

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
July 10, 2018

On July 10, 2018, the Kerrville City Council meeting was called to order at 6:00 p.m. by Mayor Bill Blackburn in the city hall council chambers at 701 Main Street. The invocation was offered by Councilmember Place Three Judy Eychner, followed by the Pledge of Allegiance.

COUNCILMEMBERS PRESENT:

Bill Blackburn	Mayor
George Baroody	Mayor Pro Tem
Judy Eychner	Councilmember
Delayne Sigerman	Councilmember
Vincent Voelkel	Councilmember

COUNCILMEMBERS ABSENT: None

CITY CORE STAFF PRESENT:

Mark McDaniel	City Manager
Mike Hayes	City Attorney
E.A. Hoppe	Deputy City Manager
Cheryl Brown	Deputy City Secretary
Amy Dozier	Director of Finance
Kim Meisner	Director of General Operations
David Knight	Police Chief
Stuart Cunyus	Public Information Officer
Dannie Smith	Fire Chief
Drew Paxton	Director of Development Services

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:**

2A. Karen Rockoff, certified arborist and landscapist, spoke about the spread of oak wilt disease. She requested the city work on ordinances that would protect trees from contractors who do not use proper methods when cutting trees.

3. **PRESENTATIONS:**

3A. Resolution of Commendation for Marty Lenard for time served on the Planning and Zoning Commission.

3B. Resolution of Commendation for Sheri Pattillo for time served on the Economic Improvement Corporation.

3C. Introduction of new Airport Manager Mary Rohrer.

3D. Recognition of the Kerrville-Schreiner Park Butterfly Garden Volunteers.

4. CONSENT AGENDA:

Mr. Voelkel removed item 4E from the consent agenda, and Mr. Baroody removed item 4B and 4D from the consent agenda.

Mr. Baroody moved to approve items 4A and 4C; Ms. Eychner seconded the motion and it passed 5-0.

4A. Approval of minutes for the regular city council meeting held May 22, 2018.

4C. Contract for bulk fuel and card services for city's vehicle fleet.

END CONSENT AGENDA

4B. Professional services agreement with Marmon Mok Architecture for the aquatics feasibility study in the amount of \$85,000.00

Ms. Boyle noted the study would look at the existing facility to identify the maintenance issues and the cost to address those issues as well as cost estimates for other scenarios. Stakeholders would be included in the public input process. Following the public input process to determine what the community and stakeholders want, she will give her recommendation.

Mr. Baroody moved for approval of the agreement as presented; Mr. Voelkel seconded the motion and it passed 5-0.

4D. License agreement between Kona Ice Kerrville and the City of Kerrville for operation as a food vendor concession in city parks.

Ms. Boyle noted the agreement was exclusive, and the contractor would be required to be at two locations for set hours.

Mr. Baroody moved to approve the agreement as presented; Ms. Eychner seconded the motion and it passed 5-0.

4E. Authorize the city manager to issue a letter of invitation in support of the US Special Operations Forces Exercises from August 1, 2018 – May 31, 2021.

Chief Knight noted the SOF exercise would not be continuous during the three year period, and they would coordinate their in city activities through the police department.

Mr. Voelkel moved to authorize the letter of invitation as presented; Mr. Baroody seconded the motion and it passed 5-0.

5. PUBLIC HEARING AND POSSIBLE ACTION:

5A. Public hearing for a variance from the distance requirement for a boarding home pursuant to Section 30-17 of the City's Code of Ordinances (1517 E. Main Street).

Mr. Paxton noted that Nikki Saurage requested two variances for this property. The variance being considered now was the distance variance due to the house being within

a half mile of four other boarding homes. If this variance is granted, the second variance would be for reasonable accommodation to increase the number of persons who could live in the home from 8 to 10.

Mayor Blackburn opened the public hearing at 7:30 p.m. and the following persons spoke:

1. Nikki Saurage stated she had purchased the property in order to establish a sober living home (SLH) for women. The purpose of a SLH was to integrate women into the community. Under the Fair Housing Act, they were considered persons with disabilities. She stated that she knew what the issues were and she was aware that there were several other homes within 1/2 mile of the subject property. Currently, no one was living in the house. The ordinance allowed 8 persons to live in this home, and if the distance variance is granted, she will apply for a second variance for reasonable accommodations to allow two additional persons to live in the home. She would not be living on the property. Some of the women had children who would be visiting.

2. Larry Hunter stated he had lived in his home for 28 years, just a few houses away, and he was concerned that the concentration of boarding homes in this area would negatively impact his property values and ability to sell his home in the future. Under full disclosure, if he sells his home, he would have to disclose the number of halfway houses in the area. The concentration of SLHs would affect the value of lower and middle income neighborhoods. He purchased his home in an R-1 neighborhood and a boarding home was not a single-family operation. He understood that the city had to accommodate SLH due to the fair housing act, but the city set up restrictions and one restriction was that homes not be placed within one-half mile. SLH were commercial operations and were operating for a profit. If Ms. Saurage was granted the distance variance and the reasonable accommodation variance, there would be 10 people living in one house. Traffic increased on East Main when the city built the through street. Approving the variances would increase traffic and further deteriorate this neighborhood. Council should defer to the expertise of city staff, which was to deny the request.

3. Denise Herrera spoke representing her parents whose home on Travis Street backed up to the subject property. She and her parents agreed with all of Mr. Hunter's comments. The request was not a family home situation and having so many people in one home would be disturbing to them in their retirement years. They were opposed to having a boarding home in their back yard.

4. Cade Saurage stated that statistics show that there was more drug use and dealing in lower income homes than in boarding homes, and property values did not go down because of boarding homes. Boarding homes have rules and restrictions and is a Christian home environment. He would rather have a SLH for women active in recovery than have ten families in a home without rules and restrictions. Alcohol is a disease.

5. Cheryl Arterburn stated she was the owner of two other recovery homes, and one was in the area where this property is located. More SLHs were needed, and Ms. Saurage ran good homes; many of the women who lived in her homes achieved success. She was not opposed to this request. In the past she had tried to rent a

home that she had under lease to three women but the city would not allow her a variance for more than two because more than two was considered to be a boarding home. College students in Kerrville were doing the same thing.

6. James Reeves stated his home was two doors from the subject property. In 2013 the city ordinance was passed; research shows that SLH do reduce property values. Many retirees are in reverse mortgage situations; therefore, the value of their house affects their income. The concentration of group homes cause increased drug trafficking. People in SLHs should have the best care possible, but concentrating this many in one area will create a recovery housing ghetto on East Main Street. Traffic was already terrible and this would increase traffic. Granting another variance to establish another sober living home in this neighborhood would decrease home values, discourage young families with children, and reduce the income of older citizens. The ordinance was created to prevent this exact situation. He asked that council enforce the city ordinance.

No one else spoke and Mayor Blackburn closed the public hearing at 6:56 p.m.

Council also discussed the following:

- A variance should be a good fit for everyone involved; applauded the cause and recognized the necessity of SLH, but neighbors and their rights also should be considered.
- Under the ordinance, the number of people allowed to live in a SLH was limited by certain factors, and one limiting factor was parking. Based on the length of the single lane driveway, five people could be accommodated; Ms. Saurage was proposing that 10 persons be allowed.
- Council should consider amending the ordinance rather than granting variances.

Mr. Hayes noted that if council granted the applicant's request for a variance, the council could impose additional conditions intended to mitigate the impact. If reasonable accommodation was granted, that condition would stay with the property.

Ms. Eychner moved to deny the request as it did not conform with the ordinance. Ms. Sigerman seconded the motion and it passed 4 to 1 with Councilmembers Eychner, Sigerman, Blackburn, and Voelkel voting for the motion, and Councilmember Baroody voting against the motion.

6. ORDINANCE, SECOND AND FINAL READING:

6A. Ordinance No. 2018-12 amending Chapter 102 "Traffic and Vehicles" by adding a new article "Escort of Oversize Loads" which addresses the service provided by the city's police department to escort oversize vehicles through the City of Kerrville, Texas. Chief Knight noted this ordinance would allow the city to recoup the cost of the police department providing escort services through Kerrville.

Ms. Sigerman moved to approve Ordinance No. 2018-12 amending Chapter 102; Ms. Eychner seconded the motion and it passed 5-0.

7. CONSIDERATION AND POSSIBLE ACTION:

7A. Resolution No. 20-2018 amending the City of Kerrville Fee Schedule by establishing fees to be charged by the Kerrville Police Department to escort oversize vehicles through the city.

Chief Knight requested the fee schedule be amended to establish a fee for the police department to recoup the cost of providing escort services for oversize vehicles through Kerrville.

Ms. Eychner moved to approve Resolution No. 20-2018; Mr. Baroody seconded the motion and it passed 5-0.

7B. Confirmation of project scope for the H-E-B Tennis Center improvement project.

Ms. Boyle reviewed the scope of the overall master plan for the tennis center. Phase I of the plan included resurfacing tennis courts, construction of sidewalks, compliance with ADA access, drainage upgrades, pro shop improvements, fencing upgrades, shaded seating, and improved pathways. The overall master plan was estimated to cost \$4M. Phase I funding was previously approved by council at \$1.3M. Construction for Phase I could begin late summer 2018 with completion anticipated mid 2019. She recommended council accept the mater plan and approve the scope for Phase I.

Mr. Baroody moved to approve the scope for the tennis center project; Ms. Sigerman seconded the motion and it passed 5-0.

7C. Resolution No. 24-2018 granting a petition requesting the voluntary annexation of an approximate 3.669 acre tract of land out of the J.D. Leavell Survey No. 1862, Abstract No. 1435, said tract located within Kerr County Texas, and the extraterritorial jurisdiction of the City of Kerrville, Texas; consisting of the property addressed as 884 Farm to Market Road 783 (Harper Road); and ordering the preparation of an annexation ordinance.

Mr. Paxton noted the applicant wanted city water and sewer and submitted a petition for annexation. The previous owner had dedicated an easement for water and sewer lines, and the property was contiguous to the city limits. The proposed resolution would grant the petition and trigger the annexation process. Staff recommended approval of the resolution.

Ms. Eychner moved to approve Resolution No. 24-2018; Mr. Voelkel seconded the motion and it passed 5-0.

7D. Resolution No. 23-2018 granting a petition requesting the voluntary annexation of an approximate 0.885 acre tract of land, a portion being out of the Jesus Hernandez Survey No. 548, Abstract No. 189 and another part being out of M.K. and T.E. RY. Co. Survey No. 1862, Abstract 1435; said tract located within Kerr County, Texas and the extraterritorial jurisdiction of the City of Kerrville, Texas; consisting of the property addressed at 874 Farm to Market Road 783 (Harper Road); and ordering the preparation of an annexation ordinance.

Mr. Paxton noted this property was adjacent to the property in Item 7C. The process for the two properties would run concurrent.

Ms. Sigerman moved to approve Resolution No. 23-2018; Mr. Baroody seconded the motion and it passed 5-0.

7E. Resolution No. 25-2018 granting a petition requesting the voluntary annexation of an approximate 59.09 acre tract of land out of the Joseph S. Anderson Survey No. 141, Abstract No. 2 and the J.S. Sayder Survey No. 142, Abstract No. 290, said tract located within Kerr County, Texas, and the extraterritorial jurisdiction of the City of Kerrville, Texas; consisting of the property generally located adjacent to State Spur 98 (Thompson Drive) and between its intersections with James Road and Knapp Road.

Mr. Paxton noted the city received a petition requesting annexation of the subject property on Thompson Road in order to construct a residential, apartment and commercial development. He confirmed that Knapp Road was currently a county road, and if the city annexed the property, Knapp Road within the boundaries of the subject property would be a city road; however the developer planned to relocate the roadway to better serve their development. Prior to abandonment, staff would notify utility companies and adjacent property owners who used the road; this would be discussed as part of the platting process.

Mr. Baroody read a letter from Bonnie Johnson, neighbor, who was concerned about the plat design and losing access to Knapp Road. She stated that a meeting had been held in the county engineer's office. She asked that council table discussion of the annexation at this time until a meeting could be held with landowners, city staff, and the developer.

The following person spoke:

1. Justin MacDonald, part owner of the tract, requested council consider annexation of the property at this time and noted that consideration of the plat would occur later. His attorney attempted to contact the Johnsons multiple times and received no response until yesterday when Mr. Johnson attempted to get a copy of his survey from the surveyor. Mr. MacDonald stated that he did not take a plat to the county. He did present a concept plan to the county in a posted public meeting, and the county's action was to abdicate their platting authority to the city, subject to annexation. The development would go through the city's preliminary and final plat processes with public hearings before the planning and zoning commission. The roadway design would not change their plans for this development. They could work around Knapp Road, but it would adversely affect their ability to dedicate river trail and park easements in that area to the city. They intended to proceed forward with development and asked for consideration of annexation. He noted significant cost for extension of utilities to this property, and he presented preliminary plans to the city economic improvement corporation last year. Annexation was brought up at the EICcf meeting as something they wanted to see prior to funding the request.

Mr. Baroody moved to proceed forward with annexation; Mr. Voelkel seconded the motion and it passed 5-0.

7F. Economic development grant agreement between the City of Kerrville, Texas Economic Improvement Corporation and HL Kerr, LLC in an amount not to exceed \$375,000 to assist with site preparation and redevelopment of the northeast corner of Loop 534 and State Highway 16.

Mr. Hoppe noted the applicant planned to replat three properties and combine them into one 4.4 acre tract in order to accommodate a 55,000 sq. ft. retail tenant and a pad site for an additional tenant. The applicant requested \$375,000 from EIC on a reimbursement basis, with the full amount payable upon demolition and site remediation. Under the agreement, project demolition must be complete by August 2021, but anticipated completion was end of 2018. Full acquisition of the site and adjacent properties was anticipated by October 1, 2018. Business opening anticipated by the end of 2019. Demolition and site development in preparation for a retail building was an eligible use of EIC funds under the Texas Government Code.

Ms. Sigerman moved to approve the economic development grant agreement to assist with site preparation; Ms. Eychner seconded the motion and it passed 5-0.

7G. Development agreement between the City of Kerrville, Texas and Medina River Estates, LLC.

Mr. Hoppe noted the 225 acre tract was located in the city along Hwy. 16, south of the Riverhill subdivision. The applicant proposed to develop the 225 acre tract into a large lot (10-20+ acre) residential subdivision and agreed not to further subdivide the property. There were significant topographic and infrastructure challenges for the site. The developer proposed to have five shared access points to Hwy. 16; provide a 20 ft. utility easement along Hwy. 16 adjacent to an existing 20 ft. wastewater easement; provide a 50 ft. right of way easement on the south side of the property for future proposed primary route between Hwy. 173 and Hwy. 16 (ROW to be utilized within the next 50 years or it would revert back to the property owner); provide new right of way easements for future cul-de-sacs at the end of several streets abutting the Riverhill subdivision; and install a new water main looping through the property and connecting to Riverhill. The city agreed to waive the requirements to plat the overall property; allow for the installation of individual septic systems and waive the requirement to connect to city sewer; waive the requirement to extend the city sewer main across the Hwy. 16 frontage; waive the requirement to build a sidewalk along Hwy. 16.

Mr. Baroody moved to approve the agreement; Ms. Eychner seconded the motion and it passed 5-0.

7H. Authorize execution of a contract for the water treatment plant clarifier equipment with WesTech Engineering, Inc. in the amount of \$513,852.00.
Item was rescheduled to a later date.

7I. Kerrville Sport Complex (KSC) improvement projects.

Ms. Boyle noted a balance of \$255,000 in the KSC project; she presented a prioritized list of projects, totaling \$248,500 that the parks and recreation advisory board had voted unanimously to recommend. On June 12 council approved \$70,400 for lights for the soccer fields.

Council and staff discussed base pads, scoreboards, soccer goals, fertilization versus vertigation, and replacing the in-field dirt.

The following person spoke:

1. Fred Speck, representing the Hill Country Youth Soccer Association, requested three pairs of larger soccer goals as the goals installed were for younger players.

Ms. Boyle noted the existing soccer goals were as per agreed by the HCYSA.

Mr. Baroody moved to direct staff to move forward with items 3, 4 and 5 on the list and to have further discussions about what to do with the rest of it later. Mr. Voelkel seconded the motion and it passed 5-0.

7J. Waiver of perimeter sidewalk construction, per City Code Section 26-36(f), for property located at 1208 First Street.

Mr. Paxton noted the zoning board of adjustment approved the variance to setback requirements. There were no sidewalks on the block and this was not a through street. Mr. Paxton noted that staff had denied the administrative waiver as there was adequate right of way width; however, he recommended approval of the waiver based on the conditions of the area.

Council discussed a timeline for the review of the sidewalk ordinance. Mr. McDaniel noted the committee to discuss this and other issues would be appointed in August.

Ms. Eychner moved to approve the waiver; Ms. Sigerman seconded the motion and it passed 5-0.

7K. Resolution No. 26-2018 creating a committee to review the Kerrville 2050 Comprehensive Plan regarding the issues of property maintenance and proactive code enforcement and authorizing council to make appointments thereto.

Mayor Blackburn noted this was the committee that discussed at the June 26 meeting when the comprehensive plan was approved. He proposed the committee review items in the plan that were of concern to two councilmembers.

Mr. Baroody stated that if majority of council did not see the issues as valid concerns, he saw no value in setting up another committee. It was important to get the mitigating factors right, and the committee as proposed did not address his concerns. His concern was not implementation, it was implementation without study of the effects of proactive code enforcement.

8. ITEMS FOR FUTURE AGENDAS

9. EXECUTIVE SESSION:

Mr. Baroody moved for the city council to go into executive closed session under Section 551.087 (deliberation regarding economic development negotiations) and Section 551.072 (deliberation regarding real property) of Chapter 551 of the Texas Government Code; the motion was seconded by Ms. Sigerman and passed 5-0 to discuss the following matters:

Section 551.087:

9.A Deliberation of the offer of financial or other incentive to a business prospect per Section 551.087 of the Texas Government Code.

Section 551.072:

9.B Deliberation of a lease and value of City's property located at 529 Water Street per Section 551.072 of the Texas Government Code

At 8:20 p.m. the regular meeting recessed. Council went into executive closed session at 8:23 p.m. At 9:17 p.m. the executive closed session recessed and council returned to open session at 9:18 p.m. No action was taken in executive session.

10. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY: None.

ADJOURNMENT: The meeting adjourned at 9:20 p.m.

APPROVED: 08/14/2018

ATTEST:

Bill Blackburn, Mayor

Brenda G. Craig, City Secretary