreement.** All agreements between the Borrower and Lender, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency or event whatsoever, whether by reason of demand or acceleration of the maturity hereof or otherwise, will the amount contracted for, charged, received, paid or agreed to be paid to Lender for the use, forbearance, or detention of the funds evidenced hereby or otherwise, or for the performance or payment of any covenant or obligation contained in any instrument securing the payment thereof, exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever, interest would otherwise be payable to Lender in excess of the maximum lawful amount, the interest payable to Lender will be reduced to the maximum amount permitted under applicable law; and if from any circumstance Lender will ever receive anything of value deemed interest by applicable law in excess of the maximum lawful amount, an amount equal to any excessive interest will be applied to the reduction of the principal hereof and not to the payment of interest or if such excessive interest exceeds the unpaid balance of principal hereof, such excess will be refunded to the Borrower. All interest paid or agreed to be paid to Lender will, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension hereof) so that the interest hereon for such full period will not exceed the maximum amount permitted by applicable law. The term "applicable law" as used herein means the laws of the state of Texas or the laws of the United States, whichever laws allow the greater rate of interest, as such laws now exist or, to the extent allowed by law, may be changed or amended or come into effect in the future. This paragraph will control all agreements between Borrower and Lender.

6.03 **No Third Party Beneficiary.** This Agreement is for the sole benefit of the Borrower and Lender and is not for the benefit of any third party.

6.04 Number and Gender. Whenever used herein and where the context requires, the singular member includes the plural, and the plural includes the singular, and the use of any gender will be applicable to all genders.

6.05 Notices. All notices permitted hereunder will be given to the addressee at the following address:

If to Lender: Kerrville Public Utility Board
 2250 Memorial Blvd.
 Kerrville, Texas 78028
 Attention: Chief Executive Officer

Mailing Address
P.O. Box 294999
Kerrville, Texas 78029-4999
Attention: Chief Financial Officer

If to Borrower: City of Kerrville
 701 Main Street
 Kerrville, Texas 78028
 Attn: City Manager

All notices given hereunder will be in writing and will be considered properly given if mailed by first-class United States mail, postage prepaid, registered or certified with return receipt requested, or by delivering same in person to the addressee, or by prepaid telegram. All notices permitted herein to be given by mail will be effective upon deposit in to the care and custody of the U.S. Postal Service. Notice given in any other manner will be effective upon receipt at the address of the addressee. Either party may change its address for purposes of receiving notice hereunder upon not less than 15 days notice given in the manner prescribed herein.

6.06 Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the state of Texas and the laws of the United States of America applicable to transactions in the State of Texas. Borrower and Lender agree that the sole and exclusive place of jurisdiction for resolution of any dispute arising out of or relating to this Agreement will be Kerrville, Kerr County, Texas.

6.07 Invalid Provisions. If any provision herein or in the Loan Documents is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision will be fully severable, the document affected will be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part thereof, and the remaining provisions thereof will remain in full force and effect and will not be affected by the severance herein provided. Furthermore, in lieu of such illegal, invalid, or unenforceable provision there will be added automatically a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

6.08 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Borrower, Lender and their respective successors and assigns; provided, however, Borrower may not transfer or assign any of its rights or obligations hereunder without the express written consent of Lender.

6.09 Amendment. Except as provided herein, this Agreement may not be amended or modified except by written instrument signed by the parties hereto.

6.10 Expenses. Whether or not any advance is made hereunder the Borrower agrees to pay the reasonable expenses of Lender in connection herewith, including all legal fees, all filing and recording fees, costs of credit reports and of inspections of any collateral, and all costs involved in enforcement and collection pursuant to the terms of the Loan Documents, which expenses will be due and payable on demand therefor. Without limiting the generality of the foregoing, Borrower will, except in connection with a billing error inquiry, pay to Lender a fee of \$20.00 per hour for any research requested or authorized, whether orally or in writing, by Borrower with respect to the Loan. Borrower will further pay \$1.00 per copy for any photocopies requested or authorized, whether orally or in writing, by Borrower with respect to the Loan.

6.11 Entire Agreement. This Agreement and the Loan Documents constitute the entire understanding and agreement between the Borrower and Lender with respect to the transactions contemplated hereby and supersede all prior written or oral understandings and agreements between the Borrower and Lender with respect thereto. The Borrower hereby acknowledges that, except as incorporated in writing herein and in the Loan Documents, there are not and were not, and no persons are or were authorized by Lender to make, any representations, understandings, stipulations, agreements or promises, whether oral or written.

6.12 Captions and Section Headings. Captions and section headings used herein are for convenience only and will not be used in construing this Agreement.

6.13 Loan Agreement Governs. In the event of any conflict between the terms of this Agreement and any terms of any other Loan Document, the terms of this Agreement will govern. All of the Loan Documents are by this reference incorporated into this Agreement.

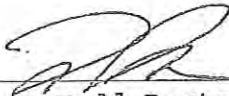
6.14 USA Patriot Act Notice. Lender hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the Act.

6.15 Note Not a Public Security. None of the Loan Documents, including the Note, will be deemed to be a "public security" pursuant to Chapter 1201.002(c), as amended, under the Texas Government Code.

IN WITNESS WHEREOF, the Borrower and Lender have caused this Agreement to be executed this 1st day of August, 2016.

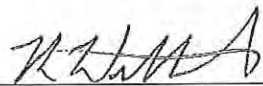
BORROWER:

City of Kerrville, a Texas home rule municipality

By: 
Name: Todd Parton
Its: City Manager

LENDER:

Kerrville Public Utility Board

BY: 
Name: M. WITTLER
Its: GENERAL MANAGER + CEO

SCHEDULE 1

Amortization Schedule

City of Kerrville
Amortization Schedule

Principal Amount	8,500,000
Interest Rate	2.4%
Term (In years)	10
Issue Date	8/1/2016
First Payment Date	2/1/2017
Last Payment Date	8/1/2026

Date	Principal	Interest	Total	Balance
8/1/2016				8,500,000
2/1/2017		102,000	102,000	8,500,000
8/1/2017		102,000	102,000	8,500,000
2/1/2018		102,000	102,000	8,500,000
8/1/2018		102,000	102,000	8,500,000
2/1/2019		102,000	102,000	8,500,000
8/1/2019		102,000	102,000	8,500,000
2/1/2020	607,143	102,000	709,143	7,892,857
8/1/2020	607,143	94,714	701,857	7,285,714
2/1/2021	607,143	87,429	694,571	6,678,571
8/1/2021	607,143	80,143	687,286	6,071,429
2/1/2022	607,143	72,857	680,000	5,464,286
8/1/2022	607,143	65,571	672,714	4,857,143
2/1/2023	607,143	58,286	665,429	4,250,000
8/1/2023	607,143	51,000	658,143	3,642,857
2/1/2024	607,143	43,714	650,857	3,035,714
8/1/2024	607,143	36,429	643,571	2,428,571
2/1/2025	607,143	29,143	636,286	1,821,429
8/1/2025	607,143	21,857	629,000	1,214,286
2/1/2026	607,143	14,571	621,714	607,143
8/1/2026	607,143	7,286	614,429	(0)
	8,500,000	1,377,000	9,877,000	

APPENDIX A

Reuse Water Project Budget

Reuse Infrastructure Components	Cost Estimate
105 MG Reuse Pond	\$ 8,900,000
3,000 L.F. of 24" Gravity Line from WWTP	\$ 770,000
Reuse Pump Station	\$ 1,700,000
4,500 L.F. of 12" Pipeline to Existing Reuse System	\$ 620,000
30,000 L.F. Extension of 8"/10" Reuse Distribution Pipeline	\$ 2,800,000
Construction Contingency @ 25%	\$ 3,697,500
<i>TOTAL CONSTRUCTION ESTIMATE</i>	<i>\$ 18,487,500</i>
Prior Funding - Series 2016 Bonds	\$ 10,000,000
KPUB Loan (Maximum Amount)	\$ 8,500,000

Promissory Note

Basic Information

Date: August 1, 2016

Borrower: City of Kerrville, a Texas home rule municipality

Borrower's Mailing Address: 701 Main Street
Kerrville, Kerr County, Texas 78028
Attn: City Manager

Lender: Kerrville Public Utility Board

Place for Payment: Office:
2250 Memorial Blvd.
Kerrville, Texas 78028
Attn: Chief Executive Officer

Mailing Address: P.O. Box 294999
Kerrville, Texas 78029-4999
Attn: Chief Financial Officer

Principal Amount: Eight Million Five Hundred Thousand and NO/100
(\$8,500,000.00)

Annual Interest Rate: Two and 40/100 percent (2.4%), based on a 360 day year,
with twelve 30-day months

Maturity Date: August 1, 2026

Annual Interest Rate on Matured, Unpaid Amounts: Ten and No/100 percent (10%)

Terms of Payment (principal and interest): Payments of all accrued interest and certain mandatory principal reductions as set out on the payment schedule attached hereto and made a part hereof as **SCHEDULE 1**; such payments to be made bi-annually beginning on February 1, 2017 and continuing on or before February 1 and August 1 of each year until August 1, 2026 ("Maturity Date") when all unpaid principal and all accrued, but unpaid interest, is payable in full.

Security for Payment: Net revenues of the City's water and wastewater systems with a perfected lien pursuant to Chapter 1208, as amended, Texas Government Code.

Promise to Pay

Borrower promises to pay to the order of Lender the Principal Amount plus interest at the Annual Interest Rate. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due by the Maturity Date. If any amount is not paid either when due under the Terms of Payment or on acceleration of maturity, Borrower promises to pay any unpaid amount plus interest from the date the payment was due to the date of payment at the Annual Interest Rate on Matured, Unpaid Amounts.

Defaults and Remedies

Notwithstanding any other provision of this note, in the event of a default or failure to pay any principal or interest when is due on this Note, before exercising any of Lender's remedies under this Note, Lender will first give Borrower written notice of default and Borrower will have ten days after notice is given in which to cure the default. If the default is not cured ten days after notice, Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law. The Lender may cure any default hereunder by withholding City transfer payments established in Section 35(c) Third of Ordinance No. 2013-21 until the default is cured

Waivers

Borrower waives, to the extent permitted by law, all (i) demand for payment, (ii) presentation for payment, (iii) notice of intention to accelerate maturity, (iv) notice of acceleration of maturity, (v) protest and (vi) notice of protest.

Attorney's Fees

Borrower also promises to pay reasonable attorney's fees and any other related costs if an attorney is retained to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

Prepayment

Borrower may prepay this Note at any time without premium or penalty.

Usury Savings

Interest on the debt evidenced by this note will not exceed the maximum rate or amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the Principal Amount or, if the Principal Amount has been paid, refunded. On any acceleration or required or permitted

prepayment, any excess interest will be canceled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the Principal Amount or, if the Principal Amount has been paid, refunded. This provision overrides any conflicting provisions in this note and all other instruments concerning the debt.

Other Clauses

Borrower is responsible for all obligations represented in this Note.

When the context requires, singular nouns and pronouns include the plural.

BORROWER

CITY OF KERRVILLE, a Texas home rule
municipality

By: 

Name: Todd Parton

Title: City Manager

SCHEDULE 1

City of Kerrville
Amortization Schedule

Principal Amount 8,500,000
Interest Rate 2.4%
Term (In years) 10
Issue Date 8/1/2016
First Payment Date 2/1/2017
Last Payment Date 8/1/2026

Date	Principal	Interest	Total	Balance
8/1/2016				8,500,000
2/1/2017		102,000	102,000	8,500,000
8/1/2017		102,000	102,000	8,500,000
2/1/2018		102,000	102,000	8,500,000
8/1/2018		102,000	102,000	8,500,000
2/1/2019		102,000	102,000	8,500,000
8/1/2019		102,000	102,000	8,500,000
2/1/2020	607,143	102,000	709,143	7,892,857
8/1/2020	607,143	94,714	701,857	7,285,714
2/1/2021	607,143	87,429	694,571	6,678,571
8/1/2021	607,143	80,143	687,286	6,071,429
2/1/2022	607,143	72,857	680,000	5,464,286
8/1/2022	607,143	65,571	672,714	4,857,143
2/1/2023	607,143	58,286	665,429	4,250,000
8/1/2023	607,143	51,000	658,143	3,642,857
2/1/2024	607,143	43,714	650,857	3,035,714
8/1/2024	607,143	36,429	643,571	2,428,571
2/1/2025	607,143	29,143	636,286	1,821,429
8/1/2025	607,143	21,857	629,000	1,214,286
2/1/2026	607,143	14,571	621,714	607,143
8/1/2026	607,143	7,286	614,429	(0)
	8,500,000	1,377,000	9,877,000	

Schedule 1

Agenda Item:

4E. Amendment to Council rules with respect to Councilmember requests for information or assistance. (Councilmember Fine)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Consideration of amending the Procedural Rules for Meetings – City Council by adding Rule 7.5 Individual City Council Member Requests for Information or Assistance

FOR AGENDA OF: July 26, 2016 **DATE SUBMITTED:** July 19, 2016

SUBMITTED BY: Stephen Fine **CLEARANCES:**
Councilmember – Place 1

EXHIBITS: Procedural Rules for Meetings – Kerrville City Council

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

Outlined within this agenda bill is an amended draft of the proposed rule addressing requests for information or assistance by individual city council members. At the meeting of July 12, 2016, the city council directed me to coordinate with the city manager on amendments. This amended rule incorporates the following changes:

1. Establishes a five business day response for city staff to a request,
2. Defines different types of requests and establishes protocols for each, and
3. Deletes language as directed by the city council

The following Rule 7.5 is recommended for addition to **Section 7. Miscellaneous** of the council's procedural rules as follows:

Rule 7.5. Individual City Council Member Requests for Information or Assistance.

Requests made by individual council members for information or assistance will be addressed as efficiently as possible under the circumstances and in accordance with this rule. If the work cannot be completed within five business days, a response will be provided by city staff that includes an anticipated date of completion, .

Document Requests:

Individual city council members who wish to see an existing city document may make the request with the department director (if known) and copy the city manager or make the request directly to the city manager.

Policy Request:

A policy request may or may not require considerable staff time, but is expected to be information the whole City Council would want/need as a policy issue progresses. The individual city council member will make the request to the city manager who can determine the best way to address the request. Examples include:

1. Simple Requests – this would be something along the lines of finding minutes of a standing committee and/or city council when a particular ordinance was adopted or discussion was held and will generally be completed by staff that would provide copies to all members of the city council.
2. Extensive Requests – this would be something such as an extensive search of an issue with a long legislative history, elections, referral to voters, legal case law, etc. that is expected to take longer than two hours to complete. If the individual council member wishes to have the issue pursued he/she will need to place the item on an agenda for consideration by the entire city council.

Research Request:

A research request, by definition, will require the use of staff time, and potentially could require the use of a consultant's time. Since this will result in the expenditure of resources, a research request should be raised by the individual council member at a council meeting for consideration by the full city council. If the full city council supports the request, city staff will develop estimates of the time and cost(s) to complete the research and will provide that information to the full city council for its consideration at a posted meeting.

Service Request:

Individual city council members will make service requests as follows:

1. If the request is on a single topic, and the department is known, the individual council member may make the request to the department director and copy the city manager or make the request directly to the city manager.
2. If there are several requests on different/multiple subjects, or the department is not clear, the individual council member will make the request to the city manager who will assign follow-up to departments as appropriate.
3. If the service request is outside the city's current policies or practices or core responsibilities, the individual city council member will be notified by the city manager that the issue may be placed by them on an agenda for consideration by the full city council.

Requests for information or assistance will be in accordance with the following:

1. All requests for information or assistance should include adequate background information to help city staff discern the type and level of information that will adequately meet the needs and expectations of the requestor.
2. All requests for information or assistance shall be specified as low, medium, or high priority and shall specify the desired deadline.
3. All written informational material prepared in response to a request by an individual council member shall be submitted by city staff to all city council members. This does not apply to conflict of interest law information and certain personal questions regarding city council member rights addressed to the city attorney.
4. City council should remain mindful that city staff's first priority is to tend to the day-

to-day business of the city.

RECOMMENDED ACTION

This rule will help to ensure that the individual needs of council members are addressed in a timely and efficient manner. It also helps to ensure that each council member is informed on an equal basis. Therefore, I recommend that this rule be adopted provided that there all council concerns and issues have been adequately addressed.

PROCEDURAL RULES FOR MEETINGS KERRVILLE CITY COUNCIL

Section 1. General Provisions

Rule 1.1 Scope of Rules; Intent. These rules shall govern the conduct of the Council and shall be interpreted to ensure fair and open deliberations and decision-making. The rules are intended to promote and maintain courtesy, civility, and collegiality during meetings.

Rule 1.2. Technical Parliamentary Forms Abolished. Except as specifically required by these rules, the Council shall not use any formal points of parliamentary order, personal privilege, parliamentary inquiry, or other technical forms.

Rule 1.3. Rulings; Matters Not Covered. Rulings on procedure are governed by the presiding officer or by a majority of Council, which would prevail. Section 3.02 of the City Charter provides the following basis for this:

The Mayor shall preside at meetings of the Council and shall exercise such other powers and perform such other duties as are or may be conferred and imposed upon him by this Charter and the ordinances of the City.

Any matter or order or procedure not covered by these rules shall be deferred to the presiding officer or legal counsel as appropriate.

Rule 1.4. Interpretation. These rules are intended to supplement and shall be interpreted to conform with the statutes of the State of Texas and the Charter and ordinances of the City of Kerrville. In general, these rules shall be interpreted to allow the majority to prevail but preserve the right of the minority to be heard.

Rule 1.5. Authority to Change and Adopt Rules of Procedure. Adoption and/or modification of rules governing City Council meetings is addressed in Section 3.04 of the Charter which provides the following with respect to rules of procedure:

...The Council shall determine its own rules and order of business and keep a journal of its proceedings. It shall have power to compel the attendance of absent members, may punish its members for disorderly behavior, and by vote of not less than a majority of all its members, expel from a meeting a member for disorderly conduct for the violation of its rules; but no member shall be expelled from a meeting unless notified of the charge against him and given an opportunity to be heard in his own defense.

Section 2. Time and Place of Meeting

Rule 2.1. Regular Meetings. Scheduling regular meetings is governed by Section 3.01 of the Charter and Section 2-31 of Article II of the Code of Ordinances. Section 2-31 of Article II of the Code of Ordinances provides:

City council will hold its regular meetings on the second and fourth Tuesdays of each month, beginning at 6:00 p.m. The council may, by majority vote at a regular meeting, change the days or times of meetings as circumstances may necessitate.

Rule 2.2. Special Meetings. Calling special meetings is governed by Section 3.01 of the Charter, which provides:

Special meetings shall be called by the City Secretary upon request of the Mayor, the City Manager, or a majority of the members of the Council.

A request for special meeting shall be filed with the City Secretary or City Manager in written/electronic format unless made at a regular meeting at which a quorum of Council Members are present. The City Manager and all Council Members shall be notified of all special meetings.

Rule 2.3. Quorum, Majority Voting. Quorum and majority voting are governed by Section 3.05 of the Charter, which provides:

A majority of all the members of the Council shall constitute a quorum to do business, but a less number may adjourn from time to time and compel the attendance of absent members in such manner and under such penalties as may be prescribed by ordinance. The affirmative vote of a majority of all the members of the Council shall be necessary to adopt any ordinance, resolution, or order; except that a vote to adjourn, or an action regarding the attendance of absent members, may be adopted by a majority of the members present.

Section 3. Agenda

Rule 3.1. Preparation of Agenda; Agenda Requests. The City Secretary shall prepare, post, and distribute notices of meetings and the assembled agenda packages. The City Manager is responsible for assembling the agenda package for each meeting. The City Manager must place a subject on the agenda if the subject is requested by the Mayor or a Council Member. Other persons may request that the City Manager place an item on the agenda pursuant to Rule 3.3.

Rule 3.2. Consent Agenda. In preparing an agenda the City Secretary may separately designate items as "Consent Agenda" which may be acted upon by the Council under Rule 6.6. The "Consent Agenda" shall consist of routine items, which in the City Secretary's determination can be appropriately considered as a group, without separate discussion, at the Council meeting. Any item listed on the consent agenda may be

removed by a member of Council or upon a request by staff or a member of the public.

Rule 3.3. Agenda Deadline. Any person wishing to have a matter heard at a City Council meeting shall make a written request, including via email, to the City Manager. Such request shall contain a short summary statement of the proposed presentation. Such request should be made before 5:00 p.m. of the sixth day preceding such meeting. As long as the City Council meetings continue to be on Tuesday, then such request should be made before 5:00 p.m. on the preceding Wednesday. Once a request has been placed on an agenda, the item, or an item concerning a similar subject matter, may not be placed on an agenda for a period of 1 year, unless a Council Member makes a written request for placement.

Rule 3.4. Requests to Include or Exclude Items. Each request to include or exclude an agenda item shall be forwarded to all members of the Council at the time the request is submitted to the City Secretary. When a Council Member will be absent from a meeting, the Council Member may request that an item not be included and such request shall not be unreasonably denied.

Rule 3.5. Council Action to Defer, Continue or Not Act. A Council Member wishing to withdraw, defer, or continue an item may make a motion to that effect. Such a motion shall be considered before any other action on that item.

Section 4. Conduct of Meetings

Rule 4.1. Roll Call. Before proceeding with the business of the Council, the City Secretary shall make note of Members present, and enter those names in the minutes. The presiding officer shall determine the presence of a quorum as required by law and these rules.

Rule 4.2. Call to Order. The presiding officer shall call the meeting to order.

Rule 4.3. Presiding Officer. The Mayor, or in the Mayor's absence or inability to perform, the Mayor Pro Tem, shall be the presiding officer at all Council meetings. The presiding officer retains all rights and privileges of a Member of Council. If both the Mayor and Mayor Pro Tem are absent or unable to perform, the most senior Council Member present shall preside. In the event two or more Members equally possess the greatest seniority then the eldest person among them shall preside.

Rule 4.4. Control of Discussion. The presiding officer shall control discussion of the Council on each Agenda item to assure full participation in accordance with these rules, the City Charter and the Code of Ordinances. The presiding officer will preserve order and decorum, preventing the impugning of any member's motives or other personal comment not relevant to the orderly conduct of business. The presiding officer shall request that all speakers keep comments brief and relevant to the question before the Council. All persons present in the meeting room should eschew abusive, rude or inappropriate conduct. See Chapter 38 of the Texas Penal Code regarding the "hindering" of official proceedings.

Rule 4.5. Order of Consideration of Agenda. Except as otherwise provided in these rules, each Agenda item shall be considered in the numerical order as presented in the meeting agenda. Each Agenda item shall be introduced by the presiding officer. To introduce an item, it shall be sufficient to identify the item by the number assigned to it on the agenda. However, as provided in Section 3.06(a) of the City Charter:

Ordinances and resolutions shall be introduced only in written form.

After a measure is introduced, the standard procedure for consideration will be as follows:

- (1) Reading of the measure by the presiding officer (or other person designated by the presiding officer). Reading ordinances or resolutions by caption or summary is allowed if the full text is available as prescribed by the Charter. (Note: Section 3.06(a) of the Charter requires additional steps for ordinances: "No ordinance shall be passed until it has been read and voted upon in at least two regular meetings, except an emergency measure. The final reading of each ordinance shall be in full unless a written or printed copy thereof shall have been furnished to each member of the Council prior to such reading.")
- (2) The City Manager or other person may present a staff statement or presentation with questions from City Council.
- (3) Motion and second.
- (4) Public Comments
- (5) Discussion.
- (6) Vote.
- (7) If a majority of Council votes against a motion, the Council member making the original motion may amend that motion for reconsideration. In addition, any Council member may make an alternate motion for consideration related to that agenda item.

In the absence of the objections of the presiding officer or a majority of Council, which would prevail, the Council may vary the standard procedure (for example, by discussing a measure before a motion is made).

Informal voting by voice or a show of hands shall be used at the discretion of the presiding officer, unless a Council Member requests a roll call vote or a roll call vote is otherwise required by state law. On a roll call vote, the moving member votes first, the seconding member votes second, the remaining members vote in alphabetical order and the presiding officer votes last (unless the presiding officer has moved or seconded the motion). In case of a tie, the motion fails.

Rule 4.6. Discussion. A Council Member shall speak only after being recognized by the presiding officer. A Council Member recognized for a specific purpose shall limit remarks to that purpose. A Council Member, after being recognized shall not be interrupted except by the presiding officer to enforce these rules. Anyone speaking shall be recognized by the presiding officer.

Rule 4.7. Presiding Officer's Right to Enter into Discussion. The Mayor (or other presiding officer) as a Member of the Council may enter into any discussion.

Rule 4.8. Limit on Remarks. Each Council Member shall limit his or her remarks to a reasonable length.

Rule 4.9. Presiding Officer's Right to Speak Last. The presiding officer has the right to speak last on any item.

Rule 4.10. Call for Vote. At the conclusion (or closure) of debate or discussion, the presiding officer shall call for a vote, provided however, a majority of the Council present may require a vote at any time.

Section 5. Citizen Participation

Rule 5.1. Public Participation. Comments and suggestions by the public are highly valued and encouraged during those parts of a meeting designated for public participation. Speakers should register in advance and should limit their presentations to four minutes each. Speakers should direct all remarks and questions to the Council, who may refer them for investigation, response or other action. The "Texas Open Meetings Act" requires the City to post a notice, in advance, listing every topic or subject to be considered by the Council. This law may prevent the Council from considering a subject raised by a member of the public. In this case, the presiding officer may refer the matter, and the Council may direct that the matter be placed on the agenda for an upcoming meeting.

Rule 5.2. Manner of Addressing Council. A person desiring to address the Council shall step to the lectern or other alternate arrangement and state his or her name and address for the record before proceeding with comments. All comments from the public should be directed to the Council.

Rule 5.3. Total Time Limits. Those members of the public speaking on items both on the agenda and not on the agenda are limited to four minutes of speaking time. A person may speak only once on any agenda item. However Applicants, or those persons having placed an item on the agenda seeking a specific answer from the Council, will be allowed ten minutes of total speaking time. Time limitations of this rule may be extended by the consent of a majority of the Council.

Rule 5.4. Remarks to be Germane/Non-redundant. Public comments must be kept relevant to the subject before the Council. The presiding officer shall rule on the relevance of comments. Persons making irrelevant, personal, impertinent, overly redundant or slanderous remarks may be barred by the presiding officer from further comment before the Council during the meeting.

Rule 5.5. Matters Not On the Agenda. Under the Visitor/Citizens Forum item on the agenda, the first ten completed requests to speak under this item will be the maximum number of people that will be allowed to speak on items not specifically mentioned on the agenda. The maximum number of people allowed to speak may be increased by

consent of the City Council present. Discussion of matters not on the agenda is prohibited by the Texas Open Meetings Act. Council may provide specific factual information in response to the inquiry, recite existing policy, or propose the placement of the issue on an upcoming meeting agenda.

Section 6. Council Action

Rule 6.1. Motion Required. All action requiring a vote shall be moved by a Member of the Council. Each motion will require a second by another Member of the Council to be considered. A motion must be voted on or withdrawn before another motion for that same agenda item can be considered. Any Member of the Council can make an amendment to a motion. With a second, the amended motion is then voted on.

Rule 6.2. Motion to Reconsider. Except in case of a tie vote, a motion to reconsider must be made by a Council Member who was on the prevailing side in the original action or by a Council Member absent at the time of the original action. The motion must be made at a meeting when the subject is on the agenda. See Rule 3.1.

Rule 6.3. Recording Names of Moving Members. The City Secretary shall record the name of the Council Member making each motion and corresponding second to the motion.

Rule 6.4. Separate Consideration. Except as otherwise required by these rules each Agenda item shall be voted upon separately and each separate vote shall be recorded by the City Secretary.

Rule 6.5. Action on Consent Agenda. Except as herein provided, the "Consent Agenda" shall be considered as a group without separate discussion on each item. When the Consent Agenda is introduced, each Council Member has the right to remove any item, in which case the item is handled under Rule 4.5. After items are removed, the presiding officer shall ask the Members to indicate their votes on the remaining Consent Agenda items. The City Secretary shall record the votes on each item separately.

Rule 6.6. Consideration Out of Order. With the consent of a majority of the Council any Agenda item may be considered out of order, at the request of any Council Member.

Rule 6.7. Council Appointments. The council may consider and make appointments to City boards and commissions by either of the following procedures:

- By direct motion. The Council Member shall state the name of the person and the board to which they are being appointed. The motion will require a second, and a majority vote of the council shall be required for appointment.
- By nomination process. The mayor shall open the floor for nominations, whereupon council members may put the names of appointees forward. The names submitted shall be debated. When the debate ends, the City Secretary shall call the roll of the Council Members, and each member shall cast their vote from those persons nominated. The nominee receiving the highest number of votes

shall be appointed. If more than one appointee is to be selected, then each member shall have as many votes as there are slots to be filled; however, a member shall not cast more than one vote for a single candidate. A majority of the members voting shall be required for appointment.

In accordance with Section 3.01 of the City Charter, all meetings of all boards, commissions and committees of the Council shall be open to the public and as provided by state law. The requirements of the Texas Open Meetings Act shall apply to all elected or appointed authorities, boards, commissions, Council, or other bodies of the City that are composed of a quorum of members of a particular body. However, the law's requirements shall not apply to a meeting solely among the City's professional staff.

Section 7. Miscellaneous

Rule 7.1. Voting Required. Section 3.05 of the Charter requires Council Members to vote, as follows:

No member may be excused from voting except when such member has a conflict of interest as defined by law.

Any Council Member prohibited from voting by personal interest shall announce at the commencement of consideration of the matter and shall not enter into discussion or debate on any such matter. In that case, the member shall file with the City Secretary a written statement (electronic communications are considered acceptable) of the reason for abstaining. Any Council Member refusing to vote - and not excused from voting - shall be considered in violation of the City Charter and will be recorded in the minutes as voting in the affirmative and may be held to further repercussions as deemed appropriate by the City Council.

Rule 7.2. Suspension of Rules. These rules or any part hereof may be suspended for a specific purpose, or any single meeting, by consent of a majority of the Council Members present. This does not apply to those rules directly mentioned in the City Charter or other sections of the Code of Ordinances.

Rule 7.3. Informal Requests. A Member of the Council, before or during the consideration of any matter, or in the course of a hearing, may request and receive information, explanations or the opinions of the City Manager, City Attorney, City Secretary or any City employee present, all subject to Rule 4.10.

Rule 7.4. Council Liaisons. A Member of the Council serving as an ex-officio member of a City board and/or commission will act to relay Council actions concerning board and/or commission items and to report back to Council. Council Liaisons should also abide by the rules and procedures for meetings of the board and/or commission meeting they are attending. Ex-officio members will be appointed by Council with consideration given to applicable expertise.

Agenda Item:

4F. Confirmation of the Joint Resolution of the City of Kerrville (Reso. 05-2016), Texas; Kerr County, Texas; Kerrville Independent School District; and Kerrville Public Utility Board supporting the adoption of the Rural Project Plan under consideration by the Texas Department of Transportation. (Mayor White)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Confirmation of the Joint Resolution of the City of Kerrville (Reso. 05-2016), Texas; Kerr County, Texas; Kerrville Independent School District; and Kerrville Public Utility Board supporting the adoption of the Rural Project Plan under consideration by the Texas Department of Transportation

FOR AGENDA OF: July 26, 2016

DATE SUBMITTED: July 21, 2016

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES:

EXHIBITS: Resolution No. 05-2016

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

The Texas Transportation Commission is considering how to disseminate the Move Texas Forward funds approved by Texas voters on November 3, 2015, with the passage of Proposition 7. Pursuant to this proposition the State of Texas will allocate sales and use tax receipts from motor vehicle sales and motor vehicle rentals to fund transportation projects. By the end of August the Texas Department of Transportation will have a projection for the amount of funds that will be provided to the San Antonio area.

Representative Murr is coordinating with Texas Department of Transportation staff to schedule a meeting with Kerr County officials in August to discuss transportation priorities of the city, county, and school district. Texas Department of Transportation staff has requested a joint priority project list be provided in advance of the August meeting.

On November 10, 2015, the City of Kerrville approved a joint resolution that provided a prioritized list of state transportation projects. Attached is a copy of the resolution. It is requested that the City Council review and confirm or update the official project list.

RECOMMENDED ACTION

City staff recommends that City Council confirm the project list adopted by Resolution No. 05-2016 and direct that it be forwarded to the Texas Department of Transportation.

JOINT RESOLUTION

A JOINT RESOLUTION OF THE CITY OF KERRVILLE, TEXAS; KERR COUNTY, TEXAS; KERRVILLE INDEPENDENT SCHOOL DISTRICT; AND KERRVILLE PUBLIC UTILITY BOARD SUPPORTING THE ADOPTION OF THE RURAL PROJECT PLAN UNDER CONSIDERATION BY THE TEXAS DEPARTMENT OF TRANSPORTATION.

WHEREAS, the governing bodies of the City of Kerrville, Texas; Kerr County, Texas; Kerrville Independent School District; and Kerrville Public Utility Board (collectively referred to herein as "Kerr County Governing Bodies"), all recognize the importance of public safety, strategically placed, constructed, and maintained state roadways within Kerr County and the impact of those roads on the quality of life and economic development of the entire region; and

WHEREAS, the Kerr County Governing Bodies are aware that the Texas Department of Transportation ("TxDOT"), through its district offices, is in the process of creating a rural project road plan for the funding and construction of future transportation projects; and

WHEREAS, the Kerr County Governing Bodies have, over the past few months, considered various state roadway projects for the Kerr County area and reached consensus as to the prioritization of such projects; and

WHEREAS, the Kerr County Governing Bodies find it to be in the public interest to adopt a Kerr County Transportation Project list for TxDOT's consideration and inclusion as part of its Rural Transportation – 10 Year Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODIES OF THE CITY OF KERRVILLE, TEXAS; KERR COUNTY, TEXAS; KERRVILLE INDEPENDENT SCHOOL DISTRICT; AND KERRVILLE PUBLIC UTILITY BOARD:

The Kerr County Governing Bodies concur that the following projects are of equal priority to meet the needs of public safety, traffic flow and community development:

- Construct sidewalks in areas of local schools along state highways,
- Improvements to the Interstate 10 and FM 783 (Harper Road) interchange and the planning and construction of an adjacent access road to be connected to Holdsworth Drive, and
- Improve and widen State Highway 27 from Loop 534 east to Center Point and to the Kendall County line.

These projects are more specifically detailed on the attached Kerr County Transportation Project List (Exhibit A);

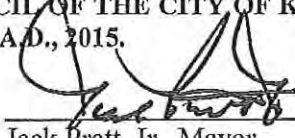
The Kerr County Governing Bodies hereby approve the submission of the Kerr County Transportation Project List, attached hereto as **Exhibit A**, to the Texas Department of Transportation for its consideration and inclusion as part of the TxDOT Rural Transportation – 10 Year Plan.

PASSED AND APPROVED BY THE COMMISSIONERS COURT OF KERR COUNTY, TEXAS ON this the ____ day of _____ A.D., 2015.

Tom Pollard, Kerr County Judge

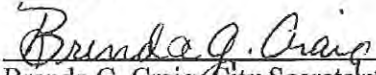
Resolution 05-2016

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE,
TEXAS ON this the 10th day of November A.D., 2015.



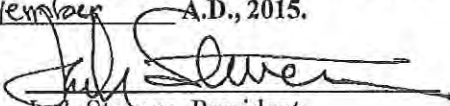
Jack Pratt, Jr., Mayor

ATTEST:



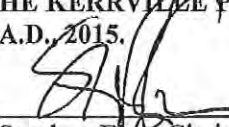
Brenda G. Craig, City Secretary

PASSED AND APPROVED BY THE BOARD OF THE KERRVILLE INDEPENDENT
SCHOOL DISTRICT ON this the 16 day of November A.D., 2015.



Jack Stevens, President

PASSED AND APPROVED BY THE BOARD OF THE KERRVILLE PUBLIC UTILITY
BOARD ON this the 18th day of November A.D., 2015.



Stephen Fife, Chairman

R 05-2016

Exhibit A

TxDOT Rural Transportation - 10-Year Plan Kerr County Transportation Projects

Priority Projects	Improvements	Scope	Timeline
<u>School Sidewalk and Signage Facilities:</u> School Zone Flashers Loop 534 Harper Highway Junction Highway Goat Creek Road SH-16 Traffic Signal	Install Flashers Sidewalk Construction Sidewalk Construction Sidewalk Construction Crosswalk Construction Install Lighted Traffic Signal	School Zone Flashers w/Cell Phone Warning on Loop 534 at Tivy HS Student Connection from Tivy HS to Residential Areas Around Singing Winds & Hunters Ridge Apts. Student Connection to Extend from Jackson Road to Holdsworth Drive Student Connection to Extend from Harper Highway to Kerrville City Limits Pedestrian Crossing for Students in Neighborhoods Opposite of Talley ES (KISD Classifies Goat Creek Road as Dangerous and Students are Bused) Install a Lighted Traffic Signal at the Intersection of Tennis Drive and SH-16 for Peterson MS Traffic (AM/PM Traffic)	1 Year 2 Years 2 Years 2 Years 2 Years 2 Years
<u>IH-10:</u> IH-10/Harper Highway Overpass Service Roads New IH-10 Overpass Diamond Interchange @ IH-10 and Harper Highway	Lower Pavement Section Construct New Service Roads Construct New Overpass Reconstruct Interchange	Lower the Pavement Section Under the Overpass - Raise Clearance to 16'3" Construct Service Roads to Extend from the Harper Highway Interchange to Loop 534 Construct a New Overpass Between Harper Highway and SH-16 Replace the Partial Clover w/Diamond Interchange to Include Service Road(s) to New Overpass	Immediate 2 Years 5-7 Years 7-10 Years
<u>SH-27:</u> Kerrville to Center Point Center Point to Kendall County Line	Construct 5-Lane Section Construct 5-Lane Section	Widen and Make Improvements Including Improvements to Interchanges Widen and Make Improvements Including Improvements to Interchanges	2-5 Years 5-7 Years
Other Projects			
<u>Harper Road</u> Holdsworth Drive to IH-10 Goat Creek Road; Intersection @ SH-27 Shepard Reese Road; Intersection @ Thompson Road Highway 27 Harper Road to City of Ingram Memorial Boulevard; Water Street to Loop 534 Cypress Creek Road; Golf Avenue to Loop 534 East of Loop 534 for 2 Miles Upper Turtle Creek Rd Bridges <u>Pedestrian Facilities:</u> SH-16 Thompson Road SH-27	Construct 5-Lane Section Reconstruct Intersection Reconstruct Intersection Construct 5-Lane Section Reconstruct Roadway Construct 4-Lane Section Construct 4-Lane Section Raise Bridges Sidewalk Construction Sidewalk Construction Sidewalk Construction	Widen Existing Section to 5-Lane Section Improve Intersection to Address Safety and Visibility Improve Intersection to Address Safety and Visibility Widen and Make Improvements Including Improvements to Interchanges Improve Mobility and Driveways Widen 2-Lane Section to a 4-Lane Section Widen 2-Lane Section to a 4-Lane Section Raise All Bridges to Accommodate High Water Caused by Moderate to Heavy Rain Events Complete Pedestrian Connections on Both Sides from Thompson Street to Lehmann Drive Complete Pedestrian Connections on Both Sides from SH-16 to Lemos Street Complete Pedestrian Connections on Both Sides from SH-16 to Thompson Road	7-10 Years 7-10 Years 7-10 Years 7-10 Years 7-10 Years 7-10 Years 7-10 Years 7-10 Years 3-5 Years 3-5 Years 3-5 Years

The following pages were
not the resolution that
was approved by the
Kerrville City Council.

The previous pages are
the ones approved.

JOINT RESOLUTION

A JOINT RESOLUTION OF THE CITY OF KERRVILLE, TEXAS; KERR COUNTY, TEXAS; KERRVILLE INDEPENDENT SCHOOL DISTRICT; AND KERRVILLE PUBLIC UTILITY BOARD SUPPORTING THE ADOPTION OF THE RURAL PROJECT PLAN UNDER CONSIDERATION BY THE TEXAS DEPARTMENT OF TRANSPORTATION.

WHEREAS, the governing bodies of the City of Kerrville, Texas; Kerr County, Texas; Kerrville Independent School District; and Kerrville Public Utility Board (collectively referred to herein as "Kerr County Governing Bodies"), all recognize the importance of public safety, strategically placed, constructed, and maintained state roadways within Kerr County and the impact of those roads on the quality of life and economic development of the entire region; and

WHEREAS, the Kerr County Governing Bodies are aware that the Texas Department of Transportation ("TxDOT"), through its district offices, is in the process of creating a rural project road plan for the funding and construction of future transportation projects; and

WHEREAS, the Kerr County Governing Bodies have, over the past few months, considered various state roadway projects for the Kerr County area and reached consensus as to the prioritization of such projects; and

WHEREAS, the Kerr County Governing Bodies find it to be in the public interest to adopt a Kerr County Transportation Project list for TxDOT's consideration and inclusion as part of its Rural Transportation – 10 Year Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODIES OF THE CITY OF KERRVILLE, TEXAS; KERR COUNTY, TEXAS; KERRVILLE INDEPENDENT SCHOOL DISTRICT; AND KERRVILLE PUBLIC UTILITY BOARD:

The Kerr County Governing Bodies concur that the following projects are of equal priority to meet the needs of public safety, traffic flow and community development:

- Kerrville Independent School District - Construct sidewalks in areas of local schools along state highways
- City of Kerrville - Improvements to the Interstate 10 and FM 783 (Harper Road) interchange and the planning and construction of an adjacent access road to be connected to Holdsworth Drive
- Kerr County - Improve and widen State Highway 27 from Loop 534 east to Center Point and to the Kendall County line.

These projects are more specifically detailed on the attached Kerr County Transportation Project List (Exhibit A);

The Kerr County Governing Bodies hereby approve the submission of the Kerr County Transportation Project List, attached hereto as **Exhibit A**, to the Texas Department of Transportation for its consideration and inclusion as part of the TxDOT Rural Transportation – 10 Year Plan.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, TEXAS ON this the ____ day of _____ A.D., 2015.

R 05-2016

Exhibit A

TxDOT Rural Transportation - 10-Year Plan
Kerr County Transportation Projects

Priority Projects School Sidewalk and Signage Facilities:	Improvements	Scope	Timeline
School Zone Flashers Loop 534 Harper Highway Junction Highway Goat Creek Road SH-16 Traffic Signal	Install Flashers Sidewalk Construction Sidewalk Construction Sidewalk Construction Crosswalk Construction Install Lighted Traffic Signal	School Zone Flashers w/Cell Phone Warning on Loop 534 at Tivy HS Student Connection from Tivy HS to Residential Areas Around Singing Winds & Hunters Ridge Apts. Student Connection to Extend from Jackson Road to Holdsworth Drive Student Connection to Extend from Harper Highway to Kerrville City Limits Pedestrian Crossing for Students in Neighborhoods Opposite of Talley ES (MSD Classifies Goat Creek Road as Dangerous and Install a Lighted Traffic Signal at the Intersection of Tennis Drive and SH-16 for Peterson MS Traffic (AM/PM Traffic)	1 Year 2 Years 2 Years 2 Years 2 Years 2 Years
IH-10: IH-10/Harper Highway Overpass Service Roads New IH-10 Overpass Diamond Interchange @ IH-10 and Harper Highway	Lower Pavement Section Construct New Service Roads Construct New Overpass Reconstruct Interchange	Lower the Pavement Section Under the Overpass - Raise Clearance to 16'3" Construct Service Roads to Extend from the Harper Highway Interchange to Loop 534 Construct a New Overpass Between Harper Highway and SH-16 Replace the Partial Clover w/Diamond Interchange to Include Service Road(s) to New Overpass	2 Years 2-5 Years 5-7 Years 7-10 Years
SH-27: Kerrville to Center Point Center Point to Kendall County Line	Construct 5-Lane Section Construct 5-Lane Section	Widen and Make Improvements Including Improvements to Interchanges Widen and Make Improvements Including Improvements to Interchanges	2-5 Years 5-7 Years
Other Projects	Improvements	Scope	Timeline
Harper Road			
Holdsworth Drive to IH-10	Construct 5-Lane Section	Widen Existing Section to 5-Lane Section	7-10 Years
Goat Creek Road:			
Intersection @ SH-27	Reconstruct Intersection	Improve Intersection to Address Safety and Visibility	7-10 Years
Shopard Reese Road:			
Intersection @ Thompson Road Highway 27	Reconstruct Intersection	Improve Intersection to Address Safety and Visibility	7-10 Years
Harper Road to City of Ingram			
Memorial Boulevard:	Construct 5-Lane Section	Widen and Make Improvements Including Improvements to Interchanges	7-10 Years
Water Street to Loop 534	Reconstruct Roadway	Improve Mobility and Driveways	7-10 Years
Quarress Creek Road:			
Golf Avenue to Loop 534	Construct 4-Lane Section	Widen 2-Lane Section to a 4-Lane Section	7-10 Years
East of Loop 534 for 2 Miles	Construct 4-Lane Section	Widen 2-Lane Section to a 4-Lane Section	7-10 Years
Upper Turtle Creek Rd Bridges	Raise Bridges	Raise All Bridges to Accommodate High Water Caused by Moderate to Heavy Rain Events	7-10 Years
Pedestrian Facilities:			
SH-16 Thompson Road SH-27	Sidewalk Construction Sidewalk Construction Sidewalk Construction	Complete Pedestrian Connections on Both Sides from Thompson Street to Lehmann Drive Complete Pedestrian Connections on Both Sides from SH-16 to Lemos Street Complete Pedestrian Connections on Both Sides from SH-16 to Thompson Road	3-5 Years 3-5 Years 3-5 Years

ROS-2016

Agenda Item:

4G. Review of Code of Ordinances for Rabies Vaccinations in Animals. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: City council has received a citizen request to amend Section 18-32. Rabies vaccination of the City of Kerrville Code of Ordinances to require rabies vaccinations every three (3) years instead of every year

FOR AGENDA OF: July 26, 2016 **DATE SUBMITTED:** July 21, 2016

SUBMITTED BY: Todd Parton **CLEARANCES:**
City Manager

EXHIBITS: Letter from Ms. Lezlee White dated July 18, 2016
City of Kerrville Code of Ordinances Section 18-32
Kerr County Court Order No. 28209

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

Section 18-32. Rabies vaccination of the City of Kerrville Code of ordinances requires that dogs and cats must receive a rabies vaccination every year. In 2003, Texas state law changed to require rabies vaccinations every three years instead of every year. In response the change in state law, Kerr County adopted Order No. 28209 and adopted the three-year standard.

Attached is a letter from Ms. Lezlee White requesting that the City of Kerrville revise its rabies vaccination requirements from one year to three years.

RECOMMENDED ACTION

City staff seeks direction from the City Council and has no recommendation at this time.

Lezlee White
1313 McAllen Dr.
Kerrville, Texas 78028

July 18, 2016

Dear Council Members,

I am writing to ask for the Council's support of a change in this city ordinance regarding annual rabies vaccines. It is on the City Council agenda, July 26, 2016.

(Code 1968, art. 10-1-3(b)(1))

- (a) No person shall own, keep or harbor a dog or cat over the age of four months within the city limits unless the dog or cat has been vaccinated by a licensed Veterinarian with an anti- rabies vaccine. Such an animal shall be vaccinated periodically at one-year intervals from the date of vaccination.

All fifty US states have adopted the three year rabies vaccine. The State of Texas adopted the new protocol in 2003 with Kerr County following Court Order No. 28209 unanimously approved to adopt the proposed Rabies and Animal Control order and Fees schedule as amended:

2.1.1 – VACCINATIONS REQUIRED.

- (a) The owner or custodian of each dog or cat shall have the animal vaccinated against rabies by the time the animal is four (4) months of age and within each subsequent thirty-six (36) month interval thereafter.

In July of 2011 ORDER NO. 32237 approved the Interlocal Agreements with the City of Kerrville for Animal Control.

This agreement became effective October 1, 2011 and includes the phrasing "Nothing herein shall obligate the county to enforce city animal control ordinance provisions", thus bringing into question the necessity of the City Ordinance (Code 1968, art. 10-1-3(b)(1))

A large percentage of the people that I have talked with (Kerr County and city residents) in the last five months still did not know anything about a three year rabies vaccine. This includes some rescue organizations in Kerr County who are on a budget. It has been fourteen years since Kerr County adopted the three year rabies vaccine. Owners are still getting the annual rabies vaccine because of this outdated city ordinance that is being used to get owners to bring in their pets for an annual exam. This is over-vaccination by mandate and creates more chances that the dog and/or cat may have adverse events. The end result necessitates that the owner pays the medical bills for these events. In order to get the three year vaccine you have to ask for it. If you have never been informed about it, you won't know to ask.

If requested I can provide:

- * How the City of Uvalde worded their Rabies Vaccine ordinance to accommodate any further changes.
- * Research on what the consequences were when Texas adopted the triennial rabies vaccination. <http://onlinelibrary.wiley.com/doi/10.1111/j.1863-2378.2010.01369.x/abstract>
- * Q and A with Dr. Ron Schultz who is chair of the Pathobiological Sciences Department School of Veterinary Medicine, University of Wisconsin-Madison, who has been conducting vaccine challenge studies since the 1970's.
- * Kerr County Environmental Health and Animal Services, Public Health and Safety Notice regarding rabies in Kerr County.

Thank you for your consideration of my request,

Lezlee White
830-739-5354

Information to change City Ordinance (Code 1968, art. 10-1-3(b)(1))

National Association of State Public Health Veterinarians Compendium of Animal Rabies Prevention and Control Committee 2016

<http://nasphv.org/Documents/NASPHVRabiesCompendium.pdf>

B. Vaccine selection

All vaccines licensed by the USDA and marketed in the United States at the time of publication of this compendium are listed (Appendix 1). Newly approved vaccines and changes in label specifications made subsequent to publication should be considered as part of this list. Any of the listed vaccines can be used for revaccination, even if the product is not the same as the one previously administered. **Vaccines used in state and local rabies control programs should have at least a 3-year duration of immunity. This constitutes the most effective method of increasing the proportion of immunized dogs and cats in any population.**¹⁰⁷

CDC Center for Disease Control and Prevention

Compendium of Animal Rabies Prevention and Control, 2011: National Association of State Public Health Veterinarians, Inc. (NASPHV)

<http://www.cdc.gov/mmwr/preview/mmwrhtml/rr6006a1.htm?mobile=nocontent>

B. Vaccine Selection. Part III lists all vaccines licensed by USDA and marketed in the United States at the time of publication. New vaccine approvals or changes in label specifications made after publication of this report should be considered a part of this list. Any of the listed vaccines can be used for revaccination, even if the product is not the same as previously administered. Vaccines used in state and local rabies control programs should have at least a 3-year duration of immunity. This constitutes the most effective method of increasing the proportion of immunized dogs and cats in any population (96). **No laboratory or epidemiological data exist to support the annual or biennial administration of 3- or 4-year vaccines following the initial series.**

American Veterinary Medical Association Rabies Policy

<https://www.avma.org/KB/Policies/Pages/Rabies-Policy.aspx>

"AVMA endorses the 2016 Compendium of Animal Rabies Prevention and Control developed by the National Association of State and Public Health Veterinarians."

This is a statement from Dr. Elizabeth Curry-Galvin, who is now assistant executive vice president of the AVMA. When the AAHA (American Animal Hospital Association) was first coming out with the new vaccine guidelines in 2002, her statements offered advice for veterinarians and proposed the following:

- * Create and promote a national adverse reporting system, documenting reactions to vaccines.
- * Manufacturers should improve vaccine labeling, clearly printing all that's known about a product.
- * Three-year rabies vaccines should be promoted rather than traditional annual boosters.
- * Veterinarians must promote the value of the exam and move away from their dependence on vaccine income. Emphasize communication, customization and learning the lifestyle of clients to attract patients to the practice.

"We're rolling together what we do know about vaccines, found in published research and expert guidance," Galvin says. "I think this will continue to unfold over the years as we improve on our information. All of our ideas need to come together to make the profession move forward."

Sec. 18-4. Commerce in live animals.

(a) *Offense.* A person commits an offense if the person sells, trades, barter, leases, rents, gives away, or displays for a commercial purpose a live animal outdoors on a roadside, public right of way, or commercial parking lot, or at an outdoor special sale, swap meet, flea market, parking lot sale, or similar event.

(b) *Exceptions.* This section does not apply to:

- (1) A sale held on privately owned, non-commercial property with the permission of the owner; or
- (2) An event primarily for the sale of agricultural livestock, such as hoofed animals or animals or fowl commonly raised for food, dairy, or fiber products.

(c) *Penalty.* The penalty for violation of this section shall be in accordance with the provisions of section 1-8 which provides for a fine not exceeding \$2,000.00.

(Ord. No. 2003-15, §§ 1, 2, 7-8-2003)

Cross references—Businesses, ch. 30; peddlers and solicitors, ch. 78.

Secs. 18-5—18-30. Reserved.

ARTICLE II. ANIMAL CONTROL; RABIES

Sec. 18-31. Dog and cat registration.

(a) *Required.* It shall be unlawful for any person to own, keep, harbor or have custody or control of any dog or cat over four months of age within the city without first registering each dog or cat as provided in this section.

(b) *Registration fee.* A registration fee of \$4.00 shall be paid to local veterinarians at the time of rabies vaccination and upon procuring a rabies vaccination certificate or to the city health department after showing proof of rabies vaccination. The term "proof" shall mean either (i) presentation of a metal vaccination tag issued by a licensed veterinarian showing that such vaccination is current and can be verified as belonging to the specific animal wearing the tag, or (ii) presen-

tation of a current rabies vaccination certificate issued by a licensed veterinarian. This fee shall be apportioned as follows:

- (1) Three dollars to be paid to city treasurer.
- (2) One dollar to be paid to issuing veterinarian.

(Noted exception: During annual rabies vaccination drives, all pets may be registered for a reduced fee of \$1.00. Any registration fees collected during this period will be paid to the city.) The fees and charges set forth and/or established in this section may be changed and amended, from time to time, by resolution of the city council.

(c) *When to register.* Registration of the animal must be made within 30 days after moving to the city or after obtaining a dog or cat over four months of age, except that this requirement will not apply to a nonresident individual keeping a dog or cat within the city for no longer than 60 days.

(d) *Records.* The animal control supervisor shall cause to be maintained a current record disclosing rabies tag numbers of dogs and cats registered, and the names and addresses of persons to whom the registrations are issued.

(e) *Term.* The registration shall be valid on a concurrent term with the rabies vaccination.

(f) *Fee exemption.* No registration fee shall be charged for any assistance animal actually used by a person with a disability, as defined in V.T.C.A., Human Resources Code § 121.002(1) and (4). (Code 1968, art. 10-I-3(b)(1))

Sec. 18-32. Rabies vaccination.

(a) No person shall own, keep or harbor a dog or cat over the age of four months within the city limits unless the dog or cat has been vaccinated by a licensed veterinarian with an anti-rabies vaccine. Such animal shall be vaccinated periodically at one-year intervals from the date of vaccination.

(b) Every owner of a dog or cat immunized against rabies as required in this chapter shall procure a rabies vaccination certificate from the veterinarian administering the vaccine.

(c) A veterinarian who vaccinates a dog or cat as required in this chapter shall furnish the owner thereof with a metal tag bearing a number corresponding to the number placed on the certificate.

(d) The tag referenced in subsection (c) of this section shall be attached to the collar of the dog or cat for which it is issued, and shall be worn at all times in a conspicuous place on the collar.

(e) No person may use a rabies tag for any animal other than the animal for which it was issued.

(f) A veterinarian who vaccinates against rabies and registers a dog or cat kept within the city limits shall provide a copy of the vaccination certificate to the animal control section within 30 working days after administering the vaccination. (Code 1968, art. 10-I-3(b)(2))

Sec. 18-33. Quarantine of animal.

(a) *Period of quarantine.* Upon being advised that an animal has bitten or scratched a person, the animal control officer shall quarantine the animal so identified for a period of ten days.

(b) *Quarantine locations.* Quarantine shall be at the following:

- (1) Animal shelter;
- (2) A licensed veterinarian hospital at the expense of the owner, upon the owner's request;
- (3) Home quarantine. Home quarantine is permissible when the owner and the animal control officer and the victim agree in writing that home quarantine is warranted and the following requirements are satisfied:
 - a. The owner of the animal is a resident of the city and agrees to keep the animal under restraint and effectively isolated at his residence in the city;
 - b. The animal was properly restrained at the time the bite occurred;

c. The animal was properly protected by rabies vaccination within the past 12 months; and

d. The animal is in conformity with this section and applicable state laws.

Animals of unknown ownership will be quarantined at the animal shelter.

(c) *Surrender by owner.* Upon the demand made by the animal control department, it shall unlawful for the owner to fail to surrender any animal which has bitten or scratched a human or which is suspected of having been exposed to rabies, for quarantine, which expenses shall be borne by the owner.

(d) *Release to owner.* The quarantined animal may be reclaimed by the owner if adjudged free of rabies, upon payment of the fees set forth in this chapter and upon compliance with the vaccination provisions.

(e) *Pathological examination.* When an animal under quarantine, diagnosed by a licensed veterinarian as being rabid, dies while under observation, the animal control department shall immediately send the head of such animal to the state health department for a pathological examination. The animal control department shall notify the city health officer of reports of human contacts, and the diagnosis made of the suspected animal after the pathological examination has been made.

(f) *Health officials.* When an animal bites or scratches a person so that the health authority believes that the quarantine observation period cannot be observed because of the danger of developing rabies, the health authority shall order that the animal control department immediately forward the animal's head for pathological examination.

(Code 1968, art. 10-I-3(b)(4))

Sec. 18-34. Reports of bites and scratches.

It shall be the duty of every physician or other practitioner to report to the animal control department the names and addresses of persons treated

RABIES AND ANIMAL CONTROL ORDER

WHEREAS, the danger of rabies presents a significant threat to public health and safety, it is the desire of this Court to establish regulations regarding the control of this deadly disease;

WHEREAS, the Texas Health and Safety Code 826.013, 826.014, and 826.031, provide the authority for such regulations, and

IT IS THEREFORE ORDERED that the Kerr County Rabies and Animal Control Order is enacted and adopted as follows:

SECTION 1. DEFINITIONS.

As used in this Order:

- (a) “Animal” means any live or dead mammal, domesticated or wild.
- (b) “Animal Establishment” means any pet shop, grooming shop, animal auction, performing animal exhibition, kennel, or animal shelter, except this term shall not include veterinary medical facilities, licensed research facilities, facilities operated by governmental agencies, or licensed animal dealers regulated by the United States Department of Agriculture under the provision of US Public Laws 89-544 and 91-579.
- (c) “Animal Shelter” means a facility designated or recognized by the Jurisdiction for the purpose of impounding and caring for animals.
- (d) “Bite” means any puncturing or tearing of the skin caused by an animal.

- (e) "Cat" means *Felis catus*, whether live or dead.
- (f) "Custodian" means any person or agency, which feeds, shelters, harbors, or has possession or control, or has the responsibility to control an animal.
- (g) "Dog" means *Canis familiaris*, whether live or dead.
- (h) "Harboring," means the keeping and caring for an animal, or providing a premises to which the animal returns for food, shelter or care.
- (i) "High risk animals" are those animals which have a high probability of transmitting rabies. They include skunks, bats, foxes, raccoons, or such other animals that may be so designated by order of the Local Health Authority.
- (j) "Humanely killed" means to cause the death of an animal by a method which is not prohibited by 823.006 of the Texas Health and Safety Code and:
 - (1) rapidly produces unconsciousness and death without visible evidence of pain or distress; or
 - (2) utilizes anesthesia produced by an agent which causes painless loss of consciousness and death following such loss of consciousness.
- (k) "Kennel" means an establishment kept for the purpose of breeding and or selling of dogs or cats or engaged in training dogs or cats.
- (l) "Local Health Authority" means the person or officer designated by this Court under 826.017 of the Texas Health and Safety Code.

- (m) “Low risk animal” is one that has a low risk of transmitting rabies. They include opossums, shrews, moles, squirrels, gophers, mice, rabbits, rats, and armadillos or such other animals that may be so designated by order of the Local Health Authority.
- (n) “Neutered” means rendered permanently incapable of reproduction.
- (o) “Owner” means any person, corporation, or other entity which has a legal or possessory interest in an animal.
- (p) “Pet Shop” means an establishment engaged in the business of buying or selling, at retail, dogs or cats or other animals for profit-making purposes.
- (q) “Quarantine” means strict confinement of an animal specified in an order of the Texas Board of Health or the Local Health Authority:
 - (1) on the private premises of the animal’s owner or custodian or at a facility approved by the Local Health Authority; and
 - (2) under restraint by closed cage or paddock, or in any other manner approved by the Local Health Authority.
- (r) “Rabies” means that infectious acute viral disease of man and animal affecting the central nervous system and usually transmitted by animal bite.
- (s) “Stray” means roaming with no physical restraint beyond the premises of an animal’s owner or custodian.
- (t) “Unowned animal” means any animal for which an owner has not been identified.

- (u) “Vaccinated” means properly inoculated with a rabies vaccine, licensed for use in the species by the United States Department of Agriculture by a licensed veterinarian.
- (v) “Veterinarian” means any veterinarian who is licensed to practice medicine in one or more of the 50 states. Such license must be active and in good standing with the issuing agency.

SECTION 2 – RABIES CONTROL AND ERADICATION.

SECTION 2.1 – VACCINATIONS.

2.1.1 – VACCINATIONS REQUIRED.

- (a) The owner or custodian of each dog or cat shall have the animal vaccinated against rabies by the time the animal is four (4) months of age and within each subsequent thirty-six (36) month interval thereafter.
- (b) No such vaccination shall be considered current of valid unless:
 - (1) The animal was at least three (3) months of age at the time the vaccination was administered;
 - (2) At least thirty (30) days have elapsed since the initial vaccination; and
 - (3) Not more than thirty six (36) months have elapsed since the most recent vaccination.

2.1.2 – CERTIFICATE OF VACCINATION.

- (a) A veterinarian who vaccinates a dog or cat against rabies shall issue to the animal's owner an official rabies vaccination certificate upon a form furnished by the veterinarian.
- (b) The issuing veterinarian shall retain a copy of the official rabies vaccination certificate in a readily reviewable status for a period of not less than three (3) years from the date of issuance.
- (c) The official rabies vaccination certificate shall contain the following minimum information:
 - (1) the owner and/or custodian's name, address, and telephone number,
 - (2) animal identification:
 - (a) species,
 - (b) sex,
 - (c) age,
 - (d) weight, in pounds
 - (e) predominant breed, and
 - (f) colors;
 - (3) vaccine used:
 - (a) type,
 - (b) producer,
 - (c) expiration date, and
 - (d) serial number;
 - (4) date vaccinated;
 - (5) rabies tag number and year issued;
 - (a) Veterinarian's signature and license number.

2.1.3 – RABIES TAG

- (a) Concurrent with the issuance and delivery of the official rabies vaccination certificate referred to in Section 2.1.2, the custodian or owner of the dog or cat shall cause to be attached to the collar or harness of the vaccinated dog or cat, a metal tag, serially numbered to correspond with the official rabies vaccination certificate number, and bearing the year of issuance, the name of the issuing veterinarian, and his address.
- (b) In the event of loss or destruction of the original tag provided for in Section 2.1.3, the owner of the dog shall obtain a duplicate tag. Such tags shall indicate that it is a duplicate tag.

2.1.4 – PENALTIES

- (a) A person commits an offense if the person fails or refuses to have each dog or cat owned by the person vaccinated against rabies as provided for in this section.
- (b) An offense under this section is a Class C misdemeanor.

SECTION 2.2 – REPORTS

2.2.1 – REPORTS OF RABIES

- (a) A person who knows of an animal bite or scratch to an individual that the person could reasonably foresee as capable of transmitting rabies, or who knows of an animal that the person suspects is rabid, shall report the incident or animal to the Local

Health Authority as soon as possible, but not later than 24 hours from the time of the incident.

- (b) The report must include:
 - (1) the name and address of the victim and of the animal's owner, or custodian if known; and
 - (2) any other information that may help in locating the victim or animal.
- (c) The Local Health Authority shall investigate each report filed under this section, utilizing the standardized reporting forms prescribed by the Texas Department of Health.

SECTION 2.3 – QUARANTINE AND TESTING

2.3.1 – QUARANTINE OR TESTING REQUIRED

- (a) The owner or custodian of an animal shall submit an animal for quarantine or testing if:
 - (1) the animal is reported to be rabid or that it has bitten or otherwise exposed an individual or animal to rabies; or
 - (2) the owner knows or suspects that the animal is rabid or that it has bitten or otherwise exposed an individual or animal to rabies.
- (b) If the animal becomes ill during the observation period, the Local Health Authority must be notified by the person having possession of the animal.
- (c) Any animal required to be quarantined under this section which cannot be maintained in a secure quarantine, shall be humanely killed and the brain tested for rabies.

2.3.2 – BITING ANIMALS

- (a) A dog or cat which has bitten a human shall be placed in quarantine for ten (10) days. This 10-day observation period will begin on the day of the bite incident.
 - (1) If such dog or cat has been designated by the Local Health Authority as unclaimed, it may be humanely killed and tested for rabies.
- (b) No quarantine is authorized for high-risk animals that have bitten a person or animal. Those animals shall be humanely killed and their brains submitted for rabies testing as provided for herein.
- (c) No quarantine or testing is required for low risk animals that have bitten a person or animal unless the Local Health Authority has cause to believe the biting animal is rabid, in which case the animal shall be humanely killed and tested for rabies as provided for herein.
- (d) If the biting animal is not included in (a), (b), or (c) of this section, the biting animal shall be humanely killed and the brain tested for rabies. The Local Health Authority may, however, as an alternative method to killing and testing, authorize a thirty (30) day observation period.
- (e) The Local Health Authority may require an animal, which has inflicted multiple bite wounds, punctures, or lacerations to the face, head, or neck of a person to be humanely killed and the brain tested for rabies.

2.3.3 – EXPOSED ANIMALS

- (a) Unvaccinated animals which have been bitten or directly exposed by physical contact with a rabid animal or its fresh tissues shall be:
 - (1) humanely killed; or
 - (2) if sufficient justification for preserving the animal exists, the exposed animal shall be immediately vaccinated against rabies, placed in strict isolation for ninety (90) days, and given booster vaccinations during the third and eighth weeks of isolation. If the animal is under three months of age at the time of the second vaccination, an additional booster should be given when the animal reaches three months of age.
- (b) Currently vaccinated animals which have been bitten or otherwise significantly exposed to a rabid animal shall be:
 - (1) humanely killed; or
 - (2) if sufficient justification for preserving the animal exists, the exposed vaccinated animal shall be given a booster rabies vaccination immediately and placed in strict isolation for 45 days.
- (c) These provisions apply only to domesticated animals for which approved rabies vaccine is available. Other animals shall be humanely killed.

2.3.4 – QUARANTINE FACILITY

- (a) Where home quarantine is not approved or requested, the owner, custodian, or Local Health Authority shall take possession of an animal that meets the criteria set forth in sections 2.2.1, 2.3.1, 2.3.2, or 2.3.3, and shall ensure that the animal is placed in a facility.
 - (1) That meets the standards of the Texas Department of Health; and
 - (2) Has, within the preceding twelve (12) months, been inspected by the Texas Department of Health and has been found by the Department to have met acceptable standards.
 - (3) That keeps such accurate records as may be determined to be necessary by the Commissioner's Court.

2.3.5 – HOME QUARANTINE

- (a) The Local Health Authority may grant an owner or custodian permission for home quarantine if, in that officer's discretion, the following criteria can be met:
 - (1) Secure facilities are available at the home of the animal's owner or custodian and are approved by the Local Health Authority;
 - (2) The animal is currently vaccinated against rabies, and
 - (3) The animal was not a stray at the time of the bite.

- (b) The Local Health Authority or a licensed veterinarian must observe the animal at least on the first and last days of the quarantine period.

2.3.6 – SUBMISSION OF SPECIMENS FOR LABORATORY EXAMINATION

- (a) Preparation of specimens either for shipment or for personal delivery for rabies diagnoses shall be in accordance with the requirements of the Texas Department of Health.

2.3.7 – RELEASE OR DISPOSITION OF QUARANTINE ANIMAL

- (a) If a veterinarian determines that a quarantined animal does not show the clinical signs for rabies, the Local Health Authority shall release the animal to its owner or custodian when the quarantine period ends if:
 - (1) all costs of quarantine, observation, vaccination, and other fees, have been paid, and
 - (a) the owner has a unexpired rabies vaccination certificate for the animal; or
 - (b) the animal is vaccinated against rabies by a licensed veterinarian at the owner's expense.
 - (2) the animal is registered as required by 3.1.
- (b) If a veterinarian determines that a quarantined animal shows clinical signs of rabies, the Local Health Authority shall humanely kill the animal. If an animal dies or is destroyed

while in quarantine, the Local Health Authority shall remove the head or brain of the animal and submit it for testing at the owner's expense.

- (c) No animal may be released from quarantine or observation without written order of the Local Health Authority.

2.3.8 – PAYMENT FOR QUARANTINE AND TESTING

- (a) The owner of an animal that is quarantined or tested for rabies under the Order shall pay to the Local Health Authority the reasonable costs of the quarantine, testing, and disposition of the animal. The Local Health Authority may bring suit to collect those costs.
- (b) The Local Health Authority may sell the animal and retain the proceeds of keep, grant, or humanely kill an animal if the owner or custodian does not take possession of the animal before the fourth day following the final day of the quarantine period. All costs and fees set out in (a) above shall be paid before an owner or custodian may take possession of an animal. No act of the Local Health Authority shall relieve the owner from liability for reasonable costs of keeping, quarantining, testing, and/or disposition of the animal.

SECTION 3. REGISTRATION OF DOGS AND CATS

3.1 REGISTRATION REQUIRED

- (a) The owner or custodian of each dog or cat shall register each such dog and cat as provided in this section.
- (b) In order to register a dog or cat under this section, the owner must:
 - (1) File the official rabies vaccination certificate with the Local Health Authority as provided in Section 2.1.2
 - (2) Pay the applicable registration fee set out in Appendix A.
- (c) It is the responsibility of the owner to ensure that the official rabies vaccination certificate has been filed and the registration fee paid.
- (d) Animal establishments, kennels, and pet shops are exempt from the registration requirements if:
 - (1) Such establishment is operating under a business name and possesses a sales tax permit, and
 - (2) The animal is held solely for the purpose of sale in connection with the breeder's business. Animals held for any other purpose are not exempt from registration.
 - (3) Pay an "Establishment Fee" as set out in Appendix A.
- (e) Animal shelters shall not be required to register any animal in their possession, but shall be required to pay fees associated with rabies vaccination.
- (f) Registration is required as follows:
 - (1) Animals are required to be registered annually.

- (2) Animal Establishments must pay the “Establishment Fee” each year, in lieu of registration.

3.2 PENALTIES

- (a) A person commits an offense if:
 - (1) the person fails or refuses to register or present for registration a dog or cat owned by that person.
- (b) An offense under this section is a Class C misdemeanor.
- (c) It is not a defense to prosecution under this section that the veterinarian issuing the official rabies vaccination certificate failed to file the certificate or forward the registration fees to the Local Health Authority.

SECTION 4. RESTRAINT, IMPOUNDMENT, AND DISPOSITION OF STRAY DOGS AND CATS.

4.1 RESTRAINT REQUIRED

- (a) The owner or custodian of each dog or cat shall restrain the animals and prevent them from running at large.
- (b) Each unrestrained, unowned, or stray dog or cat is hereby declared a public nuisance.
- (c) For purposes of the section, “restrained” shall mean that the dog or cat is:
 - (1) physically restrained by a leash, fence, pen, or other device,

- (2) physically located on the property of the owner or custodian, or supervised by and under the direct control of the owner or custodian.

4.2 PENALTY

- (a) A person commits an offense if:
 - (1) the person fails or refuses to restrain a dog or cat owned by the person.
- (b) An offense under this section is a Class C misdemeanor.

4.3 DETENTION AND IMPOUNDMENT AUTHORIZED

- (a) Each unrestrained, unowned, or stray dog or cat may be detained or impounded by the Local Health Authority or that officer's designee.
- (b) Each unrestrained, unowned, or stray dog or cat shall be impounded for a period of no less than forty-eight (48) hours unless earlier claimed by its owner. A reasonable effort shall be made to contact the owner or custodian prior to any disposition of the animal.
- (c) No dog or cat shall be released to an owner or a custodian unless:
 - (1) the animal has a current rabies vaccination,
 - (2) has been properly registered in accordance with this Order, and

- (3) all applicable impoundment fees, as set forth in Appendix A, have been paid.
- (d) An animal that does not satisfy the requirement for release under (c) above shall be considered unclaimed.
- (e) Upon the expiration of the impoundment period provided in (b), above, a humane disposition shall be made of each unclaimed stray dog or cat.
 - (1) Humane disposition includes the destruction of such dog or cat provided that the animal is humanely killed and any of the methods that would be available to the Local Health Authority under 2.3.8(b).

SECTION 5. ADOPTION

5.1 ADOPTION AUTHORIZED

- (a) Any animal that is unclaimed or whose owner or custodian has refused to pay the fees required by this Order may be adopted if:
 - (1) the animal has been neutered,
 - (2) all costs associated with impoundment have been paid,
 - (3) the animal has a current rabies vaccination,
 - (4) the animal has been registered as provided for in the Order,
 - (5) all applicable fees required by this Order have been paid.

SECTION 6. PENALTIES

6.1 - CLASS C MISDEMEANOR

- (a) A violation of the provisions of this Order is a Class C misdemeanor.

Agenda Item:

4H. Consideration of Letters of Intent for the provision of reclaimed water between Schreiner University and the City of Kerrville and between Southern Golf Properties and the City of Kerrville. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Approval of letters of intent between the City of Kerrville and Schreiner University and between the City of Kerrville and Southern Golf Properties for the supply of reclaimed water

FOR AGENDA OF: July 26, 2016

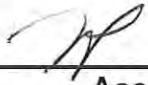
DATE SUBMITTED: July 21, 2016

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES:

EXHIBITS: Letter of Intent – Schreiner University
Letter of Intent – Southern Golf Properties

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

Attached are two separate letters of intent. One is for the supply of reclaimed water to Schreiner University and the other is for the supply of reclaimed water to the Riverhill Golf Course. These letters have been finalized pursuant to city council's direction provided to city staff at its meeting of June 28, 2016.

Both letters include, but are not limited to, the following primary points:

1. that the City of Kerrville will cover the costs to design, construct, and install the necessary improvements to deliver reclaimed water from the City of Kerrville Water Reclamation Plant to a specific point of delivery on each property;
2. that each of the receiving entities will cover the costs to design construct, and install the necessary improvements to store and utilize the reclaimed water on their property;
3. that the City of Kerrville will build the delivery systems to supply a specific peak daily demand (250,000 gallons per day to Schreiner University and 600,000 gallons per day to Riverhill Golf Course) which may be curtailed in the event that the City of Kerrville needs the reclaimed water to supplement its drinking water supply;
4. that each of the receiving entities will begin taking reclaimed water within 24 months of the city's completion of its work;
5. that each of the receiving entities will enter into a 20-year reclaimed water supply and use agreement which specifies the rates that will be paid and the manner in which the rates may be increased by the City of Kerrville through the life of the

- agreement; and
6. that each of the receiving entities will be a party to the city's Economic Improvement Corporation funding request and funding agreement.

These letters of intent are not limited solely to the city's funding the improvements through the economic development sales tax. These letters will still be applicable should the city opt to fund these improvements through other means. It is estimated that the city's re-use water project will cost \$18.3 million to construct, inclusive of all project elements (storage, pumping, and distribution systems). The city has access to \$18.5 million in funding through \$10 million in bonds already sold, allocation of \$1.3 million in case, and up to \$8.5 million that KPUB has agreed to loan to the City of Kerrville. The use of 4b funds for the distribution improvements would allow the city council to reduce the amount of funds it borrows from KPUB for the reclaimed project.

RECOMMENDED ACTION

These letters of intent provide the basis for creating reclaimed water supply and use agreements with Schreiner University and Southern Golf Properties, regardless of the source of funds used for the distribution system improvements. City staff recommends that the City Council approve the letters of intent and authorize the city manager to execute them.



City of Kerrville

701 MAIN STREET • KERRVILLE, TEXAS 78028 • 830.257.8000 • KERRVILLETX.GOV

Letter of Intent for Supply of Reclaimed Water

June 22, 2016

Mr. Bill Muse
Vice President of Administration and Finance
Schreiner University
2100 Memorial Boulevard
Kerrville, Texas 78028

Dear Mr. Muse,

This letter is to confirm the mutual intent between the City of Kerrville ("City") and Schreiner University to enter into a funding and use agreement(s) for the provision of reclaimed water for irrigation purposes at the university campus. The City of Kerrville is designing a reclaimed water project with the capability of delivering an adequate supply of non-potable water to irrigate the athletic fields and landscaped areas and to the chiller plant at Schreiner University. Completion of the City's reclaimed water project (the "Project") is anticipated early in the 2018 calendar year.

By virtue of signing below, the parties acknowledge both the scope and timing of the Project and the general terms and conditions as follows:

1. City will deliver reclaimed water to a point within the Schreiner University property as mutually agreed to by both parties ("Delivery Point");
2. City will cause to be designed, constructed, and installed all the improvements required to deliver reclaimed water to the Delivery Point at its sole expense. Said improvements to include, distribution mains, pump station as the City of Kerrville Water Reclamation Plant, valve system(s) at the Delivery Point, SCADA system(s), and related appurtenances;
3. Schreiner University will cause to be designed, constructed, and installed all the improvements required for the storage and use of reclaimed water on its property at its sole expense. Said improvements to include, surface storage, pumping systems, distribution systems, and related appurtenances;
4. Schreiner University agrees to coordinate with the City on the design of the Project by identifying the location of on-site utility systems, location of on-site water storage facilities, and, if appropriate, the dedication of easements to the City on the university's property to accommodate the location and maintenance of reclaimed water infrastructure;
5. City intends to apply to the City of Kerrville Economic Improvement Corporation for funds adequate to cover the costs for the construction and installation of the distribution portion of the Project to deliver reclaimed water from the City of Kerrville Water Reclamation Plant to the Delivery Point. Schreiner University agrees to be a party to the application;

6. Schreiner University agrees that it will take all actions necessary to begin utilizing reclaimed water for irrigation purposes within 24 months of the City's completion of the Project;
7. City's Project will provide a peak daily demand of 250,000 gallons of reclaimed water to the Delivery Point subject to the following conditions:
 - a. A weekly pumping schedule established by the City of Kerrville and Schreiner University that will satisfy the peak daily demand at the Delivery Point ,
 - b. Except where the City needs to utilize reclaimed water supply as part of its potential direct potable reuse program; and
 - c. City will not add additional reclaimed water customers that impede the City's ability to meet the peak daily demand.
8. Schreiner University and the City will enter into a reclaimed supply funding and use agreement(s) that will include, the following provisions:
 - a. 20-year term,
 - b. Application of standard base and volumetric rates established by the City in effect at the time that Schreiner University begins to take reclaimed water;
 - c. Initial base and volumetric rates to remain frozen for the first (7) seven years of consumption;
 - d. Maximum cap of two percent (2%) on annual increases to base and volumetric rates after the first seven (7) years of consumption; and
 - e. Guarantee that Schreiner University will use its reclaimed water in accordance with state and federal law; and
9. This Letter of Intent does not constitute or create, and shall not be deemed to constitute or create, any legally binding or enforceable obligation on the part of either party to this letter of intent. No such obligation shall be created, except by the execution of a separate written agreement between the parties regarding the proposed transaction, and then only in accordance with the terms and conditions of such separate agreement.

By providing the signatures below, each party confirms its acceptance of the terms and conditions of this Letter of Intent.

Sincerely,

Todd Parton
City Manager

By affixing my signature below I acknowledge that I am duly authorized to execute this MOU on behalf of my organization and accept the terms and conditions outlined herein.

On behalf of Schreiner University:

On behalf of the City of Kerrville:

Date: _____

Date: _____

Signed:

Signed:

Mr. Bill Muse, Vice President of
Administration and Finance
Schreiner University

Mr. Todd Parton, City Manager
City of Kerrville, Texas



City of Kerrville

701 MAIN STREET • KERRVILLE, TEXAS 78028 • 830.257.8000 • KERRVILLETX.GOV

Letter of Intent for Supply of Reclaimed Water

July 21, 2016

Mr. John Junker
CEO – Southern Golf Properties
100 Riverhill Club Lane
Kerrville, Texas 78028

Dear Mr. Junker,

This letter is to confirm the mutual intent between the City of Kerrville ("City") and Southern Golf Properties to enter into a funding and use agreement(s) for the provision of reclaimed water for irrigation purposes at the Riverhill Golf Course. The City of Kerrville is designing a reclaimed water project that with the capability of delivering adequate supplies of non-potable water that will allow the Riverhill Golf Course to irrigate with reclaimed water. Completion of the city's reclaimed water project (the "Project") is anticipated early in the 2018 calendar year.

Both parties agree to work cooperatively according to the principal terms and conditions outlined as follows:

1. City will deliver reclaimed water to a point within the Riverhill Golf Course property as mutually agreed to by both parties ("Delivery Point");
2. City will cause to be designed, constructed, and installed all the improvements required to deliver reclaimed water to the Delivery Point at its sole expense. Said improvements to include, but not be limited to, distribution mains, pump station as the City of Kerrville Water Reclamation Plant, valve system(s) at the Delivery Point, SCADA system(s), and other related appurtenances;
3. Southern Golf Properties will cause to be designed, constructed, and installed all the improvements required for the storage of reclaimed water at the Delivery Point and the on-site use of the reclaimed water at its sole expense. Said improvements to include, but not be limited to, surface storage, pumping systems, distribution systems, and other related appurtenances;
4. Southern Golf Properties agrees to coordinate with the City on the design of the Project by identifying the location of on-site utility systems, location of on-site reclaimed water storage facilities, and, if appropriate, the dedication of easements or rights-of-way to the City on the Southern Golf Property's property to accommodate the location and maintenance of reclaimed water infrastructure;
5. City intends to apply to the City of Kerrville Economic Improvement Corporation for funds adequate to cover the costs for the construction and installation of the distribution system portion of the Project to deliver reclaimed water from the City of Kerrville Water Reclamation Plant to the Delivery Point. Southern Golf Properties agrees to be a party to the application;

6. Southern Golf Properties agrees that it will take all actions necessary to begin utilizing reclaimed water for irrigation purposes within 24 months of the city's completion of the Project;
7. City's Project will provide a peak daily demand of 600,00 gallons of reclaimed water to the Delivery Point subject to the following conditions:
 - a. A weekly pumping schedule established by the City and Southern Golf Properties that will satisfy the peak daily demand at the Delivery Point,
 - b. Except where the City needs to utilize reclaimed water supply as part of its potential direct potable reuse program, and
 - c. City will not add additional reclaimed water customers that impede the City's ability to meet the peak daily demand.
8. Southern Golf Properties and the City will enter into a reclaimed supply funding and use agreement(s) that will include the following provisions:
 - a. 20-year term,
 - b. Application of standard base and volumetric rates established by the City in effect at the time that Southern Golf Properties begins to take reclaimed water,
 - c. Riverhill will be billed monthly with charges being the base rate in addition to the application of the volumetric rate for actual gallons delivered to the Delivery Point, which shall be metered. The monthly statement sent by the City will show the gallons metered to the Delivery Point;
 - d. Initial base and volumetric rates to remain frozen for the first (7) seven years of consumption;
 - e. Maximum cap of two percent (2%) on annual increases to base and volumetric rates, and
 - f. Guarantee that Southern Golf Properties will use its reclaimed water in accordance with state and federal law; and
9. This Letter of Intent does not constitute or create, and shall not be deemed to constitute or create, any legally binding or enforceable obligation on the part of either party to this letter of intent. No such obligation shall be created, except by the execution of a separate written agreement between the parties regarding the proposed transaction, and then only in accordance with the terms and conditions of such separate agreement.

By providing the signatures below, each party confirms its acceptance of the terms and conditions of this Letter of Intent.

Sincerely,

Todd Parton
City Manager

By affixing my signature below I acknowledge that I am duly authorized to execute this MOU on behalf of my organization and accept the terms and conditions outlined herein.

On behalf of Southern Golf Properties:

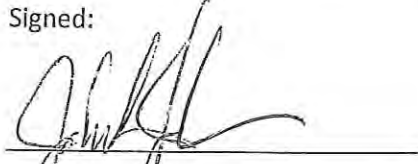
On behalf of the City of Kerrville:

Date: 7/21/14

Date: _____

Signed:

Signed:

A handwritten signature in black ink, appearing to read 'John Junker', written over a horizontal line.A horizontal line intended for a signature.

Mr. John Junker, CEO
Southern Golf Properties

Mr. Todd Parton, City Manager
City of Kerrville, Texas

Agenda Item:

5A. Receive and update from City staff and provide direction on the Fiscal Year 2017 (FY17) budget. (staff)

**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Receive and update from city staff and provide direction on the Fiscal Year 2017 (FY17) budget

FOR AGENDA OF: July 26, 2016

DATE SUBMITTED: July 16, 2015

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES:

EXHIBITS: None

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

City staff is finalizing amendments to the draft FY17 budget as directed by the City Council in the budget workshop held on June 30, 2016. These amendments will be presented by city staff.

A final draft of the FY17 budget will be filed with the City Secretary by July 31, 2016, in accordance with Section 8.01. Development and Submission of City Budget and Budget Message of the Kerrville City Charter.

RECOMMENDED ACTION

This item is to update the City Council on the most recent amendments to the FY17 draft budget and to receive any additional City Council input.

Agenda Item:

5B. Budget and economic update. (staff)

Status of key Community Investment Plan projects include:

- River Trail, recently opened the Lowry portion of the trail, evaluation for west portion of River Trail from Lowry to Guadalupe Park continues;
- Louise Hays and Lehmann Monroe Park, had no activity in June, landscaping and small amenities to finish project is expected to finish project soon;
- Athletic Complex project, dirt work by third-party continues, walk through to be conducted in July before to City to begin construction;
- Reuse Pond/Distribution, is in the final design stages with projected bid opening by end of summer.

Permits issued for new residential locations fiscal year-to-date were 61.

Commercial permits issued for new locations and major remodels are an estimated value of \$30,610,014 fiscal year-to-date. Major permits were issued for Kerr County jail expansion and Schreiner University campus improvements. Values of these sites will be reflected on the property tax roll upon completion in the following tax year.

Real estate transactions remain steady with a moderate inventory available. Unemployment at national, state, and local levels has remained at a relatively low percentage for several months.

RECOMMENDED ACTION

Information purposes only, no action required.

City of Kerrville
Month ending June 30, 2016
 (Month 9 of FY2016)

	Current Month	Year To-Date	Budget @ 75%	Prior Year To-Date	change from prior year
General Fund					
Total Revenues	\$ 1,112,845	\$ 20,361,820	82.81%	\$ 19,949,098	2.07%
Property tax	\$ 7,657	\$ 8,703,009	97.96%	\$ 8,473,097	2.71%
Sales tax	\$ 486,198	\$ 4,751,643	75.97%	\$ 4,627,308	2.69%
Total Expenditures	\$ 1,656,029	\$ 16,357,682	66.09%	\$ 16,519,747	-0.98%

Water and Sewer Fund					
Total Revenues	\$ 896,244	\$ 8,274,978	70.47%	\$ 6,592,067	25.53%
Water Sales	\$ 375,019	\$ 3,646,210	65.24%	\$ 3,356,862	8.62%
Sewer Service	\$ 432,516	\$ 3,882,824	71.74%	\$ 3,821,165	1.61%
Expenditures	\$ 679,840	\$ 7,505,837	63.92%	\$ 8,913,026	-15.79%

Hotel/Motel Fund					
Revenues	\$ 138,055	\$ 778,579	76.42%	\$ 750,532	3.74%
Expenditures		\$ 707,850	70.01%	\$ 684,224	3.45%

	Project Budget	Current Month	P-T-D Expense	Budget Balance
Community Investment Plan				
River Trail	\$ 6,000,000	\$ 11,625	\$ 4,791,156	\$ 1,208,844
Louise Hays & Lehman/Monroe Park	\$ 2,683,915	\$ -	\$ 2,640,357	\$ 43,558
Athletic Complex	\$ 10,500,000	\$ 113,946	\$ 124,181	\$ 10,375,819
Reuse Pond/Distribution	\$ 14,100,000	\$ 45,785	\$ 904,413	\$ 13,195,587

Development Services:

Residential # of permits	Commercial permits value
Oct 11	330,680
Nov 5	17,000
Dec 6	52,000
Jan 8	559,099
Feb 9	1,372,500
Mar 4	4,219,630
Apr 4	340,466
May 9	2,304,700
June 5	21,413,939
July	
Aug	
Sept	
YTD 61	30,610,014

Housing (June)

Local:

554 active residential listings; 67 residential sales June 2016
 \$17,481,415.00 total residential sales dollars for June 2016
 \$76,737,103.00 total residential sales dollars Y-T-D for 2016
 (Source: Kerrville Board of Realtors)

Unemployment: (May)

National	4.5%
Texas	4.2%
Local	3.3%

Agenda Item:

6A. Appointments to the Golf Course Advisory Board. (staff)

**BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Appointments to the Golf Course Advisory Board

FOR AGENDA OF: July 26, 2016

DATE SUBMITTED: July 19, 2016

SUBMITTED BY: Brenda Craig *BC*
City Secretary

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Board List

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:



SUMMARY STATEMENT

Consider appointments to the following board:

Golf Course Advisory Board: Three terms that expired July 1, 2016

RECOMMENDED ACTION

Consider appointments.

GOLF COURSE ADVISORY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
McCARTER, CHARLES Chairman 937 Myrta	210-286-4646 (C) 895-1112 (H)	09-11-12	09-23-14	07-01-16
GIESECKE, MARION C. 9 Antelope Trail	896-4646 (H) 377-8100 (C)	09-23-14		07-01-16
HERD, HELEN 2829 Rock Barn Dr.	895-4373 (H) 979-777-2274 (C)	09-08-15		07-01-17
PINSON, EDDIE 102 Ridgerock Cove	285-5555 (H)	09-08-15		07-01-17
STERN, ALLEN 2565 Bandera Hwy.	895-2892 (H) 739-5353 (O)	09-11-12	09-23-14	07-01-16
BAILEY, MICKEY 1001 Bluebonnet Dr.	285-5908 (H) 792-2290 (W)	10-27-15		07-01-17
VACANT				07-01-17

COUNCIL LIAISON:

GLENN ANDREW 370-0362 (C)
3553 La Cumbre Dr. 895-0676 (H)

CITY STAFF:

Scott McDonough 258-1400 (O)
General Manager of Golf & Tennis

Qualifications:	Of the seven (7) regular voting members appointed by the City Council, six (6) shall be residents of the City of Kerrville, Texas, and one (1) member may reside outside the City but within Kerr County.
Purpose and Duties:	The purpose of the Board is to advise the City Council and city staff on matters relating to the operation of the Scott Schreiner Municipal Golf Course.
Term of Office:	Two Years. No member shall serve more than two consecutive full terms without having at least one full year off of the Board between terms.
Vacancies:	Upon the vacancy, removal, or expiration of the term of office of any member, the

city council shall appoint a successor who shall hold that position for the unexpired term or for the period of two years when the appointment is made as the result of the expiration of a board member's term.

Quorum: Four members of the board, excluding liaison members.

Number of Members: Seven

Meeting Time & Place: Fourth Wednesday, in the months of January, March, May, July, September, and November, at 4:30 p.m.; Upstairs Conference Room

Absences: The name of any member having three consecutive absences from regularly called meetings of the board, or who in any consecutive twelve-month period is absent from more than 25 percent of the regularly called meetings, shall be forwarded to the city council for consideration for removal and replacement on the board.

Established by: Resolution No. 037-2009, (repealed Resolution Nos. 99-230, 99-307, 080-2000, and 136-2004); Resolution 30-2012

Revised: July 1, 2016