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CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
JULY 25, 2017

On July 25, 2017, the Kerrville City Council meeting was called to order at 6:00 p.m. by Mayor White in the city hall council chambers at 701 Main Street. The invocation was offered by Reverend Allen Noah, Barnett Chapel, followed by the Pledge of Allegiance led by Maria Hall.

COUNCILMEMBERS PRESENT:

Bonnie White	Mayor
George Baroody	Mayor Pro Tem
Vincent C. Voelkel	Councilmember
Mary Ellen Summerlin	Councilmember
C. Warren Ferguson	Councilmember

COUNCILMEMBER ABSENT: None

CITY STAFF PRESENT:

Mark McDaniel	City Manager
Mike Hayes	City Attorney
E.A. Hoppe	Deputy City Manager
Brenda Craig	City Secretary
Sandra Yarbrough	Director of Finance
Kim Meismier	Director of General Operations
David Knight	Police Chief
Dannie Smith	Fire Chief
Sabine Kuenzel	Director of Development Services
Kyle Burow	Director of Engineering

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

1. ANNOUNCEMENTS OF COMMUNITY INTEREST: were given.

2. VISITORS/CITIZENS FORUM: No one spoke.

3. CONSENT AGENDA:

Mayor White removed Item 3C from the consent agenda.

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

3A. Minutes of the budget workshop held on June 21, 2017, and the regular meeting held June 27, 2017.

3B. Resolution No. 27-2017 authorizing the use of internal combustion engines on Nimitz Lake upstream of the city's impoundment dam for the Kerrville Triathlon and the safety of competitors.

END OF CONSENT AGENDA

3C. Construction contract with Champion Infrastructure, LLC for the 2017 crack seal project in the amount of \$269,060.00 and authorize the City Manager to execute additional change orders which will not exceed a total contract value of \$285,000.00.

Mr. Burow noted the bid was based on the Fugro study that identified street repairs on a block by block analysis; which resulted in fewer miles because of the cost of mobilization. For future street assessments, the city will be looking to better consolidate repairs into geographic regions/streets to minimize mobilization costs.

Ms. Summerlin moved to authorize the city manager to execute a construction contract with Champion Infrastructure, LLC for the 2017 crack seal project in the amount of 4269,060 and authorize the city manager to execute additional change orders which will not exceed a total contract value of \$285,000; Mr. Ferguson seconded the motion and it passed 5-0.

4. PUBLIC HEARINGS:

4A. Annexation and zoning of an 11.341 acre tract, being a portion of a certain 1131.78 acre tract, part of Comanche Trace, a golf and residential community, located in southwest Kerrville.

Mayor White opened the public hearing at 6:09 p.m.; no one spoke; Mayor White closed the public hearing at 6:09 p.m.

5. ORDINANCE, SECOND AND FINAL READING:

5A. Ordinance No. 2017-14 abandoning and vacating all right, title and interest in a fire lane easement, as located between and intersecting with both Bluff Ridge Drive and Glenview Drive and being dedicated to the public pursuant to the Forest West Four – Phase III Plat, a subdivision out of the Florentine Lara Survey No. 123, Abstract No. 225, and located within the City of Kerrville, Kerr County, Texas, according to the Plat thereof recorded in Volume 5, Page 45 of the Plat Records of Kerr County; said easement impacting Lot 8, Block 6, and Lot 7, Block 7, as specified on said Plat; finding that said dedicated right to the City is not required for future use as a fire lane easement; and ordering recording.

Mayor White read the ordinance title.

Chief Smith noted the fire easement would not be used as the primary route to Bluff Ridge because it was too narrow, was not maintained, and was too steep.

Mr. Baroody stated in 2001 when council considered abandoning the fire lane, the conclusion was that the easement was a temporary access until Westcrest was completed; however, there is a note on the original plat that stated the fire lane easement was to be a secondary access point to access the fire hydrant at Glenview. He opined that if the fire lane was cleared, a fire truck could go up it

without scraping bottom, and it would be a valid use for emergency vehicles in a contingency situation. There was only one way on to Bluff Ridge, and if that road was blocked, another access might be beneficial. Also, if the fire hydrant on Bluff Ridge failed or did not have enough pressure, a secondary hydrant might be needed. Further, abandoning the fire lane would make persons on the hill less safe. Abandoning would not take away from the property owners because it was there before they purchased their property. The easement was not a walking trail. Mr. Baroody noted that the fire department might save 20-30 seconds by using the fire lane instead of Westcrest to access Bluff Ridge, so it was an advantage in an emergency. Chief Smith noted the easement was a shorter route; however, there was a tremendous grade to overcome.

Ms. Summerlin stated the easement was private property and the owner wanted to build a home. The fire chief stated the easement had never been used and the fire department did not need it. There were several streets that the fire department could use to access homes on Bluff Ridge in the event of a fire. The council would be taking the property when it was not needed for a public purpose and denying the owner use of their land. She was concerned about the city's liability and cost of maintenance. It created a dangerous situation, and she questioned the cost to barricade it so that it would not be used by joy riders. The law was that property owners should have use of their property unless the city had a clear public use for it, and according to the fire chief, the city did not have that; the only comments were for neighbors' convenience, recreation, and the perception of safety.

The following persons spoke:

1. Deb Keech, representing Ken and Debbie Becker, noted the easement created a dangerous situation and should be closed. The owners wanted to build a home and the easement affected their buildability and property value. It was private property, it had never been used for an emergency, and her clients also requested it be abandoned.
2. Bob Bullion stated he was a professional engineer in design and analysis of water and wastewater systems. He questioned if the booster pump on Westcrest had capability to provide fire flow; if not, the fire department would need an alternative--the fire hydrant on Glenview. If there was not adequate pressure, the city would have to provide pressure, probably by looping the dead end line from the bottom to the top of the hill, and the city would need the easement.
3. Jerry Wagner noted he cleared some of the vegetation in the easement.
4. Bill Faught noted the city placed crash barricades at the top and bottom of the hill previously but they were removed. Vehicles can drive over barricades without being damaged. Casual vehicular traffic needed to be stopped but the city should allow the property owner to use the fire lane as a secondary access as there was very narrow access on Bluff Ridge. The fire lane was in existence when the property was purchased. He asked council to vote against abandoning the easement, have a crash barricade, and allow the property owner to use it.

5. Kimberly McCormick, property owner, stated if keeping the easement would keep people safe they were agreeable; however, she asked that they be allowed access to the easement and be allowed to put up a gate. If the city needed the fire easement they were in favor of keeping it as such; however, the city should be responsible to help them make sure that was what it was and not a sidewalk, walking path, or escape route during icy weather. When they bought the property the fire easement was there, but it had been abandoned for a long time.

6. Jason McCormick, property owner, requested if the easement remained, that the city allow them to use the easement as entrance into their property to connect to their driveway and to use as secondary access for parking; however, they would not park on or impede the emergency lane. He noted that gas and electric utilities were also located in the easement.

Mr. McDaniel requested that the city not spend money on the easement and that any improvements be at the owner's expense.

7. Linda Wagner questioned if there was not adequate water pressure from the fire hydrant on Bluff Ridge, would the fire hydrant on Glenview be used; would both fire hydrants have to be joined together to get sufficient pressure? There was a notation on the plat that the fire hydrant on Glenview would be used.

Chief Smith stated to use the fire hydrant on Glenview the fire department would have to overcome the steep incline and friction loss. The fire department would place a pumper truck on the fire hydrant on Bluff Ridge to increase pressure at that hydrant. There was no scenario whereby the fire department would use both hydrants for a fire.

Council also discussed the following:

- Questioned if the requirement for distance to access a fire hydrant would be violated if the easement was abandoned. Chief Smith noted the 150 ft. distance requirement applied to structures other than residential.
- The easement was on the property when it was purchased.
- The easement can be barricaded and both owners have the right to use it.
- Vegetation and maintenance were the property owners' responsibility.

Ms. Summerlin moved to postpone second reading to the next meeting and ask the city manager to get a cost estimate for a crash barrier system, who should pay for it, what would be the maintenance cost, and assurance that crash barriers would stop joy-riding. In the interim, a negotiated compromise might be reached. Mr. Ferguson seconded the motion; the motion failed 2 to 3 with Councilmembers Summerlin and Ferguson voting in favor of the motion and Councilmembers White, Baroody, and Voelkel voting against the motion.

Mayor White called for another motion; no motion was made. Mayor White stated the ordinance failed on second reading for lack of a motion.

6. ORDINANCE, FIRST READING:

6A. Ordinance No. 2017-15 authorizing the City Manager to execute a commercial contract – unimproved property for an approximate 2.15 acre tract of land out of the Walter Fosgate Survey No. 120, Abstract No. 138, within the City of Kerrville, Kerr County, Texas, and more commonly known as the former city hall site located at 800 Junction Highway (SH27); authorizing the City Manager to execute a special warranty deed to convey this property and to take any other reasonable and necessary action to close on the sale of the property; repealing all conflicting ordinances; providing for severability, and declaring an effective date. Mayor White read the ordinance title.

Mr. Hoppe noted the contract was developed based on the letter of intent.

Mr. Baroody moved to approved Ordinance No. 2017-15 on second and final reading. Mr. Voelkel seconded the motion and it passed 5-0.

7. CONSIDERATION AND ACTION:

7A. Deferred annexation agreement for property generally located at 2590 Junction Highway.

Mr. Hoppe noted that properties outside the city limits had to be annexed in order to receive city utilities. The property at 2590 Junction Highway had a failing septic system; therefore, the owner submitted a petition for voluntary annexation. The proposed deferred annexation agreement would allow the city to provide utility service and defer annexation to a later date. Several businesses on the property had a variety of non-conforming uses. He noted the wastewater main was located across the highway. Under the terms of the agreement, the owner would have to make the connection to the city's wastewater main, which would require the owner to bore under Highway 27. In accordance with the contract, the owner would be required to satisfy pretreatment of their wastewater prior to entering the city's system. Also, if the use changed, e.g. industrial use, the owner may be required to satisfy more stringent pretreatment requirements. Aqua Texas provided water service to the subject property. Staff recommended deferred annexation of the property to allow sewer service to be provided to Rio Rancho Restaurant.

Mayor White stated the motion: to authorize the city manager to finalize and execute a deferred annexation agreement for the property located at 2590 Junction Highway (SH27). Mr. Baroody moved for the motion. Ms. Summerlin seconded the motion and it passed 5-0.

8. INFORMATION AND DISCUSSION:

8A. Presentation of Fiscal Year 2018 employee benefits to include health, dental, and vision.

Ms. Meismer introduced Bob Tracey, benefits consultant. She explained there was an annual federal tax of 1.75% imposed on insurers for gross premiums from their policyholders. By forming the Employee Benefits Trust (EBT), the EBT was exempt from the tax. Since 2008 the city had saved over \$406,000 in tax on employee benefits. She explained the process the council would be asked to take on August 8 as the EBT.

Ms. Meismer noted that claims increased by 26% over the last two claims cycles. The city issued a bid for all benefits and received 4 proposals for medical: BCBS's best and final offer for the same exact plan as FY2017 was 3% (initial offer was 12.2%) above current rate; Aetna's bid was 1.76, but they would not commit until after they reviewed the city's claims for the past few months; United Health Care's bid was 18.78%; and TML's bid was 22.91%. She reviewed the benefit plans for medical, dental, group life and accidental death and dismemberment, and the pros and cons for each bidder. The FY2017 budget was \$7,011 per employee per year (PEPY); FY2018 was proposed to be \$7,356 PEPY. Ms. Meismer proposed using as much as \$252,520 from the benefit reserve fund instead of requiring the 295 employees to pay the increase cost. The benefit reserve fund balance as of July 18, 2017 was \$487,413 and had been accumulated from prior employee benefit savings. Spending from the benefit reserve fund was restricted to only employee benefits.

Mr. Tracy noted that even with the 3% rate increase in FY18, the overall average was a decrease in rates over the past four years because of a 5% rate decrease in FY2015 and 3.7% rate decrease in FY2014; this was despite the city's 26% increase in claims. He noted BCBS had been a good steward of the city's funds; had a high product satisfaction; was a good benefits provider for the employees; he recommended the city stay with BCBS.

8B. Budget and economic update.

Ms. Yarbrough gave the financial report year to date for the period ending June 30, 2017: general fund revenues totaled \$24,563,236 and expenditures \$20,245,193; water and sewer fund revenues totaled \$8,430,146 and expenditures \$8,357,464; hotel/motel fund revenues totaled \$875,310 and expenditures \$768,950. 43 permits for new residential construction and commercial new/remodel construction totaled \$25,166,545 year-to-date.

9. APPOINTMENT TO BOARDS AND COMMISSIONS:

9A. Kerr Emergency 9-1-1 Network Board of Managers. Chief Knight noted that Paul Huchton had vacated his position with the police department; Mr. Huchton was also the city's representative on the 9-1-1 Board. Chief Knight recommended Lieutenant Mary Krebs be appointed as the city's representative on the 9-1-1 Board.

Ms. Summerlin moved to appoint Mary Krebs to be the city's representative on the Kerr Emergency 9-1-1 Network Board of Managers; Mr. Ferguson seconded the motion and it passed 5-0.

10. CITY MANAGER'S REPORT

Mr. McDaniel reported on the following:

-Introduced Guillermo Garcia, executive director for strategic initiatives, process improvement and training programs.

-City was moving forward with putting in the pilings for the new reuse water line at Loop 534 and looking at options for the existing pedestrian bridge.

11. **ITEMS FOR FUTURE AGENDAS**: None.
12. **EXECUTIVE SESSION**: None.
13. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION**: None.

ADJOURNMENT. The meeting adjourned at 7:29 p.m.

APPROVED: 08/22/2017

ATTEST:

Bonnie White, Mayor

Brenda Craig City Secretary