**AGENDA FOR REGULAR MEETING**

**KERRVILLE CITY COUNCIL**

**TUESDAY MAY 24, 2011, 6:00 P.M.**

**CITY HALL COUNCIL CHAMBERS**

**800 JUNCTION HIGHWAY, KERRVILLE, TEXAS**

# KERRVILLE CITY COUNCIL AGENDA
# REGULAR MEETING, TUESDAY, MAY 24, 2011, 6:00 P.M.
# CITY HALL COUNCIL CHAMBERS
# 800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

## CALL TO ORDER

**INVOCATION** offered by Nick and Michelle Hutchinson of the Salvation Army.

**PLEDGE OF ALLEGIANCE TO THE FLAG** led by Tivy Lady Antlers' softball team members: Megan Perez, Cody Turner, and Abi Poe, who are nominees to 28-4A All District.

## 1. VISITORS/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the Council. Prior to speaking, each speaker must fill out the speaker request form and give it to the City Secretary. 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. PRESENTATIONS:

2A. Proclamation proclaiming May 2011 as National Preservation Month.

2B. Proclamation commending the Kerrville Area Chamber of Commerce for their efforts in bringing KerrFest to the community.

## 3. 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 council approve the following items which will grant the Mayor or City Manager the authority to execute all documents necessary for each transaction:

3A. Approval of the minutes of the special budget meeting held May 4, and the regular meeting held May 10, 2011. (staff)

3B. Approval of an amendment to the funding agreement between the City of Kerrville, Texas Economic Improvement Corporation and Hewitt Engineering for a commercial improvement program grant.

3C. Approval of the request to waive park rental fees for the Second Sunday Serenades to be held in Louise Hays Park June 12, July 10, and August 14, 2011.

**END OF CONSENT AGENDA**

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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: May 20, 2011 at 3:00 pm and remained posted continuously for at least 72 hours proceeding the scheduled time of the meeting.

Teri Kinsey

Deputy City Secretary, City of Kerrville, Texas

## 4. ORDINANCE, FIRST READING:

4A. An ordinance amending Chapter 110, Article III "Water Management Plan" of the Code of Ordinances of the City of Kerrville, Texas, by amending stages one through three of water conservation measures to provide for a greater separation between days for authorized landscape watering; containing a cumulative clause; containing a savings and severability clause; providing a penalty for violation of any provision hereof; ordering publication; and providing other matters related to the subject. (staff)

## 5. CONSIDERATION AND POSSIBLE ACTION:

5A. A resolution in support of Kerr County's proposed 2011-12 Colonia fund application for a Texas community development block grant (TxCDBG) program assistance and authorizing the Mayor to execute an interlocal agreement with Kerr County. (staff)

5B. Interlocal agreements between Kerr County and the City of Kerrville for joint operations. (staff)

5C. Resolution authorizing the submission of a grant application to the United States Department of Justice Office of Community Oriented Policing Services – COPS hiring program. (staff)

5D. Disbursement of hotel occupancy tax funds. (staff)

5E. Update regarding Lower Colorado River Authority Transmission Services Corporation (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project PUC Docket No. 38354; City of Kerrville, Kerrville Public Utility Board, and City of Junction v. PUC, Cause No. D-1-GV-000324, in the 98th District Court of Travis County. (staff)

5F. Appointment of mayor pro tem. (staff)

## 6. INFORMATION AND DISCUSSION:

6A. Economic update. (staff)

## 7. BOARD APPOINTMENTS:

7A. Appointments to the economic improvement corporation. (staff)

7B. Appointment of councilmembers to various boards and commissions. (staff)

## 8. ITEMS FOR FUTURE AGENDA

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Teri Kinsey

Deputy City Secretary, City of Kerrville, Texas

## 9. 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.

## 10. EXECUTIVE SESSION:

The city council reserves the right to adjourn into executive session at any time to discuss any of the matters listed as permitted by law 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 matter:

Section 551.071:

- LCRA Transmission Services Corporation proposed McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties, Texas. Public Utility Commission of Texas (PUC) Docket No. 38354; City of Kerrville, Kerrville Public Utility Board, and City of Junction v. PUC, Cause No. D-1-GV-000324, in the 98th District Court of Travis County.

Section 551.074:

- Appointment of mayor pro tem.
- Discuss appointments to the economic improvement corporation.
- Discuss appointment of councilmembers to various boards and commissions.

## 11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

## 12. ADJOURNMENT.

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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: May 20, 2011 at 3:00 pm and remained posted continuously for at least 72 hours proceeding the scheduled time of the meeting.

Teri Kinsey

Deputy City Secretary, City of Kerrville, Texas

# Agenda Item:
**(Staff)**

2A. Proclamation proclaiming May 2011 as National Preservation Month.

**CITY OF KERRVILLE**
**MAYOR AND CITY COUNCIL**
800 Junction Highway
Kerrville, Texas 78028
830-257-8000 / www.kerrvilletx.gov

# PROCLAMATION

**WHEREAS,** Historic preservation is an effective tool for managing growth and sustainable development, revitalizing neighborhoods, fostering local pride and maintaining community character while enhancing livability; and

**WHEREAS,** Historic preservation is relevant for communities across the nation, both urban and rural, and for Americans of all ages, all walks of life and all ethnic backgrounds; and

**WHEREAS,** It is important to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped us as a people; and

**WHEREAS,** "Celebrating America's Treasures" is the theme for National Preservation Month 2011, cosponsored by **Kerrville Main Street** and the National Trust for Historic Preservation

**NOW, THEREFORE, I,** David Wampler, Mayor of the City of Kerrville, Texas, do proclaim **May 2011 as National Preservation Month,** and call upon the people of Kerrville to join their fellow citizens across the United States in recognizing and participating in this special observance.

**IN WITNESS WHEREOF,**
I have hereunto set my hand and caused the Seal of the City of Kerrville to be affixed hereto, the 24th day of May, 2011.

David Wampler, Mayor

# Agenda Item:
(Staff)

2B. Proclamation commending the Kerrville Area Chamber of Commerce for their efforts in bringing KerrFest to the community.

# CITY OF KERRVILLE

**MAYOR AND CITY COUNCIL**

800 Junction Highway
Kerrville, Texas 78028
830-257-8000 / www.kerrvilletx.gov


## PROCLAMATION

**WHEREAS,** The vision of the Kerrville Area Chamber of Commerce is to preserve and enhance the natural beauty and rich heritage of the Hill Country by encouraging responsible commerce and growth, by promoting opportunities for all citizens and by leaving a proud legacy for future generations; and

**WHEREAS,** The objective of the Kerrville Area Chamber of Commerce is to advance the economic base and enhance the quality of life of the Kerrville/Kerr County area; and

**WHEREAS,** The Kerrville Area Chamber of Commerce is sponsoring KerrFest on August 5-6, 2011, a celebration of family fun which will include a rodeo, chili cook-off, and brew festival at the Hill Country Youth Exhibition Center.

**WHEREAS,** The Kerrville Area Chamber of Commerce is partnering with the Convention and Visitors' Bureau to promote this event outside of the Kerrville and Kerr County area; and

**WHEREAS,** The Kerrville Area Chamber of Commerce is seeking support from both Kerr County and the City of Kerrville for this event, promoting Kerrville and Kerr County as a destination for the first weekend in August for a fun family event for both local and out of town visitors.

**NOW, THEREFORE,** I, David Wampler, Mayor of the City of Kerrville, Texas, on behalf the Kerrville City Council and the City of Kerrville, commend the Kerrville Area Chamber of Commerce for their efforts in bringing **KerrFest** to the community.

**IN WITNESS WHEREOF,**
I have hereunto set my hand and caused the Seal of the City of Kerrville to be affixed hereto, the 24th day of May, 2011.

David Wampler, Mayor

# Agenda Item:
(Staff)

3A. Approval of the minutes of the special budget meeting held May 4, and the regular meeting held May 10, 2011.

CITY COUNCIL MINUTES KERRVILLE, TEXAS
SPECIAL BUDGET MEETING May 4, 2011

On May 4, 2011, the Kerrville City Council special budget meeting was called to order by Mayor Wampler at 8:30 a.m. in the city hall council chambers, 800 Junction Highway.

MEMBERS PRESENT:

| | |
|---|---|
| David Wampler | Mayor |
| R. Bruce Motheral | Mayor Pro Tem |
| Gene Allen | Councilmember |
| T. Scott Gross | Councilmember |
| Stacie Keeble | Councilmember |

MEMBER ABSENT: None

STAFF PRESENT:

| | |
|---|---|
| Todd Parton | City Manager |
| Mike Hayes | City Attorney |
| Kristine Ondrias | Assistant City Manager |
| Brenda G. Craig | City Secretary |
| Travis Cochrane | Director of Information Technology |
| Mike Erwin | Director of Finance |
| Mindy Wendele | Director of Business Programs |
| Charlie Hastings | Director of Public Works |
| John Young | Police Chief |
| Kim Meismer | Director of General Operations |
| Mark Beavers | Asst. Fire Chief |

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

**DIRECTION TO CITY STAFF FOR PREPARATION OF THE CITY OF KERRVILLE FY12 BUDGET**:
Mr. Erwin noted the operating budget would be based on the funds remaining after capital projects were deducted from the revenue received. He reviewed the principles that staff would use in preparing the draft budget: expenditures not exceed revenues, maintain current tax levy, prioritize programs, fund priorities, no use of reserves, no change in water and sewer rates, and be self sufficient. Staff would begin prioritizing programs and identifying core services in each department.

Mr. Erwin estimated FY12 sales tax at $4.6 million, and the tax appraiser gave a preliminary estimate of $1,283,000,000 for FY12 taxable property. He provided revenue projections for all funding sources: i.e. services provided, other taxes (franchise fees), permits and fees, and fines and forfeitures. The unreserved fund balance in the general fund was 13%; the goal was 15%. He estimated the water/sewer (w/s) fund revenue at $8.8-9 million. The $1 sewer rate increase specifically designated for debt service, would build a $500,000 fund balance and generate $90,000 per month to cover the 2011 debt issuance and the anticipated 2012 debt issuance. The unrestricted net assets of the w/s fund totaled about $3 million. Starting with the FY13 budget, Mr. Erwin anticipated $2-3 million would be available annually for w/s capital projects, and he proposed that the city move to a pay-as-you-go plan for w/s projects. Mr. Erwin noted that debt service comprised 27% of the revenue in the w/s fund after the proposed 2012 issuance, and 13% of the revenue in the general fund.

Mr. Erwin and Mr. Parton also reported on the following:

- Allowable uses of 4B revenues. Reviewed the economic development strategic concept and the allowable uses for 4B funds.
- Anticipated revenue for the hotel occupancy tax fund and allowable uses.
- Proposed capital replacement equipment; anticipated $193,000 allocated in building maintenance for city hall would not be necessary if the city hall function was moved to the proposed downtown location. Items deferred in past budgets were becoming critical.
- Self sufficiency. Expenditures built around income; build sustainable core level.
- Reviewed general fund capital projects; total CIP at $4.6 million; would have to be funded with debt, but not proposing general fund debt in FY12.
- Tax rate at $0.5625; O&M (maintenance and operation) $0.489, and debt service at $0.0735
- The city's debt service rate was very low as compared to other cities.

**INTERLOCAL AGREEMENTS BETWEEN KERR COUNTY AND THE CITY OF KERRVILLE FOR JOINT OPERATIONS**:

Mr. Parton noted the county judge had expressed the county's May 2 proposal to be a one year funding agreement; the council had previously requested a three to five year agreement. The county's May 2 proposal included: $900,000 for fire/EMS (same as proposed by the city) to provide the same level of service; $200,000 for library services (city proposed $375,000) contingent upon the county receiving a $200,000 grant from the Cailloux Foundation for fire/EMS; and airport funding $175,000 each from the city and county (city proposed $165,000 each). Mr. Parton noted animal control was still under discussion and he had requested information from the county regarding the cost of shelter services only, if the city chose to provide animal control service in the city. Judge Tinley had also stated that the county was investigating creating emergency service districts (ESDs) to fund services in the future.

Councilmembers also discussed the following points:

- The city gave notice to the county in January that the contracts were voided and offered to negotiate new contracts; reviewed the history of the negotiation process.
- The council will not agree to budget above the nominal amount of the airport operating budget; the current airport contingency fund was more than sufficient.
- The airport board, without a budget amendment approved by the city and county, had authorized salary increases outside of the adopted budget.
- The county proposed to fund only $200,000 for the library contingent upon a grant

from the Cailloux Foundation for fire/EMS; no county funds would be allocated to the library. The $375,000 contribution requested by the city was only a portion of the operational cost; no maintenance or capital outlay had been included.

- The proposal from the county was only a one year commitment; the city requested three year minimum agreements with annual cost of living adjustments.
- The city was already providing animal control service in the city and should only contract with the county for shelter services. The county stated they could not afford to give the city animal control services and expected the city to provide the services that the county was being paid by the city's citizens to provide.
- The city offered the county a package for all services in January; the county was told it was a package, now the county proposed to cut out all county funding for the library and increase funding to the airport.
- The county's package was not fair to the city's citizens; 47% of the county's revenue came from inside the city limits.
- It was not acceptable for city citizens to carry the burden of providing services outside the city; the city council should protect the interest of the city's citizens foremost.

Upon consensus of the city council, Mayor Wampler instructed staff to prepare an FY12 budget that did not contemplate any contribution from the county; noting that the county's May 2 proposal provided insufficient funding to the library, and the city would not agree to an increase in the airport fund as the airport reserve fund was sufficient or excessive.

**ADJOURNMENT**. The meeting adjourned at 9:32 a.m.

APPROVED: ____________________ ____________________________

David Wampler, Mayor

ATTEST:

______________________________________

Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES KERRVILLE, TEXAS
REGULAR MEETING MAY 10, 2011

On May 10, 2011, the Kerrville City Council meeting was called to order by Mayor Wampler at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Reverend Tom Murray of St. Peter's Episcopal Church, followed by the Pledge of Allegiance led by Keith Ellis of the Military Officers Association of America.

MEMBERS PRESENT:

| | |
|---|---|
| David Wampler | Mayor |
| R. Bruce Motheral | Mayor Pro Tem |
| Gene Allen | Councilmember |
| Stacie Keeble | Councilmember |

MEMBER ABSENT:

| | |
|---|---|
| T. Scott Gross | Councilmember |

STAFF PRESENT:

| | |
|---|---|
| Todd Parton | City Manager |
| Mike Hayes | City Attorney |
| Kristine Ondrias | Assistant City Manager |
| Brenda G. Craig | City Secretary |
| Travis Cochrane | Director of Information Technology |
| Mike Erwin | Director of Finance |
| Kevin Coleman | Director of Development Services |
| Charlie Hastings | Director of Public Works |
| Tara LaMontia | Assistant to the City Manager |
| Robert Ojeda | Fire Chief |
| Kim Meismer | Director of General Operations |
| Daniel Schwartz | Library Director |

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

**1. VISITORS/CITIZENS FORUM**: No one spoke.

**2. CONSENT AGENDA**:

Mr. Parton requested item 2D be removed from the consent agenda.

Mr. Allen moved for approval of items 2A through 2C; Ms. Keeble seconded the motion and it passed 4-0:

2A. Approval of the minutes of the council informational meeting held April 15, special meeting held April 20, and the regular meeting held April 26, 2011.

2B. Authorize the city manager to execute the third option year of the initial contract with City-County Benefits Service for the period June 1, 2011-May 31, 2012, for employee benefits.

2C. Authorize the city manager to execute a change order to increase the construction contract with Nelson Lewis, Inc. for the construction of the Harper Road utility extension project from $2,520,564.40 to $2,703,592.40 for extending water and sewer mains to the west side of Harper Road.

**END OF CONSENT AGENDA**

2D. Resolution authorizing the submission of a grant application to the United States Department of Justice Office of Community Oriented Policing Services – COPS hiring program. Item was removed from the agenda.

**3. ORDINANCES, SECOND AND FINAL READING:**

3A. Ordinance No. 2011-07 annexing multiple tracts of land along with and including adjacent and intervening public right-of-way; said area totaling approximately 278.4 acres and located adjacent to the corporate limits of the city of Kerrville, Texas, when considered as a whole; and being generally located beginning northeast of the intersection of Morris Road and Town Creek Road, continuing in a northerly direction across and including Interstate 10 as it passes between the existing city limits, then continuing north and terminating at the James Avery Craftsman Campus, located on the corner of Harper Road (RR 783) and Avery Road; specifically describing the area to be annexed; adopting a service plan for the area annexed; and establishing the zoning for the area annexed. Mayor Wampler read the ordinance by title only.
Mr. Coleman noted no change since first reading and recommended approval.

Mr. Motheral moved for approval of Ordinance No. 2011-07 on second and final reading; Ms. Keeble seconded the motion and it passed 4-0.

3B. Ordinance No. 2011-08 annexing an approximate 43.72 acre tract of land, being all of a revision of Hartshorn Country Sites, a subdivision of record found at volume 7, page 148, plat records of Kerr County, Texas, and all of the James Avery Craftsman subdivision, a subdivision of record found at volume 7, page 149, plat records of Kerr County, Texas, and those portions of Avery Road North and Lessie Lane, public roads located within and between the two subdivisions; and said property lying adjacent to the corporate limits of the city of Kerrville, Texas, within the city's extraterritorial jurisdiction, and generally located at and east of the intersection of Harper Road (RR 783) and Avery Road North; providing a legal description of the tract to be annexed; adopting a service plan for the tract annexed; establishing the zoning for the area annexed by creating a "planned development district" for said area; making said district subject to certain conditions and restrictions; containing a cumulative clause; containing a savings and severability clause; establishing a penalty or fine not to exceed two thousand dollars ($2,000.00); ordering publication; and providing other matters relating to the subject. Mayor Wampler read the ordinance by title only.
Mr. Coleman noted no change since first reading and recommended approval.

Mr. Allen moved for approval of Ordinance No. 2011-08 on second and final reading; Mr. Motheral seconded the motion and it passed 4-0.

3C. Ordinance No. 2011-09 amending the city's "zoning code" to revise article 11-I-6 "zoning districts-central city" by creating a new zoning district, the central business district, which will include and rezone parts of current zoning districts C-11, C-12, residential transition, and all of zoning district C-18; providing for use regulations within the new district; and making other amendments to the zoning code to account for the new district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars($2,000.00); and ordering publication. Mayor Wampler read the ordinance by title only.

Mr. Coleman stated that the ordinance had been amended to include the lot at 600 Earl Garrett as instructed by council during first reading on April 26, 2011.

Ms. Keeble moved for approval of Ordinance No. 2011-09 on second and final reading; Mr. Motheral seconded the motion and it passed 4-0.

3D. Ordinance No. 2011-10 amending the city's "Zoning Code" to revise Article 11-I-19 "Special Development Regulations for Specific Uses" in its entirety to include changing the title of the article to "Supplementary Development Requirements" and adding development requirements to specific land uses within any 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); and ordering publication. Mayor Wampler read the ordinance by title only.

Mr. Coleman noted that technical edits had been made since first reading and staff recommended approval.

Ms. Keeble moved for approval of Ordinance No. 2011-10 on second and final reading; Mr. Motheral seconded the motion and it passed 4-0.

3E. Ordinance No. 2011-11 amending the city's "Zoning Code" to revise Article 11-I-20 "Off-Street Parking and Loading Requirements" in its entirety to make amendments which include increasing the parking requirements for various uses, requiring specific types of paving for parking lots, requiring stacking areas for uses utilizing drive-through services, requiring lights for parking lots used at night, and establishing an appeal process; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars ($2000.00); and ordering publication. Mayor Wampler read the ordinance by title only.

Mr. Coleman noted that technical edits had been made since first reading and staff recommended approval.

Mr. Motheral moved for approval of Ordinance No. 2011-11 on second and final reading; Ms. Keeble seconded the motion and it passed 4-0.

## 4. CONSIDERATION AND POSSIBLE ACTION:

4A. Interlocal agreements between Kerr County and the City of Kerrville for joint operations.

Mr. Parton compared the proposal adopted by the county commissioners' court on May 9 with the city's April 13 proposal and noted a net difference to the city of -$754,000 over a three year period. He stated that Judge Tinley informed him that the volunteer fire departments were requesting an increase in their allocation so the court voted to decrease the amount paid to the city for fire service by $100,000 to be distributed to VFDs. The city had requested funding for library services at the same level as three years ago, $375,000 each; the county proposal included zero participation from the county, but included $200,000 annually for three years contingent upon a grant to the county from the Cailloux Foundation in that amount. The city and county proposals were consistent for FY12 for: EMS ($400,000), airport ($165,000), and animal control ($368,160). Mr. Parton noted that he had discussed the matter with Mr. Gross, who was absent due to a business trip, and he did not support the city accepting the county's May 9 proposal.

Mayor Wampler noted to county had underfunded the services they received for many years and the city had tried since November 2010 to work out the agreements with the county with a sincere desire to provide the services; however the city could not continue to provide services to residents beyond the city limits without adequate compensation.

The following points were also discussed by the council:

- Airport: City should not provide any contribution to the airport operation.
- Animal control: the city citizens already paid for this service through their county taxes and should get the same level of service as county citizens outside the city limits.
- Library: 42% of the library use was by county residents outside the city.
- In addition to providing 47% of the county's income, the citizens of Kerrville have been subsidizing services to the county for many years.
- The city could not continue to fund the services being provided to the county; this was not sustainable and city had to operate within budget constraints.
- If the county accepted the $200,000 grant offered by the Cailloux Foundation, the net difference between the two proposals would only be a net difference of $75,000 from the county's budget for FY12.

Mayor Wampler, upon consensus of the council, instructed staff to proceed to prepare the budget and move forward without county participation or services for fire/EMS, no funding from the city to the county for animal control or airport, and no funding from the county for library services.

The following person spoke:
1. Carolyn Lipscomb stated that citizens of the city also paid county taxes and therefore were paying for fire/EMS through the city budget and the county budget. The county was not paying its fair share of the services, and she supported the council's decision.

4B. Possible amendment to Chapter 110 Utilities, Article III, water management plan, to change the days watering is allowed for water conservation stages 1, 2 and 3. (Councilmember Motheral)
Councilmember Motheral noted the current ordinance allowed landscape watering on two days for four consecutive days a week, i.e. Monday/Saturday for odd addresses and Tuesday/Sunday for even addresses. He proposed the ordinance be amended to change the watering schedule to Tuesday/Saturday and Wednesday/Sunday. Water customers would have the same number of days to water, but splitting the days more evenly would allow the city water system time to recharge.

Mr. Hastings noted the proposal made better sense from an operational standpoint.

The council also encouraged continued efforts for water conservation and it was noted that future population growth exceeded water availability.

The following person spoke:
1. David Lipscomb suggested that council also consider splitting the days for watering by automatic sprinklers so that drops in pressure would not occur.

Mr. Hastings noted that landscape watering should not affect water pressure under the current system and he would work with Mr. Lipscomb to try to resolve any issues.

4C. Update regarding Lower Colorado River Authority Transmission Services Corporation (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project PUC Docket No. 38354; City of Kerrville, Kerrville Public Utility Board, and City of Junction v. PUC, Cause No. D-1-GV-000324, in the 98th District Court of Travis County. No report given.

**5. INFORMATION AND DISCUSSION**:
5A. Library update.
Mr. Schwartz provided the circulation report for April 30 and noted a total of 3,142 patrons in April, and 236 people had checked out 6,403 books in the basket of books program.

5B. Economic update.
Mr. Erwin reported local unemployment at 6.3%, median home listing price at $210,000, sales tax $315,508, EIC tax $157,729, and hotel occupancy tax

$75,004; city revenues and expenditures were on target as budgeted.

## 6. ITEMS FOR FUTURE AGENDA

- Review of process for hotel occupancy tax allocations.

## 7. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Republican Women meeting on Friday, May 20 at 11:15 a.m. at the Inn of the Hills, guest speaker would be County Judge Pat Tinley.

## 8. EXECUTIVE SESSION:

Ms. Keeble moved for the city council to go into executive closed session under Section 551.072 (deliberation regarding real property) of the Texas Government Code; the motion was seconded by Mr. Allen and passed 5-0 to discuss the following matter:

Section 551.072:

- Discuss the purchase and value of a utility easement for use by the city for the Birkdale lift station and force main.

At 6:43 p.m. the regular meeting recessed and council went into executive closed session at 6:46 p.m. At 6:50 p.m. the executive closed session recessed and council returned to open session at 6:51p.m. Mayor Wampler announced that no action had been taken in executive session.

## 9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

Discuss the purchase and value of a utility easement for use by the city for the Birkdale lift station and force main

Mr. Allen moved to ratify action to acquire the easement; Ms. Keeble seconded the motion and it passed 4-0.

**ADJOURNMENT**. The meeting adjourned at 6:52 p.m.

APPROVED: ____________________ ______________________________

David Wampler, Mayor

ATTEST:

______________________________

Brenda G. Craig, City Secretary

# Agenda Item:
**(Staff)**

3B. Approval of an amendment to the funding agreement between the City of Kerrville, Texas Economic Improvement Corporation and Hewitt Engineering for a commercial improvement program grant.

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

**SUBJECT:** Consideration of an amendment to the funding agreement between the City of Kerrville, Texas Economic Improvement Corporation and Hewitt Engineering

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 13, 2011

**SUBMITTED BY:** Mindy N. Wendele, Director of Business Programs
**CLEARANCES:** Todd Parton, City Manager

**EXHIBITS:** Original funding agreement and amendment

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|---|---|---|---|
| $2,000.00 | $82,000.00 | $100,000.00 | |

**PAYMENT TO BE MADE TO:**
**REVIEWED BY THE FINANCE DIRECTOR:**

## SUMMARY STATEMENT

John Hewitt, owner of Hewitt Engineering, applied for and received 4B funds from the Commercial Improvement Program earlier this year in the amount of $8,000.00 for assistance with an interior and exterior restoration of a commercial building in the Main Street District. The maximum allowed by the program is $10,000.00.

Mr. Hewitt has satisfied all the requirements of the job creation according to laws governing Section 4B.

Due to unexpected expenses with the project Mr. Hewitt has requested the maximum allowed amount, or additional $2,000.00, to help defray the extra cost. The amendment request was heard by the EIC Board at their April 18 meeting to which they voted to amend the agreement and award Hewitt Engineering the funds.

## RECOMMENDED ACTION

Approve the amendment to the funding agreement.

# ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN HEWITT ENGINEERING, INC. AND THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

This Agreement entered into by and between HEWITT ENGINEERING, INC. ("Hewitt"), acting herein by and through its duly authorized Representative, John Hewitt ("Officer"); and the CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION ("EIC"), a Texas nonprofit corporation, established pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code (otherwise known as the Development Corporation Act of 1979 hereafter referred to as "the Act"), acting by and through its duly authorized President, Bill Crumrine, as authorized by the Board of Directors of the EIC ("Board").

**WITNESSETH:**

**WHEREAS,** EIC was formed to administer the sales and use tax approved by the citizens of Kerrville, Texas, in May 1995, and collected for the funding of various projects including:

> land, buildings, equipment, facilities, and improvements found by the Board to promote or develop new or expanded business enterprises that create or retain primary jobs, including, (1) a project to provide public safety facilities, streets and roads, drainage and related improvements, demolition of existing structures, general municipally owned improvements, and any improvements or facilities related to a project described by this subdivision; and (2) any other project that the Board in its discretion determines promotes or develops new or expanded business enterprises that create or retain primary jobs; and

**WHEREAS,** pursuant to Chapter 505 of the Act, the EIC is authorized to provide funding to construct projects which the EIC finds to be encompassed within the definition of "projects" as that word is defined by Chapters 501 and 505 of the Act; and

**WHEREAS,** the EIC adopted a Commercial Project Program ("Program") for the purpose of encouraging existing businesses to make improvements to their buildings; and

**WHEREAS,** for eligible projects, the Program will reimburse funding up to 20% of the cost of the improvement project, with any such reimbursement not to exceed $10,000; and

**WHEREAS,** the Program also provides funding up to 40% of the cost to tear down a building; and

**WHEREAS,** Hewitt has applied for a grant from the EIC under the Program to renovate a building within the downtown business district for the future use as an engineering office (the "Project"); and

**WHEREAS,** Hewitt is a consulting engineering firm that provides engineering services throughout the Hill Country and State of Texas to public and private clients; and

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**WHEREAS,** based upon Hewitt's application for Grant funding under the Program, the EIC finds that the Project promotes or develops new or expanded business enterprises that create or retain primary jobs, as that term is defined by the Act; and

**WHEREAS,** EIC has also determined that such a grant complies with the Act, is in keeping with the mission of EIC and the *City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures*, and is eligible for grant funding pursuant to the Program; and

**WHEREAS,** EIC finds that it will be in the public interest to enter into this Agreement with Hewitt to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to Hewitt for costs related to remodeling and improvements to its building; and

**WHEREAS,** on October 18, 2010, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, EIC held a public hearing pursuant to Section 501.072 of the Act related to the proposed expenditure of 4B revenues for the purposes provided above;

**NOW THEREFORE,** for and in consideration of the recitals set forth above and the promises made herein, Hewitt and EIC agree as follows:

## ARTICLE I.
## EIC'S OBLIGATIONS

A EIC hereby grants to Hewitt Eight Thousand and No/100 Dollars ($8,000.00) ("Grant") from 4B Revenues for costs related to the construction of improvements to the building located at 716 Barnett, Kerrville, Texas, 78028 (the "Property"). Hewitt will use this building as professional offices for an engineering firm. The Grant represents an amount which is slightly less than 20% of the total costs for the Project. Hewitt agrees that should the costs be reduced for any reason, EIC may reduce the Grant in accordance with the Program's funding limitations.

B. Subject to the terms and conditions set forth in Article II, the Grant shall be provided to Hewitt by EIC and EIC shall administer the Grant on a reimbursable basis. Prior to any payment from EIC, Hewitt must first submit written evidence of costs, such as invoices, receipts, and bills of sale for review and approval. Following each submission and verification thereof, which may include on-site inspections to confirm the construction and development of the Project, EIC shall then reimburse Hewitt for the cost.

C. Payments made by EIC to Hewitt from 4B Revenues shall be limited to the payments of "costs" as defined by the Act.

D. In no event shall the total amount of the Grant exceed Eight Thousand and No/100 Dollars ($8,000.00).

E. Hewitt specifically agrees that EIC shall only be liable to Hewitt for the actual amount of the Grant to be conveyed to Hewitt and shall not be liable to Hewitt for any other actual or



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consequential damages, direct or indirect, interest, attorney fees, or costs of court for any act of default by EIC under the terms of this Agreement.

## ARTICLE II.
## HEWITT'S OBLIGATIONS

A. Hewitt agrees to complete the Project on or before January 31, 2011. Failure to complete the Project by this date shall terminate the obligation of EIC to make any additional payments of the Grant.

B. Hewitt shall keep and maintain complete and accurate records relating to the costs of the Project, separate and identifiable from its other records, for three (3) years following the termination of this Agreement. EIC and its representatives shall be entitled to inspect the records during the term of this Agreement and for three (3) years thereafter, upon reasonable notice.

C. Following the initial payment from EIC to Hewitt, Hewitt shall make written monthly reports to EIC on or before the last day of the month. Said reports, at a minimum, shall include information on the status of the Project and its estimated completion date.

D. Hewitt shall only be liable to EIC for the actual amount of the Grant to be conveyed to Hewitt and shall not be liable to EIC for any other actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by Hewitt under the terms of this Agreement.

## ARTICLE III.
## REIMBURSEMENT

A. If, on January 31, 2011, Hewitt has failed to complete the Project, then Hewitt shall repay EIC the total amount of funding that the EIC has paid to Hewitt under this Agreement. The repayment shall be made as soon as commercially practicable after the receipt of a written demand by EIC, but in no event later than thirty (30) days from the receipt of such written demand. Upon repayment thereof, Hewitt shall have no further obligation under this Agreement. EIC shall have the discretion to consider relevant circumstances before demanding repayment and may require partial repayment in appropriate circumstances. Failure to reimburse EIC within thirty (30) days of Hewitt's receipt of such demand shall constitute a breach of this Agreement.

B. Notwithstanding any other provision in this Agreement, Hewitt shall in no event be required to repay any amount in excess of the Grant monies actually received under this Agreement.

## ARTICLE IV.
## MERGER, CONSOLIDATION OR CHANGE IN MANAGEMENT OF HEWITT OR CONVEYANCE OF PROPERTY

A. A sale of all or substantially all of the assets of Hewitt, including the Property, shall not release Hewitt from its duties and responsibilities to EIC under the terms of this Agreement



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and shall not result in the assignment of this Agreement by such acquiring entity without prior written consent from EIC, which will not be unreasonably withheld.

B. In the event of any proposed merger, consolidation, or change in the management of Hewitt with any third party not affiliated with Hewitt, Hewitt shall at least thirty (30) days prior to any such merger or consolidation provide EIC with information and assurance reasonably acceptable to EIC regarding: (1) the surviving entity's assumption and satisfaction of Hewitt's duties and responsibilities hereunder; and (2) the financial condition of the surviving entity upon such merger or other consolidation to demonstrate that the surviving entity shall have the financial condition to fully satisfy Hewitt's duties and responsibilities hereunder. Failure to provide such information shall be considered a breach of this Agreement.

C. Notwithstanding anything in this Agreement to the contrary, it is expressly understood and agreed that EIC shall have no rights to approve or disapprove any sale or merger transaction of any kind involving Hewitt. In the event of any sale or merger involving Hewitt, the surviving entity shall assume Hewitt's obligations and rights hereunder and be entitled to any and all benefits to be received pursuant to this Agreement.

## ARTICLE V.
## HEWITT'S REPRESENTATIONS AND WARRANTIES

A. Hewitt represents and warrants as of the date hereof:

(1) Hewitt is a Texas corporation existing in good standing and authorized to do business in the State of Texas;

(2) Execution of this Agreement has been duly authorized by Hewitt and this Agreement is not in contravention of Hewitt's articles of incorporation or bylaws, or any agreement or instrument to which Hewitt is a party or by which it may be bound as of the date hereof;

(3) No litigation or governmental proceeding is pending, or, to the knowledge of the Officer, threatened against or affecting Hewitt, which may result in a material adverse change in Hewitt's business, properties, or operations sufficient to jeopardize Hewitt's legal existence; and

(4) No written application; written statement; oral statement to either the EIC, an EIC Boardmember, or staff for the City of Kerrville; correspondence delivered by Hewitt to EIC in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of the Officer, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading.

B. Except as expressly set forth in this Article V, Hewitt makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.



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## ARTICLE VI.
## EIC'S REPRESENTATIONS AND WARRANTIES

A. EIC represents and warrants as of the date hereof:

(1) EIC, to the best of the knowledge of its Board, is legally authorized to enter into this Agreement by virtue of the Act and by the authorities and powers vested in it as a corporation duly and properly organized under the Act;

(2) Execution of this Agreement has been duly authorized by EIC;

(3) No litigation or governmental proceeding is pending, or, to the knowledge of any of EIC's officers, threatened against or affecting EIC, which may result in EIC's inability to meet its obligations under this Agreement; and

(4) EIC has no reasonable basis for believing that it has or will have incurred debts beyond its ability to pay as such debts mature, including but not limited to the obligations set forth in this Agreement.

B. Except as expressly set forth in this Article VI, the EIC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

## ARTICLE VII.
## MAJOR FORCES PREVENTING HEWITT FROM CARRYING OUT ITS OBLIGATIONS UNDER THIS AGREEMENT

If, by reason of force majeure, such as fire, flood, windstorm, drought, or other act of God, act of war, act of terrorism, labor strike, or economic downturn affecting Hewitt, Hewitt is reasonably unable to fulfill its obligations under this Agreement, Hewitt shall use reasonable and diligent efforts to rectify the situation to allow it to perform its obligations specified herein with all due haste. In the event that the situation cannot be rectified within six (6) months after the occurrence of the force majeure, either party may terminate this Agreement by providing thirty (30) days advance written notice to the other without further liability hereunder except that termination under this provision shall not excuse Hewitt from any applicable reimbursement obligations under Article III of this Agreement.

## ARTICLE VIII.
## CONDITIONS UNDER WHICH EIC MAY SUSPEND PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT

A. Under any of the following conditions EIC may, at its option, after fifteen (15) days written notice to Hewitt, suspend its further performance under this Agreement until such time as Hewitt shall have cured the condition(s) and so notified EIC, in writing, that the condition(s) have been cured:



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(1) Hewitt becomes insolvent. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.

(2) The appointment of a receiver of Hewitt, or of all or any substantial part of its Property, and the failure of such receiver to be discharged within sixty (30) days thereafter.

(3) The adjudication of Hewitt as bankrupt.

(4) The filing by Hewitt of a petition to be adjudged as bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

(B) Should any of these conditions not be cured by Hewitt within a period of one (1) month, EIC may, at its option, with written notice to Hewitt, terminate this Agreement and Hewitt shall have no further obligations hereunder.

## ARTICLE IX.
## REMEDIES

A. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, by any party hereto, or any successor to such party, such defaulting or breaching party (or successor) shall upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (30) days after receipt of such notice. In the event that remedial action is not taken or not diligently pursued and the default or breach shall not be cured or remedied within a reasonable time (but in no event later than ninety (30) days from the date of notification of such breach), the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to, seeking specific performance and/or injunctive relief, enforcement by mandamus or by the appointment of a receiver in equity with power to charge and collect rents, purchase price payments, and loan payments and to apply the revenues from the project in accordance with this Agreement, as required by the Act.

B. Upon breach of this Agreement by either party and the failure to cure as permitted by this Article IX, the non-breaching party shall have the sole right and discretion to either terminate this Agreement or pursue any and all remedies which may be provided by law and this Agreement. Each party acknowledges and agrees that no party hereunder shall be entitled to recover any amounts in excess of the Grant contracted for under this Agreement and that no party hereunder shall be liable to the other party for any other actual or consequential damages for any act of default by such party under the terms of this Agreement.

C. Any delay by any party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not, so long as the breach or default by another party shall be continuing, operate as a waiver of such rights or to deprive it of or limit such rights in any



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way; nor shall any waiver in fact be made by any party with respect to any specific default by any other party except to the extent specifically waived in writing.

## ARTICLE X.
## GENERAL PROVISIONS

A. Severability. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

B. Amendment. This Agreement may be amended only by written amendment signed by both parties.

C. Venue. All payments made pursuant to this Agreement and other obligations performed under this Agreement shall be made or performed in Kerrville, Kerr County, Texas. Venue shall lie in Kerr County, Texas; and this Agreement shall be governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.

D. Notices. All notices given with respect to this Agreement shall be in writing and shall be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

1. For EIC

President – Bill Crumrine
City of Kerrville, Texas, Economic Improvement Corporation
800 Junction Highway
Kerrville, Texas 78028
Facsimile: (830) 792-3850

*With a copy to*:

Mindy Wendele
Director of Business Programs
City of Kerrville
800 Junction Highways
Kerrville, Texas 78028



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Facsimile: (830) 792-3850
Email: mindy.wendele@kerrvilletx.gov

2. For Hewitt

John Hewitt
Hewitt Engineering, Inc.
100 Horseshoe Ridge
Kerrville, Texas 78028
Facsimile: (830) __________
Email: jmhewitt@stx.rr.com

E. Assignment. This Agreement shall be binding upon the parties hereto and their successors and assigns. Except as set forth in Article IV, this Agreement may not be assigned by either party without the specific prior written consent of the other, which consent will not be unreasonably withheld. In the event that a party consents to any valid assignment of this Agreement by the other party hereto, the assigning party shall be relieved of any and all obligations and liabilities on the part of such assigning party under this Agreement. Hewitt may, without written consent of EIC, assign this Agreement to any entity controlled and owned 100% by Hewitt or by the parent, subsidiary, or affiliate of Hewitt provided the entity assumes all of Hewitt's obligations and liabilities under this Agreement; agrees to comply with all provisions of this Agreement; has the legal, managerial, technical and financial ability to properly perform and discharge such obligations and liabilities; and such abilities are each at least as great as those of Hewitt and Hewitt provides a written guarantee of such assignee's performance in a form reasonably acceptable to EIC. EIC shall be advised in writing of such assignment and of the entity's qualifications at least thirty (30) days before such assignment occurs.

F. Parties In Interest. Nothing in this Agreement shall entitle any party other than Hewitt or EIC to any claim, cause of action, remedy or right of any kind except as expressly provided in Article IV.

G. Term. Subject to the required approvals, the term of this Agreement (the "Term") shall commence on October 27, 2010 (the "Effective Date"), and shall terminate on the earlier of: (i) January 31, 2011, or when the requirements set forth in this Agreement are completed; (ii) when terminated by mutual agreement of the parties; (iii) when terminated pursuant to Article IX, Paragraph B; (iv) when terminated pursuant to Article VIII; (v) at Hewitt's absolute discretion, upon Hewitt's return of all Grant funding to EIC that it has received under this Agreement; (vi) upon Hewitt's repayment of all monies that are demanded by EIC and are in fact required to be repaid by Hewitt under Article III; or, (vii) upon a termination of this Agreement by EIC pursuant to Article VIII. Upon termination of this Agreement as specified herein, all rights, duties and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.

H. Interpretation. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arms



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length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.

I. Indemnity. **IT IS UNDERSTOOD AND AGREED BETWEEN THE PARTIES THAT HEWITT, IN PERFORMING ITS OBLIGATIONS HEREUNDER, IS ACTING INDEPENDENTLY AND EIC, ITS OFFICERS, AND AGENTS ASSUME NO RESPONSIBILITY OR LIABILITY IN CONNECTION THEREWITH. HEWITT AGREES TO INDEMNIFY AND HOLD HARMLESS EIC, ITS OFFICERS AND AGENTS, AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS THAT MAY ARISE OUT OF OR BE OCCASIONED BY HEWITT'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT OR BY ANY NEGLIGENT ACT OR OMISSION OF HEWITT, ITS OFFICER, AGENTS, ASSOCIATES OR EMPLOYEES, IN THE PERFORMANCE OF THIS AGREEMENT; AND NOTHING HEREIN SHALL BE CONSTRUED AS A WAIVER OF ANY GOVERNMENTAL IMMUNITY AVAILABLE TO EIC UNDER TEXAS LAW.**

J. No Joint Venture. Nothing contained in this Agreement is intended by the parties nor do the parties intend to create a partnership or joint venture between the parties.

K. Survival of Terms. All rights, duties, liabilities and obligations accrued prior to termination shall survive termination.

L. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

EXECUTED AND EFFECTIVE, as of the date indicated above, by the City of Kerrville, Texas, Economic Improvement Corporation, by and through its Board President, duly authorized to execute same by action of the Board, and by Hewitt, acting through its duly authorized Officer.

CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

Bill Crummie

Bill Crumrine, President

ATTEST:

Alan R. Plamer

Secretary to Corporation

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

HEWITT ENGINEERING, INC.

By: John Hewitt

John Hewitt, President

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FA 2010-04 (amendment)

# FIRST AMENDMENT TO ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN HEWITT ENGINEERING, INC. AND THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION

THIS FIRST AMENDMENT TO ECONOMIC DEVELOPMENT GRANT AGREEMENT is entered into this 18th day of April, 2011, by and between Hewitt Engineering, Inc. ("Hewitt"), and the City of Kerrville, Texas Economic Improvement Corporation ("Corporation"), a Texas non-profit corporation established by the City of Kerrville, Texas, pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 (otherwise known as the Development Corporation Act of 1979 and hereafter called "the Act").

WITNESSETH:

**WHEREAS**, on October 18, 2010, Hewitt and Corporation entered into that certain agreement titled ***Economic Grant Agreement between Hewitt Engineering, Inc. and the City of Kerrville, Texas, Economic Improvement Corporation*** (the "Grant Agreement") in which Corporation agreed to provide to Hewitt an amount up to and not to exceed $8,000.00 in Corporation's sales tax revenues to be used to renovate a building within the downtown business district for the future use as an engineering office (the "Project"); and

**WHEREAS**, the Grant Agreement provided that Hewitt would complete construction of the Project on or before January 31, 2011, which Hewitt accomplished; and

**WHEREAS**, due to circumstances which required a change of contractors and increased costs, which were beyond Hewitt's control, Hewitt has requested that the EIC grant it an additional $2000.00, which amount, when added to the original grant, remains within the funding threshold for the EIC's Commercial Project Program; and

**WHEREAS**, Corporation finds that it is in the public interest to amend the Grant Agreement as requested by the Hewitt, to increase the amount of grant funding provided to Hewitt by $2000.00;

**NOW THEREFORE**, for and in consideration of the recitals set forth above and the promises made herein, Hewitt and Corporation agree as follows:

1. Paragraph A under Article I of the Grant Agreement is amended with deletions indicated by ~~strikeout~~ text and additions indicated by underlined text as follows:

**"ARTICLE I.**
**EIC'S OBLIGATIONS**

A. EIC hereby grants to Hewitt Ten ~~Eight~~ Thousand and No/100 Dollars ($10~~8~~,000.00) ("Grant") from 4B Revenues for costs related to the construction of improvements to the building located at 716 Barnett, Kerrville, Texas, 78028 (the "Property"). Hewitt will use this building as professional offices for an engineering firm. The Grant represents an amount which is slightly less than 20% of the total costs for

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the Project. Hewitt agrees that should the costs be reduced for any reason, EIC may reduce the Grant in accordance with the Program's funding limitations."

2. Except as amended herein, the provisions of the Grant Agreement remain in full force and effect.

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment in the year and as of the date indicated.

CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT
CORPORATION

William Crumrine, President

HEWITT ENGINEERNG, INC.

John Hewitt, President

ATTEST:

Alan Massey, Secretary

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

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# <u>Agenda Item:</u>
**(Staff)**

3C. Approval of the request to waive park rental fees for the Second Sunday Serenades to be held in Louise Hays Park June 12, July 10, and August 14, 2011.

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

**SUBJECT:** Waiver of park rental for the *Second Sunday Serenade* 2011 Events

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 13, 2011

**SUBMITTED BY:** Malcolm Matthews
Director of Parks and
Recreation

**CLEARANCES:** Kristine Ondrias
Assistant City Manager

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

| **Expenditure Required:** | **Current Balance in Account:** | **Amount Budgeted:** | **Account Number:** |
|---|---|---|---|
| $0 | $0 | $0 | N/A |

**PAYMENT TO BE MADE TO:** N/A
**REVIEWED BY THE FINANCE DIRECTOR:**

## SUMMARY STATEMENT

The *Second Sunday Serenade*, an annual event series of the Hill Country Youth Orchestra, is scheduled to occur for the 12th year in Louise Hays Park. These free performances will be held the evenings of June 12th, July 10th, and August 14th, at the Centennial Stage in the park. Prior year events have had the rental rates waived by the City of Kerrville because of the value of these free performances to the community.

The Bank of the Hills sponsors the event through underwriting all of the costs for the headline performers, the sound system and production, and free refreshments for the attendees. Parks and Recreation staff set-up and take-down the Centennial Stage performance tent, which requires 8 personnel and heavy equipment, and also provides traffic barricading during the event. In all, staff is on-site approximately 5 hours for each performance.

The performers for this year's events include Harry and the Hightones in June, Heart of Texas Concert Band in July, and Marshall Ford Swing Band featuring Emily Gimble in August. Prior to each of these main acts, the Hill Country Youth Orchestra performs, as well. These concerts have been well attended in the past and the public has always been appreciative to the Youth Orchestra, Bank of the Hills, and the City of Kerrville for providing free performing arts in our community. The rental waiver request for the stage and performance tent set-up is $600 per event.

## RECOMMENDED ACTION

Staff recommends approval of the rental waiver for the 2011 *Second Sunday Serenade* concerts.

# Agenda Item:

**(Staff)**

4A. An ordinance amending Chapter 110, Article III "Water Management Plan" of the Code of Ordinances of the City of Kerrville, Texas, by amending stages one through three of water conservation measures to provide for a greater separation between days for authorized landscape watering; containing a cumulative clause; containing a savings and severability clause; providing a penalty for violation of any provision hereof; ordering publication; and providing other matters related to the subject.

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

**SUBJECT:** First reading of an ordinance amending the days for landscape watering

**FOR AGENDA OF:** 5/24/11 **DATE SUBMITTED**: 5/17/11

**SUBMITTED BY:** Charlie Hastings CH
Public Works Director

**CLEARANCES:** Todd Parton
City Manager

**EXHIBITS:** Ordinance

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|---|---|---|---|
| $ | $ | $ | |

**PAYMENT TO BE MADE TO:**
**REVIEWED BY THE FINANCE DIRECTOR:**

## SUMMARY STATEMENT

At the May 10, 2011 Council Meeting, staff was directed to draft an amendment to the Water Conservation Ordinance that would change the Monday and Tuesday watering days to Tuesday and Wednesday respectively. The current watering schedule for odd addresses is Monday and Saturday, while that for even addresses is Tuesday and Sunday; both leave four days and 1 day between watering during a seven-day period. The amendment will allow for 3 and 2 days between watering during a seven-day period, with the added benefit of a day of rest for the water system every Monday.

## RECOMMENDED ACTION

The Director of Public Works recommends that Council adopt the amended ordinance as presented.

**CITY OF KERRVILLE, TEXAS**
**ORDINANCE NO. 2011-__**

**AN ORDINANCE AMENDING CHAPTER 110, ARTICLE III "WATER MANAGEMENT PLAN" OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, BY AMENDING STAGES ONE THROUGH THREE OF WATER CONSERVATION MEASURES TO PROVIDE FOR A GREATER SEPARATION BETWEEN DAYS FOR AUTHORIZED LANDSCAPE WATERING; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATION OF ANY PROVISION HEREOF; ORDERING PUBLICATION; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT**

**WHEREAS**, as a public water supplier, state law requires the City to adopt, manage, and enforce a water conservation plan; and

**WHEREAS**, in order to comply with state law, the City Council has previously adopted Chapter 110, Article III, of the City's Code of Ordinances, which sets out the City's Water Management Plan; and

**WHEREAS**, the Water Management Plan establishes the City's policy with respect to procedures to be followed and measures to be implemented regarding the use and conservation of water resources within the City; and

**WHEREAS**, based upon comments from water customers and with direction from City Council, staff recommends amending the Water Management Plan by changing Stages 1 through 3 to provide for a greater separation between days authorized for landscape watering; and

**WHEREAS**, the City Council of the City of Kerrville, Texas, finds that the amendments to the City's Water Management Plan are in the public interest and are necessary to protect the public health and safety;

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

**SECTION ONE.** Section 110-100 "Stage 1-Conservation measures." of the Code of Ordinances of the City of Kerrville, Texas, is amended by revising subsection (a)(1) by adding the language that is underlined in blue (<u>added</u>) and deleting the language that is bracketed and stricken in red (~~[deleted]~~) as follows:

**"Sec. 110-100. Stage 1-Conservation measures.**

(a) *Stage 1 conservation measures defined.* The following water conservation measures shall be in effect at 12:01 a.m. on the day following notice of the declaration of Stage 1-Moderate water conservation conditions:

(1) Landscape watering with hose-end sprinklers or automatic irrigation systems is prohibited at all times except on the following days between the hours of 6:00 a.m. and 10:00 a.m. and between the hours of 8:00 p.m. and 12:00 a.m.:

a. On [~~Mondays~~] Tuesdays and Saturdays for street addresses whose last digit ends in an odd number; or

b. On [~~Tuesdays~~] Wednesdays and Sundays for street addresses whose last digit ends in an even number."

**SECTION TWO.** Section 110-101 "Stage 2-Conservation measures." of the Code of Ordinances of the City of Kerrville, Texas, is amended by revising subsection (a)(1) by adding the language that is underlined in blue (added) and deleting the language that is bracketed and stricken in red (~~[deleted]~~) as follows:

**"Sec. 110-101. Stage 2-Conservation measures.**

(a) *Stage 2 conservation measures defined.* The following water conservation measures shall be in effect at 12:01 a.m. on the day following notice of the declaration of Stage 2-Critical water conservation conditions:

(1) Landscape watering with hose-end sprinklers or automatic irrigation systems is prohibited at all times except on the following days between the hours of 6:00 a.m. and 9:00 a.m. and between the hours of 8:00 p.m. and 10:00 p.m.:

a. On [~~Mondays~~] Tuesdays and Saturdays for street addresses whose last digit ends in an odd number; or

b. On [~~Tuesdays~~] Wednesdays and Sundays for street addresses whose last digit ends in an even number."

**SECTION THREE.** Section 110-102 "Stage 3-Conservation measures." of the Code of Ordinances of the City of Kerrville, Texas, is amended by revising subsection (a)(1) by adding the language that is underlined in blue (added) and deleting the language that is bracketed and stricken in red (~~[deleted]~~) as follows:

**"Sec. 110-101. Stage 2-Conservation measures.**

(a) *Stage 3 conservation measures defined.* The following water conservation measures shall be in effect at 12:01 a.m. on the day following notice of the declaration of Stage 3-Crucial water conservation conditions:

(1) Landscape watering with hose-end sprinklers or automatic irrigation systems is prohibited at all times except on the following days between the hours of 6:00 a.m. and 9:00 a.m.:

a. On [~~Mondays~~] Tuesdays and Saturdays for street addresses whose last digit ends in an odd number; or

b. On [~~Tuesdays~~] Wednesdays and Sundays for street addresses whose last digit ends in an even number."

**SECTION FOUR.** The City Secretary is authorized and directed to submit this Ordinance to the publisher of the City's Code of Ordinances and the publisher is authorized to amend said Code to reflect the amendments adopted herein and to correct typographical errors and to index, format, and number and letter paragraphs to the existing Code, as appropriate.

**SECTION FIVE.** The provisions of this Ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein, including Ordinances 2004-04, 2007-12, and 2010-08; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.

**SECTION SIX.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The Council of the City of Kerrville, Texas, hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

**SECTION SEVEN.** The penalty for violation of this Ordinance shall be in accordance with that general penalty provision contained in Chapter 1 of the Code of Ordinances of the City of Kerrville, Texas, which provides for a fine not exceeding TWO THOUSAND DOLLARS ($2,000.00). Each continuing day's violation under this Ordinance shall constitute a separate offense.

**SECTION EIGHT.** In accordance with Section 3.07 of the City Charter and Texas Local Government Code §52.013(a), the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

**SECTION NINE.** In accordance with Section 3.07 of the City Charter, this Ordinance shall become effective from and after ten (10) days after publication of the caption of this Ordinance.

**PASSED AND APPROVED ON FIRST READING, this the _____ day of __________________, A.D., 2011.**

**PASSED AND APPROVED ON SECOND AND FINAL READING, this the _____ day of _____________, A.D., 2011.**

______________________________
David Wampler, Mayor

ATTEST:

______________________________
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

______________________________
Michael C. Hayes, City Attorney

T:\LEGAL\PUBLIC WORKS\WATER PRODUCTION\CONSERVATION-DROUGHT\WATER MANAGEMENT PLAN_AMEND WATERING DAYS FOR STAGES 1-3_051811.DOC

# Agenda Item:
**(Staff)**

5A. A resolution in support of Kerr County's proposed 2011-12 Colonia fund application for a Texas community development block grant (TxCDBG) program assistance and authorizing the Mayor to execute an interlocal agreement with Kerr County.

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

**SUBJECT:** Resolution and Interlocal Agreement supporting Kerr County's proposed 2011-12 Colonia Fund application for wastewater service in Kerrville South

**FOR AGENDA OF:** 5/24/11 **DATE SUBMITTED**: 5/20/11

**SUBMITTED BY:** Charlie Hastings, P.E. CH Public Works Director

**CLEARANCES:** Mike Wellborn, P.E. MW Director of Engineering

**EXHIBITS:** Map, Resolution, Interlocal Agreement

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|---|---|---|---|
| $ | $ | $ | |

**PAYMENT TO BE MADE TO:**
**REVIEWED BY THE FINANCE DIRECTOR:**

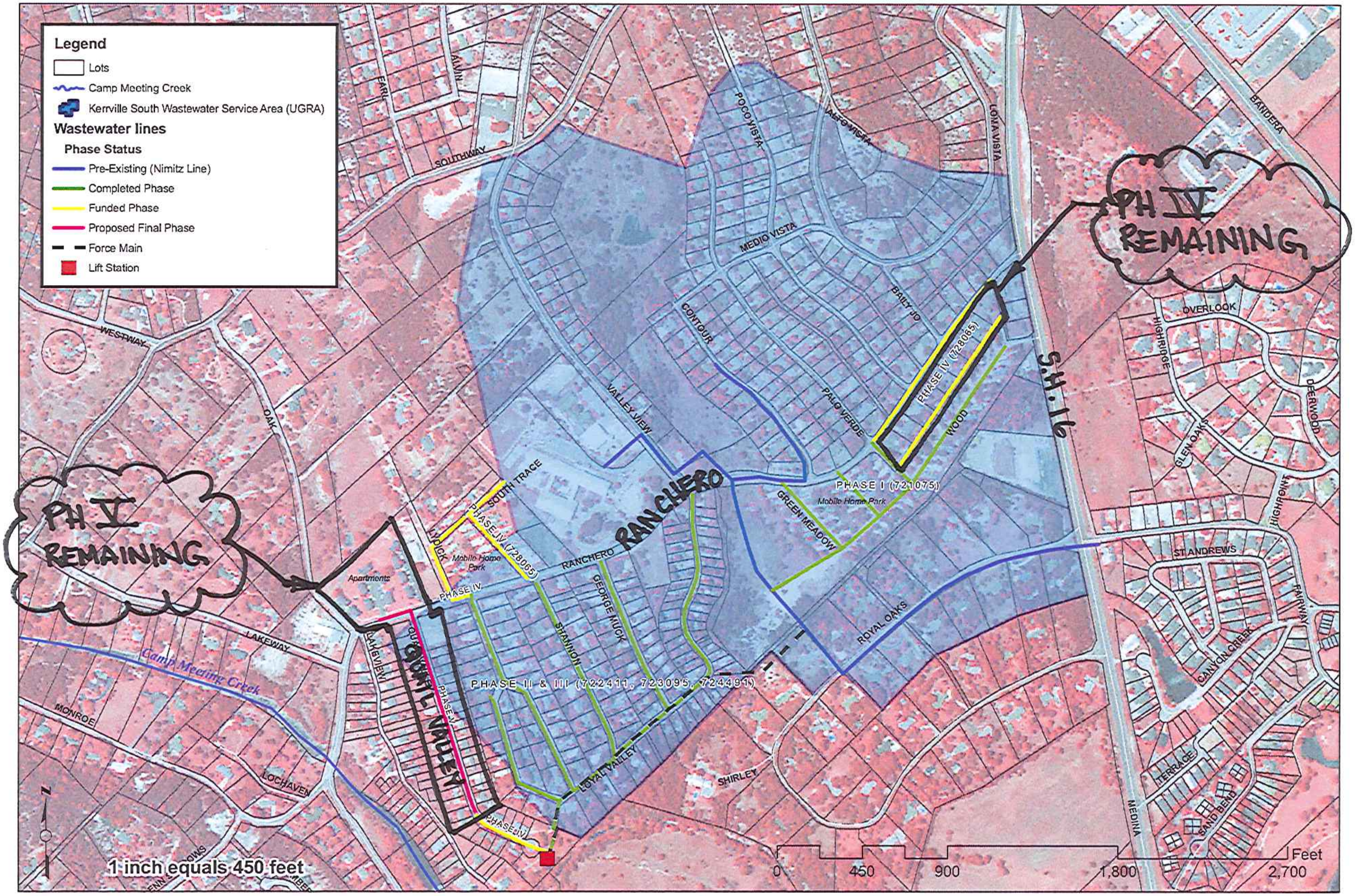
## SUMMARY STATEMENT

Kerrville entered into an interlocal agreement with UGRA several years ago to get the Kerrville South Colonia areas off of septic systems that were causing health and safety issues for Camp Meeting Creek and the Guadalupe River. UGRA provided the grant match for each phase of construction, the County made the grant applications, and Kerrville provided treatment of the wastewater. The agreement had a clause in it that stated UGRA could cause the City to purchase and become the operator of the Kerrville South Sewer System, this clause was enacted in 2008 and Kerrville now owns and operates the system despite it being outside the city limits. There are a total of five phases in the original agreement to receive wastewater service, with a portion of Phase IV (duplexes on Ranchero Road) and all of Phase V (homes on Quail Valley and apartments nearby) remaining to close out the project per the attached map. The Kerr County Commissioners' Court is in the process of making application to receive $500,000 from the Texas Community Development Block Grant Program (TxCDBG) to finish construction of this wastewater service, they will also provide a required 5% grant match; Kerrville has no obligation to participate in the grant match and would become the owner of the system upon final acceptance of the improvements. The grant application is due June 3, 2011 with engineering scheduled for the summer of 2012 and construction scheduled for calendar year 2013. The Kerrville Engineering Department has reviewed the conceptual sewer system improvements and noted deficiencies in the Kerrville South Lift Station as well as downstream deficiencies on Sand Bend Drive that will need to be upgraded as part of this project (the primary deficiency in the lift station is undersized pumps, while the downstream deficiency is 200 linear feet of 8" diameter sewer pipe on Sand Bend Drive that will need to be upgraded to a 12" diameter sewer pipe). Both deficiencies are being included as part of the grant application, and Kerrville has no financial obligation to participate in the grant or the upgrades. Kerr County is requesting that Kerrville support their application by adopting a resolution and entering into an interlocal agreement, both of which will be included in their application to the TxCDBG.

Concerning the TxCDBG: since 1971, the U.S. Department of Housing and Urban Development (HUD) has allocated more than $132 billion in community grants nationwide. Under the Community Development Block Grant Program, states such as Texas can improve the housing conditions and city services for low-income residents. Each state has specific criteria for community grant development. The Texas Department of Rural Affairs has information regarding community development grants for interested parties.

## RECOMMENDED ACTION

The Director of Public Works recommends that Council adopt the Resolution and Interlocal Agreement as attached and presented herein.



Legend
Lots
Camp Meeting Creek
Kerrville South Wastewater Service Area (UGRA)
Wastewater lines
Phase Status
Pre-Existing (Nimitz Line)
Completed Phase
Funded Phase
Proposed Final Phase
Force Main
Lift Station
PH IV REMAINING
PH V REMAINING
S.H. 16
RANCHERO
QUAIL VALLEY
PHASE IV (728065)
PHASE I (721075)
PHASE II & III (722411, 723095, 724491)
PHASE IV
PHASE V
Mobile Home Park
Apartments
SOUTH TRACE
LYDICK
GEORGE MUCK
SHANNON
LOYAL VALLEY
ROYAL OAKS
GREEN MEADOW
WOOD
PALO VERDE
BAILY JO
CONTOUR
VALLEY VIEW
MEDIO VISTA
POCO VISTA
ALTO VISTA
LOMA VISTA
SOUTHWAY
ALVIN
EARL
WESTWAY
OAK
LAKEWAY
LAKEVIEW
MONROE
LOCHAVEN
SHIRLEY
MEDINA
BANDERA
OVERLOOK
HIGHRIDGE
GLEN OAKS
DEERWOOD
HIGHPOINT
ST ANDREWS
FAIRWAY
CANYON CREEK
TERRACE
SAND BEND
Camp Meeting Creek
N
1 inch equals 450 feet
0
450
900
1,800
2,700
Feet

**CITY OF KERRVILLE, TEXAS**
**RESOLUTION NO. ____-2011**

**A RESOLUTION IN SUPPORT OF KERR COUNTY'S PROPOSED 2011-12 COLONIA FUND OF THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (TxCDBG) AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH KERR COUNTY**

**WHEREAS,** residents of the Kerrville South colonia area; as determined and designated by Kerr County, lack public wastewater service and instead rely on private septic systems; and

**WHEREAS,** the City has the capacity to provide public wastewater service to the Kerrville South colonia area in an effort to promote public health and to protect water sources; and

**WHEREAS,** Kerr County is an eligible applicant for a 2011-12 Colonia Fund of the Texas Community Development Block Grant Program (TxCDBG) and has officially stated its interest in securing public wastewater service for the Kerrville South colonia area; and

**WHEREAS,** based on the above, the City Council finds it to be in the public interest to support Kerr County in its application for a TxCDBG and to enter into an Interlocal Agreement with the County with respect to the City's acceptance of the resulting project following construction;

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

**SECTION ONE.** The City supports the submission of the Colonia Fund of the Texas Community Development Block Grant Program by Kerr County to the Texas Department of Rural Affairs in the amount of $500,000 to construct public wastewater system improvements benefiting the Kerrville South colonia area.

**SECTION TWO.** The City authorizes the Mayor to execute the Interlocal Agreement with Kerr County, attached as **Exhibit A**, regarding the construction, transfer, maintenance, and operation of facilities constructed through this project and the provision of service to households benefiting from this project. The agreement provides that the City is not participating in or subject to any costs.

**PASSED AND APPROVED ON this the ____ day of ________ A.D., 2011.**

______________________
David Wampler, Mayor

ATTEST:

________________________________

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

L:\Legal\PUBLIC WORKS\Reso\Kerrville South Resolution 052411.doc

EXHIBIT "A"

# D R A F T 5/20/11 COK

**STATE OF TEXAS** §

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

**TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT**
**2011-12 COLONIA FUND**

**KERR COUNTY** §

This AGREEMENT is made between KERR COUNTY, TEXAS, hereinafter referred to as the COUNTY, acting through its Commissioners' Court, and the CITY OF KERRVILLE, hereinafter referred to as the CITY, acting through its City Council.

The COUNTY agrees to use grant funds from its Program Year 2011-12 Texas Community Development Block Grant Colonia Fund Contract that COUNTY has applied for and if awarded, will be solely responsible for, to construct improvements to the CITY's public sewer system in the Kerrville South Colonia area and also upgrades to the public sewer system ~~in~~along Sand Bend Drive, if such is awarded to the COUNTY by the Texas Department of Rural Affairs (TDRA), hereinafter referred to as the GRANT. The term of this Agreement shall be from June 3, 2011, until the GRANT, if awarded, is administratively closed by TDRA. However, in any event, this Agreement shall terminate on ______________, 20__. Either party may terminate this Agreement with thirty (30) days written notice to the other party.

The COUNTY shall:

1. ~~Endeavor to e~~Execute its GRANT responsibilities in a timely and efficient manner.
2. Be the repository of all receipts and documentation pertinent to the GRANT and furnish such to TDRA and CITY upon ~~its~~ request.
3. Serve as the primary contact in all matters pertaining to the GRANT and the conduit for communication between itself, the CITY, and TDRA.
4. Require its project engineer to develop all schedules, plans and specifications, including any bid alternates or subsequent modifications, in consultation with and approval by CITY staff.
5. Require its project engineer to use the current City of Kerrville Standard Specifications for Subdivision Construction design criteria with a provision that design flows from the proposed lift station improvements ~~can~~not exceed 175 gallons per minute.
6. Provide pre-bid project design plans and specifications to the CITY staff for its review and approval prior to bid authorization by the COUNTY.
7. Enter into a contract with a qualified contractor to construct GRANT improvements in accordance with the CITY-approved plans and specifications.
8. Gain CITY staff approval of change orders prior to their submittal to TDRA for review or approval ~~by the COUNTY~~.
9. Maintain at its sole discretion the option to approve construction contracts or change orders that would result in any obligation to pay for costs that exceed available GRANT funds.
10. Ensure that the CITY shall not be responsible for any ~~GRANT-related~~ costs with respect to the GRANT, this Agreement, or the project.
11. Require construction contractor(s) to comply with CITY requirements regarding the CITY's inspection and oversight.
12. Transfer all GRANT improvements to the CITY upon approval of the Certificate of Construction Completion and Final Acceptance as issued by the CITY. In order to effectuate

**Comment [MCH1]:** I don't understand what this means. It also seems to conflict with 4,6, & 8 above.

the transfer, the COUNTY shall prepare and send to the CITY a bill-of-sale or comparable instrument, to legally convey and transfer such improvements to the CITY.

13. Pay all ~~Provide any~~ matching funds ~~that it has separately committed by resolution of its Commissioners' Court~~required by the GRANT.

~~13.~~14. In the event that the COUNTY is awarded the GRANT and proceeds with the project, the COUNTY shall complete the full scope of the project and shall be solely be responsible for any deficiencies in funding or cost overruns.

The CITY shall:

1. Provide reasonable assistance to COUNTY requests for information required to fulfill the COUNTY'S obligations under the GRANT.
2. ~~Offer to p~~Provide public sewer services to all beneficiaries of this project at its officially adopted utility rates, which CITY, in its sole discretion, may change at any time with or without notice to COUNTY.
3. Accept ownership and responsibility for maintenance and operation of all GRANT improvements upon transfer by the COUNTY at the time the Certificate of Construction Completion is approved and upon Final Acceptance as issued by the CITY.
4. ~~3.~~4. Not be responsible for any costs resulting from the project, other than staff time for review and City inspections.

The parties further agree that any GRANT funds provided by the COUNTY are without warranty of any kind to the CITY or any third party~~, and the CITY hereby agrees, to the extent allowable by law, to defend, hold harmless, and indemnify the COUNTY, its officers, agents, and employees for any claims for injury or death of any person or any property damage arising out of the COUNTY'S performance of its obligations under this Agreement~~. Nothing herein shall be construed to create any rights in third parties.

| | |
|---|---|
| **KERR COUNTY, TEXAS** | **CITY OF KERRVILLE** |
| ______________________ | ______________________ |
| **Pat Tinley**<br>**County Judge** | **David Wampler**<br>**Mayor** |
| ______________________ | ______________________ |
| DATE | DATE |
| ATTEST: | Attest: |
| ______________________ | ______________________ |
| **Jannett Pieper**<br>**County Clerk** | **Brenda Craig**<br>**City Secretary** |

# Agenda Item:
**(Staff)**

5B. Interlocal agreements between Kerr County and the City of Kerrville for joint operations.

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

**SUBJECT:** Discussion and consideration of interlocal agreements between the City of Kerrville and Kerr County for joint operations.

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 19, 2011

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

**EXHIBITS:** County Proposal Dated 5/18/11

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

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

**PAYMENT TO BE MADE TO:**
**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

The Kerr County Commissioners Court took action regarding a proposal for an interlocal services agreement pursuant to fire services, emergency medical services, library operations, animal control services, and airport services. The attached spread sheet shows the financial contribution proposed by the county. This offer has been duly voted on by the court. Included within the court's action was a decision to proceed with a request for proposal process for emergency medical services should the City Council reject this offer.

The basic terms of the offer are as follows:
1. 3-Year Term (Fiscal Years 2012, 2013, and 2014);
2. Annual Inflationary Adjustment of 3% for Fire and EMS Contributions Only;
3. County Cash Contributions as Follows:
    a. Fire = $500,000,
    b. EMS = $400,000,
    c. Library = $200,000 (Contingent Upon the Cailloux Grant),
    d. Airport = $175,000 (Contributed by Each Party); and
4. Animal Control and Animal Shelter Services to be Provided to City Residents at no Cash Contribution by the City of Kerrville.

This proposal covers the city's projected cost to extend fire and EMS operations into the county. It fails to fully cover the cost to the city to provide library services to noncity residents, a cost of $106,000 to city taxpayers. Presuming the value of animal control services to be $100,000 to Kerrville residents, the provision of animal control services at no cash contribution from the city helps to offset the cost of library services.

## RECOMMENDED ACTION

Staff recommends that the City Council approve the county proposal with the condition that agreements be approved and executed by both parties by July 1, 2011.

# City and County Interlocal Agreement
## County Proposal - 5/18/2011

| Service | FY 11 Approved Budget | | | County Proposal 5-18-11 Year 1 | | | County Proposal 5-18-11 Year 2 | | | County Proposal 5-18-11 Year 3 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | City | County | TOTAL | City | County | TOTAL | City | County | TOTAL | City | County | TOTAL |
| Fire | $ 3,575,048 | $ 190,550 | $ 3,765,598 | $ 3,265,598 | $ 500,000 | $ 3,765,598 | $ 3,363,566 | $ 515,000 | $ 3,878,566 | $ 3,464,473 | $ 530,450 | $ 3,994,923 |
| EMS | $ 2,282,997 | $ 242,335 | $ 2,525,332 | $ 2,125,332 | $ 400,000 | $ 2,525,332 | $ 2,189,092 | $ 412,000 | $ 2,601,092 | $ 2,254,765 | $ 424,360 | $ 2,679,125 |
| Library* | $ 484,674 | $ 200,000 | $ 684,674 | $ 485,000 | $ 200,000 | $ 685,000 | $ 485,000 | $ 200,000 | $ 685,000 | $ 485,000 | $ 200,000 | $ 685,000 |
| Animal Control | $ - | $ 400,000 | $ 400,000 | $ - | $ 400,000 | $ 400,000 | $ - | $ 400,000 | $ 400,000 | $ - | $ 400,000 | $ 400,000 |
| Airport | $ - | $ 393,244 | $ 393,244 | $ 175,000 | $ 175,000 | $ 350,000 | $ 175,000 | $ 175,000 | $ 350,000 | $ 175,000 | $ 175,000 | $ 350,000 |
| TOTAL | $ 6,342,719 | $ 1,426,129 | $ 7,768,848 | $ 6,050,930 | $ 1,675,000 | $ 7,725,930 | $ 6,212,658 | $ 1,702,000 | $ 7,914,658 | $ 6,379,238 | $ 1,729,810 | $ 8,109,048 |

*** Library contribution contingent upon the Cailloux grant offer.**

### NET CHANGE TO KERR COUNTY

| Net Change in Cost to Kerr County Year 1 | |
|---|---|
| County Change from FY2011 | $ 248,871 |
| Cailloux Grant | $ (200,000) |
| Net Change | $ 48,871 |

| Net Change in Cost to Kerr County Year 2 | |
|---|---|
| County Change from FY2012 | $ 188,728 |
| Cailloux Grant | $ (200,000) |
| Net Change | $ (11,272) |

| Net Change in Cost to Kerr County Year 3 | |
|---|---|
| County Change from FY2013 | $ 194,390 |
| Cailloux Grant | $ (200,000) |
| Net Change | $ (5,610) |

TOTAL ALL YEARS
$ 31,989

### NET CHANGE TO KERRVILLE

| Net Change in Cost to Kerrville Year 1 | |
|---|---|
| City Change from FY2011 | $ (291,789) |
| Net Change | $ (291,789) |

| Net Change in Cost to Kerrville Year 2 | |
|---|---|
| City Change from FY2012 | $ 161,728 |
| Net Change | $ 161,728 |

| Net Change in Cost to Kerrville Year 3 | |
|---|---|
| City Change from FY2013 | $ 166,580 |
| Net Change | $ 166,580 |

TOTAL ALL YEARS
$ 36,519

NOTES:
1. Based upon a minimum term of 3 years for interlocal agreements.
2. Costs shown to escalate 3% each year for years 2 and 3.
3. County library contribution contingent on Cailloux funding.
4. Animal control run and managed by the County.
5. Library run and managed by the City.

| Library Allocation Calculation | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Budget | | | City Allocation | | | | County Allocation | | | |
| | | | Expenditures | | Revenues | | Expenditures | | Revenues | |
| Expenditures | Revenues | Net Expenses | Amount | % Net Expense | Amount | % Revenues | Amount | % Net Expense | Amount | % Revenues |
| $ 700,000 | $ 20,000 | $ 680,000 | $ 374,000 | 55% | $ 11,000 | 55% | $ 306,000 | 45% | $ 9,000 | 45% |

NOTES:
1. Based upon library utilization analysis - 42% county resident who is not a City of Kerrville resident.
2. Provides for a distribution of revenues according to library utilization analysis.
3. Calculation represents fixed financial commitment for year 1 w/escalators for years 2 and 3 per draft agreement.

| Animal Shelter Calculation | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Budget | | | City Allocation | | | | County Allocation | | | |
| | | | Expenditures | | Revenues | | Expenditures | | Revenues | |
| Expenditures | Revenues | Net Expenses | Amount | % Net Expense | Amount | % Revenues | Amount | % Net Expense | Amount | % Revenues |
| $ 238,239 | $ 120,000 | $ 118,239 | $ 59,120 | 50% | $ 60,000 | 50% | $ 59,120 | 50% | $ 60,000 | 50% |

NOTES:
1. Calculation represents fixed financial commitment for year 1 w/escalators for years 2 and 3 per draft agreement.
2. County cost allocation to shelter includes *total costs* for the *entirety* of the Animal Control Department for the following:
   - Facility Manager (Animal Control Director)
   - Part Time Salary
   - Vet Services
   - Postage
   - Office Supplies
   - Uniforms Boots
   - Operating Expense
   - Vehicle Gas, Oil and Maintenance
   - Telephone
   - Utilities
   - Radio Repairs
   - Lease Copier
   - Insurance

**City of Kerrville Animal Control Operations Contribution**

| Assistant Animal Control Officer | |
|---|---|
| Salary | $ 29,929 |
| FICA | $ 2,290 |
| Group Ins. | $ 6,815 |
| Retirement | $ 4,221 |
| **TOTAL** | **$ 43,255** |
| **90% Utilization $** | **38,929.50** |

NOTES:
1. Assumes that 10% of time will be spent on County-wide services.
2. Services provided according to same means and methods provided currently.

**TOTAL CITY COMMITMENT FOR ANIMAL CONTROL SHELTER AND ANIMAL CONTROL SERVICES (Rounded)**

| | |
|---|---|
| Animal Control Shelter | $ 60,000 |
| Animal Control Operations | $ 40,000 |
| **TOTAL COMMITMENT** | **$ 100,000** |

NOTES:
1. Calculation represents fixed financial commitment for year 1 w/escalators for years 2 and 3 per draft agreement.

# Agenda Item:
**(Staff)**

5C. Resolution authorizing the submission of a grant application to the United States Department of Justice Office of Community Oriented Policing Services – COPS hiring program.

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

**SUBJECT:** Approval of a grant application to U.S. Department of Justice Office of Community Oriented Policing Services- COPS Hiring Program

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 13, 2011

**SUBMITTED BY:** Chief John Young **CLEARANCES**: Todd Parton, City Manager

**EXHIBITS:** Resolution

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|---|---|---|---|
| $ | $ | $ | |

**PAYMENT TO BE MADE TO:**
**REVIEWED BY THE FINANCE DIRECTOR:**

## SUMMARY STATEMENT

The Kerrville Police Department is submitting a grant application to the U.S. Department of Justice Office of Community Oriented Policing Services – COPS Hiring Program (CHP) requesting funding to hire two (2) law enforcement officers to fill our existing unfunded vacancies. Just over $200 million in grant funding is available for the hiring or rehiring of career law enforcement officers.

FY 2011 CHP grants will provide 100 percent funding for approved entry-level salaries and benefits for three years (36 months) for newly-hired, full-time sworn officer positions (including filling existing unfunded vacancies) or for rehired officers who have been laid off, or are scheduled to be laid off on a specific future date, as a result of local budget cuts. There is no local match requirement or cap on the amount of funding that can be requested per officer position, but CHP grant funding will be based on your agency's current entry-level salary and fringe benefits packages. Any additional costs for higher than entry-level salaries and fringe benefits will be the responsibility of the grantee agency. All agencies' requests will be capped at no more than 5% of their actual sworn force strength reported at the time of application, up to a maximum of 50 officers. The request of any agency with a sworn force strength less than or equal to 20 will be capped at one officer.

Grantees must retain all sworn officer positions awarded under the CHP grant for a period of one year (12 months) following the conclusion of the 3 years (36 month) grant funding. The retained CHP-funded position(s) will be added to the grantee's law enforcement budget with local funds, over and above the number of locally-funded positions that would have existed in the absence of the grant. Applications must be submitted online no later than 8:59PM EDT May 25, 2011.

## RECOMMENDED ACTION

The Police Chief recommends council approve the grant application to U.S. Department of Justice Office of Community Oriented Policing Services – COPS Hiring Program for the funding to hire two (2) new law enforcement officers.

**CITY OF KERRVILLE, TEXAS**
**RESOULUTION NO. ____-2011**

**A RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE UNITED STATES DEPARTMENT OF JUSTICE OFFICE OF COMMUNITY ORIENTED POLICING SERVICES – COPS HIRING PROGRAM**

**WHEREAS**, the Kerrville Police Department ("KPD") seeks authorization to submit a grant application to the United State Department of Justice Office of Community Oriented Policing Services – COPS Hiring Project ("CHP") for funding to hire two (2) new law enforcement officers; and

**WHEREAS**, the City Council of the City of Kerrville, Texas finds it to be in the public interest to authorize KPD to submit a grant application to the CHP, for the purposes expressed above;

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

**SECTION ONE.** The City Council of the City of Kerrville, Texas, authorizes the submission to the United State Department of Justice Office of Community Oriented Policing Services – COPS Hiring Project, for funding to hire two (2) new law enforcement officers.

**SECTION TWO.** Pursuant to the grant application, the City agrees to return grant funds to the CHP in the event of loss or misuse of any grant funds.

**SECTION THREE.** The City designates the City's Chief of Police as the City's authorized official who is given the authority to apply, reject, alter, or terminate the grant on behalf of the City.

**PASSED AND APPROVED ON this the _____ day of _____________ A.D., 2011.**

__________________________
David Wampler, Mayor

APPROVED AS TO FORM:

__________________________
Michael C. Hayes, City Attorney

ATTEST:

__________________________
Brenda G. Craig, City Secretary

# Agenda Item:
**(Staff)**

5D. Disbursement of hotel occupancy tax funds.

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

**SUBJECT:** Discussion and consideration of the disbursement of hotel occupancy tax (HOT) revenues for FY2012.

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 19, 2011

**SUBMITTED BY:** Todd Parton
City Manager

**CLEARANCES:** NA

**EXHIBITS:** HOT Funds Distribution for FY2011
State Statute Regarding Use of HOT Funds

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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

**PAYMENT TO BE MADE TO:**
**REVIEWED BY THE FINANCE DIRECTOR:**

## SUMMARY STATEMENT

City staff was asked to place this item on the City Council agenda for discussion and direction for the disbursement of HOT proceeds for FY2012.

Attached to this report is a spread sheet that shows how these funds were disbursed this year (FY2011). The primary use of these funds each year has been for Kerrville Convention and Visitors Bureau annual operations. The balance of the funds has been disbursed to cover advertising and encouragement of the arts expenses for several entities in and around the City of Kerrville. Requests for funding of encouragement of arts purposes have come through the Arts Coalition as well as independent funding requests.

The City of Kerrville collects a Hotel Occupancy Tax (HOT) from hotels, motels, and bed & breakfasts and inns. Under state law, the revenue from the HOT may be used only to directly promote tourism and the convention and hotel industry. Attached to this report is a copy of the state statute governing the uses of HOT funds.

## RECOMMENDED ACTION

Staff recommends that the City Council provide direction regarding the disbursement of HOT funds for FY2012.

# COUNCIL DISTRIBUTION WORKSHEET

## FY 11 DISTRIBUTION CALCULATION - $850,000 AVAILABLE

### FY11 Approved

| Requesting Organization | Documented Hotel Nights | Requested Amount | RECOMMENDATION |
|---|---|---|---|
| ***Purpose - Advertising*** | | | |
| Kerrville Convention & Visitors Bureau | 38,990 | $650,000 | $725,000 |
| Riverside Nature Center | 416 | $11,500 | $4,200 |
| Kerr County Fair Association | 127 | $2,500 | $2,000 |
| Subtotal | 39,533 | $664,000 | $731,200 |

| Total Allocation | $850,000 |
|---|---|
| **Maximum of** | **$850,000** |

| ***Purpose - Encouragement of Arts*** | | Total Requested | Arts Coalition Request | Arts Coalition Recommendation | Independent Funding Request | Independent Funding Recommendation |
|---|---|---|---|---|---|---|
| ~~Hill Country Youth Orchestra~~ | | | | | | |
| Symphony of the Hills Association | 156 | $11,100 | $2,000 | $1,600 | $9,100 | $3,058 |
| Texas Arts and Crafts Educational Foundation, Inc. | 4,537 | $50,817 | $10,000 | $9,800 | $40,817 | $27,420 |
| ~~Kerrville Performing Arts Society~~ | | | | | | |
| Playhouse 2000 | 271 | $18,252 | $16,552 | $12,821 | $1,700 | $787 |
| Hill Country Arts Foundation | 2,492 | $37,550 | $7,750 | $7,300 | $29,800 | $17,000 |
| Museum of Western Art | 159 | $34,800 | $12,000 | $9,600 | $22,800 | $6,604 |
| Kerr Arts and Cultural Center | 982 | $18,000 | $10,000 | $8,600 | $8,000 | $6,610 |
| Texas Folk Music Foundation | N/A | $50,000 | $0 | $3,800 | $50,000 | $3,800 |
| **Subtotals of Requests** | **8,597** | **$220,519** | **$58,302** | | **$162,217** | |

**Subtotal Arts Coalition** **$53,521** + **Subtotal Independent** **$65,279** = **$118,800**

(g) The right to use or possess a room in a hotel is exempt from taxation under this chapter if the person required to collect the tax receives, in good faith from a guest, an exemption certificate stating qualification for an exemption provided in Subsection (c). The exemption must be supported by the documentation required under rules adopted by the comptroller and the municipality.

Added by Acts 1989, 71st Leg., ch. 504, Sec. 2, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 454, Sec. 6, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1467, Sec. 2.72, eff. Oct. 1, 1999; Acts 2003, 78th Leg., ch. 209, Sec. 87, eff. Oct. 1, 2003.

Sec. 351.007. PREEXISTING CONTRACTS. If a municipality increases the rate of the tax authorized by this chapter, the increased tax rate does not apply to the tax imposed on the use or possession of a room under a contract executed before October 1, 1989, that provides for the payment of the tax at the rate in effect when the contract was executed, unless the contract is subject to change or modification by reason of the tax rate increase. The tax rate applicable to the use or possession of a room under the contract is the rate in effect when the contract was executed.

Added by Acts 1989, 71st Leg., ch. 1110, Sec. 3, eff. Oct. 1, 1989.

## SUBCHAPTER B. USE AND ALLOCATION OF REVENUE

Sec. 351.101. USE OF TAX REVENUE.

Text of subsection as amended by Acts 2009, 81st Leg., R.S., Ch. 402, Sec. 1

(a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

(1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;

(2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

(3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

(4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

(5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:

(A) at or in the immediate vicinity of convention center facilities or visitor information centers; or

(B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;

(6) for a municipality located in a county with a population of one million or less, expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity;

(7) subject to Section 351.1076, the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields, including facilities or fields for baseball, softball, soccer, and flag football, if:

(A) the municipality owns the facilities or fields;

(B) the municipality:

(i) has a population of 80,000 or more and is located in a county that has a population of 350,000 or less;

(ii) has a population of at least 65,000 but not more than 70,000 and is located in a county that has a population of 155,000 or less;

(iii) has a population of at least 34,000 but not more than 36,000 and is located in a county that has a population of 90,000 or less;

(iv) has a population of at least 13,000 but less than 39,000 and is located in a county that has a population of at least 200,000;

(v) has a population of at least 65,000 but less than 80,000 and no part of which is located in a county with a population greater than 150,000; or

(vi) is located in a county that:

(a) is adjacent to the Texas-Mexico border;

(b) has a population of at least 500,000; and

(c) does not have a municipality with a population greater than 500,000; and

(C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments; and

(8) for a municipality with a population of at least 65,000 but less than 80,000, no part of which is located in a county with a population greater than 150,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility.

Text of subsection as amended by Acts 2009, 81st Leg., R.S., Ch. 1220, Sec. 3

(a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

(1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;

(2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

(3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

(4) the encouragement, promotion, improvement, and

application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

(5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:

(A) at or in the immediate vicinity of convention center facilities or visitor information centers; or

(B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;

(6) for a municipality located in a county with a population of one million or less, expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity;

(7) subject to Section 351.1076, the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields, including facilities or fields for baseball, softball, soccer, and flag football, if:

(A) the municipality owns the facilities or fields;

(B) the municipality:

(i) has a population of 80,000 or more and is located in a county that has a population of 350,000 or less;

(ii) has a population of at least 65,000 but not more than 70,000 and is located in a county that has a population of 155,000 or less; or

(iii) has a population of at least 34,000 but not more than 36,000 and is located in a county that has a population of 90,000 or less; and

(C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments; and

(8) signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality.

Text of subsection as amended by Acts 2009, 81st Leg., R.S., Ch. 1322, Sec. 1

(a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

(1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;

(2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

(3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

(4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

(5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:

(A) at or in the immediate vicinity of convention center facilities or visitor information centers; or

(B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;

(6) for a municipality located in a county with a population of one million or less, expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity;

(7) subject to Section 351.1076, the promotion of tourism by the enhancement and upgrading of existing sports facilities or

fields, including facilities or fields for baseball, softball, soccer, and flag football, if:

(A) the municipality owns the facilities or fields;

(B) the municipality:

(i) has a population of 80,000 or more and is located in a county that has a population of 350,000 or less;

(ii) has a population of at least 65,000 but not more than 70,000 and is located in a county that has a population of 155,000 or less; or

(iii) has a population of at least 34,000 but not more than 36,000 and is located in a county that has a population of 90,000 or less; and

(C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments; and

(8) the construction of a recreational venue in the immediate vicinity of area hotels, if:

(A) the municipality:

(i) is a general-law municipality;

(ii) has a population of not more than 900; and

(iii) does not impose an ad valorem tax;

(B) not more than $100,000 of municipal hotel occupancy tax revenue is used for the construction of the recreational venue;

(C) a majority of the hotels in the municipality request the municipality to construct the recreational venue;

(D) the recreational venue will be used primarily by hotel guests; and

(E) the municipality will pay for maintenance of the recreational venue from the municipality's general fund.

(b) Revenue derived from the tax authorized by this chapter shall be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry as permitted by Subsection (a). That revenue may not be used for the general revenue purposes or general governmental operations of a municipality.

(c) The governing body of a municipality by contract may delegate to a person, including another governmental entity or a private organization, the management or supervision of programs and activities funded with revenue from the tax authorized by this chapter. The governing body in writing shall approve in advance the annual budget of the person to which it delegates those functions and shall require the person to make periodic reports to the governing body at least quarterly listing the expenditures made by the person with revenue from the tax authorized by this chapter. The person must maintain revenue provided from the tax authorized by this chapter in a separate account established for that purpose and may not commingle that revenue with any other money. The municipality may not delegate to any person the management or supervision of its convention and visitors programs and activities funded with revenue from the tax authorized by this chapter other than by contract as provided by this subsection. The approval by the governing body of the municipality of the annual budget of the person to whom the governing body delegates those functions creates a fiduciary duty in the person with respect to the revenue provided by the tax authorized by this chapter.

(d) A person with whom a municipality contracts under this section to conduct an activity authorized by this section shall maintain complete and accurate financial records of each expenditure of hotel occupancy tax revenue made by the person and, on request of the governing body of the municipality or other person, shall make the records available for inspection and review to the governing body or other person.

(e) Hotel occupancy tax revenue spent for a purpose authorized by this section may be spent for day-to-day operations, supplies, salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promotion and servicing expenditures authorized under Section 351.101 (a). If a municipal or other public or private entity that conducts an activity authorized under this section conducts other activities that are not authorized under this section, the portion of the total administrative costs of the entity for which hotel occupancy tax revenue may be used may not exceed the portion of those administrative costs actually incurred in conducting the authorized activities.

(f) Municipal hotel occupancy tax revenue may not be spent for travel for a person to attend an event or conduct an activity the primary purpose of which is not directly related to the promotion of tourism and the convention and hotel industry or the performance of the person's job in an efficient and professional manner.

(g) Nothing in this section shall prohibit any private entity, person, or organization from making subgrants by contract to any other person, entity, or private organization for expenditures under Section 351.101(a)(4). A subgrantee shall:

(1) at least annually make periodic reports to the governing body of its expenditures from the tax authorized by this chapter; and

(2) make records of these expenditures available for review to the governing body or other person.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 14.24(a), eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 1110, Sec. 4, eff. Oct. 1, 1989; Acts 1993, 73rd Leg., ch. 680, Sec. 3, eff. Sept. 1, 1993; Acts 1995, 74th Leg., ch. 1027, Sec. 1, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 755, Sec. 1, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 1308, Sec. 3, eff. June 16, 2001; Acts 2003, 78th Leg., ch. 209, Sec. 90, eff. Oct. 1, 2003; Acts 2003, 78th Leg., ch. 303, Sec. 1, eff. June 18, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 1247, Sec. 1, eff. June 18, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1144, Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 402, Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1220, Sec. 3(a), eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1322, Sec. 1, eff. June 19, 2009.

Sec. 351.102. PLEDGE FOR BONDS. (a) Subject to the limitations provided by this subchapter, a municipality may pledge the revenue derived from the tax imposed under this chapter for the payment of bonds that are issued under Section 1504.002(a), Government Code, for one or more of the purposes provided by Section 351.101 or, in the case of a municipality of 1,500,000 or more, for the payment of principal of or interest on bonds or other obligations of a municipally sponsored local government corporation created under Chapter 431, Transportation Code, that were issued to pay the cost of the acquisition and construction of a convention center hotel or the cost of acquisition, remodeling, or rehabilitation of a historic hotel structure; provided, however, such pledge may only be that portion of the tax collected at such hotel.

(b) An eligible central municipality or a municipality with a population of 173,000 or more that is located within two counties may pledge the revenue derived from the tax imposed under this chapter from a hotel project that is owned by or located on land owned by the municipality or, in an eligible central municipality, by a nonprofit corporation acting on behalf of an eligible central municipality, and that is located within 1,000 feet of a convention center facility owned by the municipality for the payment of bonds or other obligations issued or incurred to acquire, lease, construct, and equip the hotel and any facilities ancillary to the hotel, including convention center entertainment-related facilities, restaurants, shops, and parking facilities within 1,000 feet of the hotel or convention center facility. For bonds or other obligations issued under this subsection, an eligible central municipality or a municipality with a population of 173,000 or more that is located within two counties may only pledge revenue or other assets of the hotel project benefiting from those bonds or other obligations.

(b-1) A municipality with a population of 173,000 or more that is located within two counties and is not an eligible central municipality may not pledge revenue under Subsection (b) in relation to a particular hotel project after the earlier of:

(1) the 20th anniversary of the date the municipality first pledged the revenue to the hotel project; or

(2) the date the revenue pledged to the hotel project equals 40 percent of the hotel project's total construction cost.

(c) A municipality to which Subsection (b) applies is entitled to receive all funds from a project described by this section that an owner of a project may receive under Section 151.429(h) of this code, or Section 2303.5055, Government Code, and may pledge the funds for the payment of obligations issued under this section.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1993, 73rd Leg., ch. 231, Sec. 3, eff. Aug. 30, 1993; Acts 1997, 75th Leg., ch. 165, Sec. 30.274, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1004, Sec. 2, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1308, Sec. 4, eff. June 16, 2001; Acts 2001, 77th

# Agenda Item:
**(Staff)**

5E. Update regarding Lower Colorado River Authority Transmission Services Corporation (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project PUC Docket No. 38354; City of Kerrville, Kerrville Public Utility Board, and City of Junction v. PUC, Cause No. D-1-GV-000324, in the 98th District Court of Travis County.

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

**SUBJECT:** Update regarding Lower Colorado River Authority Transmission Services Corporation application for the proposed McCamey D to Kendall to Gillespie CREZ project.

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 19, 2011

**SUBMITTED BY:** Mike Hayes MCH
City Attorney

**CLEARANCES:**

**EXHIBITS:** None

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

| **Expenditure Required:** | **Current Balance in Account:** | **Amount Budgeted:** | **Account Number:** |
| --- | --- | --- | --- |
| **$ 0** | **$ 0** | **$ 0** | |

**PAYMENT TO BE MADE TO:**
**REVIEWED BY THE FINANCE DEPARTMENT:**

## SUMMARY STATEMENT

City Staff will provide on update regarding the CREZ Project.

## RECOMMENDED ACTION

Discussion and possible action as may be necessary.

# Agenda Item:
**(Staff)**

5F. Appointment of mayor pro tem.

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

**SUBJECT:** Appointment of Mayor Pro Tem

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED:** May 18, 2011

**SUBMITTED BY:** Brenda Craig, BC City Secretary **CLEARANCES:** Todd Parton, City Manager

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|---|---|---|---|
| $ | $ | $ | |

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

## SUMMARY STATEMENT

In accordance with the City Charter, Section 3.02, following the regular election, the city council shall meet and select one of its members (other than the mayor) to serve as mayor pro tem. At this time, the council may consider appointment of a mayor pro tem; this matter has also been posted for executive session.

## RECOMMENDED ACTION

For council's consideration.

# Agenda Item:
(Staff)

6A. Economic update.

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

**SUBJECT:** Kerrville Budget/Economic Update

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 13, 2011

**SUBMITTED BY:** Mike Erwin
Director of Finance

**CLEARANCES:** Todd Parton
City Manager

**EXHIBITS: Economic Update**
**AGENDA MAILED TO:**

**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

The City of Kerrville staff will present and update Council on a biweekly basis as to the status of the City's budget and current economic trends affecting the City.

## RECOMMENDED ACTION

No action required information purposes only.

CITY OF KERRVILLE
ECONOMIC UPDATE AS OF May 18, 2011

| | Current Month | Previous Month | 1 Year Ago | Trend | Current Month |
|---|---|---|---|---|---|
| **National** | | | | | |
| Unemployment | 9.00% | 8.80% | 9.80% | ↑ | April |
| Consumer Confidence | 65.4 | 63.8 | 57.7 | ↔ | April |
| 1 year T-Bills | 0.17% | 0.22% | 0.33% | ↓ | 5/18/11 |
| **State** | | | | | |
| Monthly Unemployment | 8.10% | 8.20% | 8.30% | ↓ | March |
| Monthly Sales Tax | $1,866.4m | $1,603.8m | $1,675.5m | ↑ | April |
| **Local** | | | | | |
| Monthly Unemployment (Kerr Co.) | 6.30% | 6.40% | 6.20% | ↓ | March |
| Median Listing Price | $210,000 | $209,000 | $215,000 | ↔ | 5/1/11 |
| Monthly Sales Tax | $469,531 | $315,508 | $406,470 | ↑ | May |
| Monthly EIC Tax | $234,742 | $157,729 | $203,235 | ↑ | May |
| Monthly HOT | $75,004 | $49,696 | $81,214 | ↓ | April |

| | FY11 Budget | FY11 as of 04/30/2011 | FY11 % Received | FY10 as of 04/30/2010 | FY10 % Received |
|---|---|---|---|---|---|
| **General Fund** | | | | | |
| Tax Revenue | $14,647,100 | $11,512,932 | 78.60% | $11,164,389 | 74.16% |
| Property Tax | $8,240,000 | $7,923,278 | 96.16% | $7,818,331 | 92.32% |
| Sales Tax | $4,500,000 | $2,650,203 | 58.89% | $2,541,347 | 54.96% |
| Permits & Fees | $402,450 | $197,542 | 49.08% | $194,458 | 52.45% |
| Intergovernmental | $707,013 | $474,168 | 67.07% | $416,832 | 59.96% |
| Service Revenues | $2,578,260 | $1,402,984 | 54.42% | $1,725,268 | 52.10% |
| Grant Revenue | $10,000 | $17,515 | 175.15% | $10,525 | 105.25% |
| Fines & Forfeitures | $477,710 | $341,256 | 71.44% | $293,806 | 58.24% |
| Interest & Misc. | $235,372 | $216,119 | 91.82% | $339,230 | 73.71% |
| Transfers In | $1,000,000 | $583,333 | 58.33% | $783,943 | 62.18% |
| Total General Fund | $20,057,905 | $14,745,848 | 73.52% | $14,928,451 | 68.90% |
| Total General Fund Expenditures | $20,057,905 | $11,327,345 | 56.47% | $12,171,879 | 54.21% |
| **Water/Sewer Fund** | | | | | |
| Water Sales | $4,400,000 | $2,708,790 | 61.56% | $2,223,092 | 6.29% |
| Sewer Sales | $3,760,000 | $2,056,645 | 54.70% | $2,154,183 | 7.17% |
| Other Revenue | $782,124 | $561,477 | 71.79% | $483,281 | 72.19% |
| Total Water & Sewer Fund | $8,942,124 | $5,326,911 | 59.57% | $4,860,555 | 50.48% |
| Total W&S Fund Expenditures | $9,242,124 | $5,327,574 | 57.64% | $4,742,586 | 50.05% |

# Agenda Item:
**(Staff)**

7A. Appointments to the economic improvement corporation.

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

**SUBJECT:** Appointments to the Economic Improvement Corporation

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 6, 2011

**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:

**Economic Improvement Corporation**: Four terms due to expire June 1, 2011: Bill Crumrine, Warren Ferguson, Alan Massey, and Jack Pratt.

## RECOMMENDED ACTION

Consider appointments.

## ECONOMIC IMPROVEMENT CORPORATION

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| Crumrine, Bill<br>510 Winged Foot Lane<br>President | 895-1907 (H) | 11-14-06 | 05-26-09 | 06-01-11 |
| Pratt, Jack<br>1410 McAllen Drive<br>Vice-President | 895-2214 (O)<br>895-2214 (H) | 05-26-09 | | 06-01-11 |
| Massey, Alan<br>1040 Edinburgh<br>Secretary/Treasurer | 257-5330 (O) | 06-09-09 | | 06-01-11 |
| Appel, Gregg<br>201 Hummingbird Ln. | 896-5000 (O)<br>895-4058 (H) | 04-13-10 | | 06-01-12 |
| Boyland, Rex<br>PO Box 2333 | 895-8028 (O)<br>257-0042 (H) | 05-25-10 | | 06-01-12 |
| Ferguson, Warren<br>2404 Rock Creek Drive | 896-9500 (O) | 05-26-09 | | 06-01-11 |
| Miller, Robert<br>1214 Oriole | 459-2120 (O)<br>459-2120 (H) | 05-25-10 | | 06-01-12 |

**CITY STAFF:**

Mindy Wendele 792-8343 (O)
Director of Business Programs

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|---|---|
| Qualifications: | Resident of the city and at least three directors must be persons who are not employees, officers or members of the governing body of the city. |
| Purpose: | Benefiting and accomplishing public purposes of the city permitted by Section 4B of the Act including, but not limited to, the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare, and financing the acquisition, construction and/or equipping, and/or the maintenance and operating costs of any "Project" (as defined in Section 4B of the Act). |
| Term of Office: | Two years; maximum of two consecutive terms |
| Quorum: | Majority |
| Number of Members: | Seven |
| Meeting Time & Place: | Third Monday, 4:00 p.m., City Hall Council Chambers |
| Established by: | Resolution No. 1995-112, amended by Resolution Nos. 1999-184; 032-2009 |
| Revised: | May 28, 2010 |

# Agenda Item:

7B. Appointment of councilmembers to various boards and commissions.

BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS

**SUBJECT:** City Council Appointments to Various Boards and Commissions

**FOR AGENDA OF:** May 24, 2011 **DATE SUBMITTED**: May 18, 2011

**SUBMITTED BY:** Brenda Craig BC
City Secretary

**CLEARANCES:** Todd Parton
City Manager

**EXHIBITS:** Board Lists

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** TP

## SUMMARY STATEMENT

Consider councilmember appointments to the following boards:

| CITY BOARD | EXISTING COUNCIL REPRESENTATIVE | PROPOSED COUNCIL REPRESENTATIVE |
|---|---|---|
| Audit Committee | Gene Allen<br>Stacie Keeble | |
| Economic Improvement Corporation | * Currently, no City Council Representative on this Board | |
| Food Service Advisory Board | Scott Gross | |
| Golf Course Advisory Board | Bruce Motheral | |
| Kerrville Economic Development Corporation | Todd Parton | |
| Kerrville Public Utility Board | David Wampler | David Wampler |
| Library Advisory Board | Scott Gross | |
| Main Street Advisory Board | Scott Gross | |
| Municipal Court Review Committee | Stacie Keeble | |
| Parks and Recreation Advisory Board | Stacie Keeble | |
| Planning and Zoning Commission | Bruce Motheral | |
| Playhouse 2000 | Gene Allen | |

* City Council is entitled to appoint up to three city councilmembers to EIC; however, prior city councils have decided not to appoint city councilmembers to EIC.

## RECOMMENDED ACTION

Consider appointments.

## FOOD SERVICE ADVISORY BOARD

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| BADING, DEBBIE LYNN<br>Chair<br>627 Lois #14 | 257-2515 (O)<br>210-326-3316(C) | 12-11-07 | 12-08-09 | 12-01-11 |
| DUHR, JACQUES<br>Co-Chair<br>129 Catalina Court | 896-1294 (H) | 12-09-08 | 01-11-11 | 12-01-12 |
| CROCKER, ROBBIE<br>1029 Bluebonnet Dr. | 257-2433 (O)<br>257-5514 (H) | 09-09-08 | 01-11-11 | 12-01-12 |
| McCRACKEN, SUSAN<br>406 Ave. B | 895-4655 (O)<br>377-9847 (H) | 12-08-09 | | 12-01-11 |
| SOUTHERN, MELISSA<br>615 Schreiner | 257-3877 (O)<br>257-1923 (H) | 12-09-08 | 01-11-11 | 12-01-12 |
| VARWIG, KELLY<br>1315 Jackson Rd. | 817-797-8148 (O) | 12-08-09 | | 12-01-11 |
| ABEL VAZQUEZ<br>158 Valley View | 257-0606 (O)<br>896-9899 (H) | 01-11-11 | | 12-01-12 |

**COUNCIL LIAISON:**

Scott Gross 792-5555 (O)
2908 Dry Hollow 210-363-1144 (C)
PO Box 291277

**CITY STAFF:**

Amy Ives 792-8352 (O)
Compliance Center Manager 896-0517 (F)

Qualifications: Shall be composed of local certified food managers from the food service or food processing industry, any member of the local restaurant association who owns or conducts business in the city of Kerrville or any citizen of Kerr County qualified by training and/or experience to advise on the application of the food code.

Powers and Duties: To hear appeals and make recommendations to the health official for variances from provisions of the code; to provide assistance to the health official concerning interpretations of the code; to advise the city manager, at his request, regarding the suspension or revocation of food permits; and to consider and make recommendations to city council regarding any matters relating to the food service program.

Term of Office: Two Years; no member shall serve more than two consecutive terms.

Quorum: Four

Number of Members: Seven

Meeting Time & Place: Quarterly (Mar, Jun, Sep & Dec), Third Tuesday, 3:00 p.m., Council Chambers

Absences: Any member who misses three consecutive regular meetings shall thus cause

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| | his/her seat on the board to become vacant. The council shall then appoint a new member to fill the vacancy. |
| Established by: | Ordinance 1989-30; amended by Ordinance 1994-11<br>Code of Ordinances: Chapter 58 - Article II - Section 58-34 |
| Revised: | March 31, 2011 |

## GOLF COURSE ADVISORY BOARD

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| CODY, B. K.<br>1602 Quinlan Creek<br>Chair | 896-4472 (H) | 06-24-08 | | 07-01-11 |
| ANGELL, PAT<br>2329 Rock Creek<br>Vice-Chair | 896-0347 (H) | 04-08-08 | | 07-01-11 |
| BOYNTON, FRANK<br>4024 Comanche Trace Dr. | 896-7186 (H)<br>896-7186 (O) | 08-24-10 | | 07-01-12 |
| DYLINA, TIM<br>3801 Clubhouse Rd. | 257-9207 (H)<br>209-769-5554 (O) | 08-24-10 | | 07-01-12 |
| HERNANDEZ, JOE<br>2010 Vista Ridge Dr. | 895-1915 (H)<br>739-7817 (C) | 08-24-10 | | 07-01-12 |
| HOWARD, JAMES<br>1312 Water St. | 903-399-3011 (H)<br>890-5464 (O) | 08-24-10 | | 07-01-11 |
| THOMAS, BILL<br>435 Coronado Drive | 895-2323 (O)<br>895-3695 (H) | 07-28-09 | | 07-01-11 |

**COUNCIL LIAISON:**

| | |
|---|---|
| Bruce Motheral | 257-6360 (O) |
| 812A Sidney Baker | 257-2087 (H) |

**CITY STAFF:**

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|---|---|
| Kristine Ondrias<br>Assistant City Manager | 792-8384 (O) |
| Scott McDonough<br>General Manager of Golf & Tennis | 257-4982 (O) |

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| Qualifications: | All must be residents of the city. |
| 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 Monday at 4:30 p.m.; City Council Chambers |
| 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 |

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| | the board. |
| Established by: | Resolution No. 037-2009, which repealed Resolution Nos. 99-230, 99-307, 080-2000, and 136-2004 |
| Revised: | May 28, 2010 |

## KERRVILLE PUBLIC UTILITY BOARD

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| SMITH, BLAKE W.<br>P.O. Box 139<br>Hunt, 78024 | 238-4621 (O)<br>238-4548 (H) | 04-16-02 | 04-10-07 | 04-21-12 |
| FINE, STEPHEN<br>1210 Virginia Dr. | 257-6020 (O)<br>896-2934 (H) | 03-28-06 | | 04-21-11 |
| GAMBLE, FRED<br>430 Crest Ridge | 792-7355 (O)<br>257-5135 (H) | 04-13-10 | | 04-21-15 |
| WAMPLER, DAVID<br>Mayor<br>222 Sidney Baker South<br>Suite 538 | 895-3600 (O)<br>896-7832 (H) | 05-18-10 | | 05-18-12 |
| SAMPLE, JOHN<br>P.O. Box 291341<br>355 W. Main | 257-6625 (H) | 03-10-09 | | 04-21-14 |
| McCUAN, TRACY<br>General Manager<br>P.O. Box 294999 | 257-3050 (O) | | | |

Qualifications: Citizen of the United States of America who reside or conduct business on a full-time basis in Kerr County, Texas and who use the system for personal, residential, business and/or company use. No person who is related within the second degree of consanguinity or affinity to any member of the board of trustees shall be eligible for election as a member of the board.

Vacancies: All vacancies shall be filled by the city council from nominations of at least three persons for each position to be filled by the majority vote of the remaining members of the board of trustees. If the city council does not act upon such nominations within 30 days after submission in writing to the city council, the board of trustees by majority vote of the remaining members shall nominate three additional persons for each position to be filled. If the city council does not act upon such additional nominations within 30 days after submission of such additional nominations, the board shall be empowered to fill such vacancies by the majority vote of the remaining members of the board of trustees.

Powers: To take, have and exercise exclusive possession and control of the system, and all additions thereto, and to collect, and enforce the collection of all funds and revenues that may be or become owing or hat may arise out of the operation of the system, and to disburse the same. To fix all rates for all services to be furnished by the system, with the power to alter the same at any time or times, subject to approval of the city council of the city of Kerrville. To employ and pay the compensation of a general manager of the system, and attorneys, engineers and other professional or technical aids as may be necessary. To do any and all things necessary in reference to the installing and maintaining of a complete system of records and accounts pertaining to the system and to make monies available for the payment of revenue bonds.

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| Term of Office: | Five years; a person who has served as a member of the Board for an initial term shall be eligible to be re-appointed for one additional consecutive term of five years, and one only, but may serve for any number of non-consecutive terms so long as such member has not served as a member of the board for at least two years next preceding the term for which such member is appointed. A member who is appointed to the board to serve out an unexpired portion of a retired member's term shall not be considered to have served a "term" unless the unexpired portion of the term so served is two years or more. Permanent removal of residence from, or the failure to conduct business on a full-time basis in Kerr County by any member of the board shall vacate his office as a member of the board. |
| Quorum: | Three |
| Number of Members: | Five |
| Meeting Time & Place: | Third Monday, 8:30 a.m., 2250 Memorial Blvd. |
| Absences: | Any member of the board, other than the Mayor, who shall be continuously absent from all meetings held by the board for a period of four consecutive months shall, unless he shall have been granted leave of absence by the unanimous vote of the remaining members of the board, be considered to have vacated his office as a member of the board. |
| Established by: | Ordinance No. 1987-45 (purchase); Resolution 1987-106 (Board); |
| Revised: | May 28, 2010 |

## LIBRARY ADVISORY BOARD

| | | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|---|
| * | HAYES, KAY<br>Vice-Chair<br>Box 1004<br>Center Point 78010 | 634-2152 (H)<br>257-2122 (O) | 10-11-05 | 11-13-07 | 11-22-10 |
| ** | CARR, JUDY<br>103 Creekside Dr. | 895-3740 (H) | 11-23-10 | | 11-22-12 |
| *** | EHRENREICH, JOHN | 896-0858 (H) | 01-18-11 | | 11-22-12 |
| ** | MARTIN, DIANA K.<br>3931 Kite Ct. | 896-3300 (H) | 03-10-09 | 01-12-10 | 11-22-11 |
| * | MOSELEY, JANET<br>151 Bluff Hill Rd.,<br>Hunt, Texas 78024 | 238-4436 (H) | 07-09-07 | 12-08-08 | 11-22-11 |

## EX OFFICIO MEMBERS:

| | | Telephone | Orig. Appt. |
|---|---|---|---|
| | Scott Gross<br>City Council, Place 3<br>2908 Dry Hollow<br>PO Box 291277 | 792-5555 (O)<br>210-363-1144 (C) | 03-09-10 |
| | Jonathan Letz<br>County Commissioner, Pct. 3<br>Kerr County Courthouse<br>700 Main St. | 792-2216 (O) | 03-09-10 |
| | Daniel Schwartz<br>Library Director<br>800 Junction Hwy | 792-8320 (O) | 11-15-10 |
| **** | Mike Bowlin<br>425 Water St.<br>Kerrville Genealogical Society | | 03-09-10 |

CITY STAFF:

Kim Meismer 792-8340 (O)
Director of General Operations
800 Junction Highway 377-7691 (C)

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| Qualifications: | Two board members shall be appointed by Kerrville City Council; two board members shall be appointed by Kerr County Commissioners Court; one board member shall be appointed by The Friends of the Butt-Holdsworth Memorial Library |
| Powers and Duties: | The Board is an advisory board to the city council; shall have the authority to hold meetings within the city and to consider and make recommendations to the Council from time to time on any and all matters pertaining to the Library. Upon a majority vote of the total membership. |
| Term of Office: | All Board appointments shall serve two (2) year terms. No Board member shall serve more than two (2) consecutive two (2) year term on the Board without having at least one (1) full year off of the Board between terms. A majority of the members' terms shall expire in even-number years with the remaining members' terms expiring in odd-numbered years. |
| Quorum: | Three members |
| Number of Members: | Five members |
| Meeting Time & Place: | Third Tuesday of Every Month; 4:00 pm – 5:00 pm; City Council Chambers |
| Absences: | Any member who is absent from twenty-five percent (25%) of the board's regular meetings during any twelve (12) month period, or who is absent from any three (3) consecutive regular meetings, shall be considered for removal by the City Council. The staff member has the responsibility of reporting a member's non-attendance to the City Council in writing, and the City Secretary shall notify the board member in writing that their non-attendance has been reported to the City Council. However, a member whose absences are directly related to a medical or family emergency may seek consideration from the board upon which they serve to qualify such absences as excused. |
| Established by: | Ordinance No. 1967-17; amended by Ordinance Nos. 80-5, 84-14, 84-58, 85-01, 87-24, 87-60, 87-61, and 2005-19 (in its entirety); Resolution Nos. 045-2006, 107-2006, 076-2007, and 122-2007 did not change this board. Code of Ordinances: Chapter 66 - Article II – Sections 66-31 through 66-34; Amended by Ordinance No. 2010-05. |
| Revised: | November 25, 2010 |

* Appointed by Kerr County Commissioners Court – voting member

** Appointed by Kerrville City Council – voting member

*** Appointed by Friends of the Butt-Holdsworth Memorial Library

**** Appointed By Kerrville Genealogical Society

## MAIN STREET ADVISORY BOARD

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| BOND, KYLE ALAN<br>Vice-Chairman<br>419 East Lane | 257-8233 (O)<br>459-0566 (H) | 01-22-08 | 01-26-10 | 01-31-12 |
| CARR, PENNI<br>202 Riverhill Blvd. | 896-5569 (O)<br>896-0059 (H) | 01-27-09 | 01-25-11 | 01-31-13 |
| COONS, BECKY<br>131 Sandy Lane | 895-2265 (O)<br>257-8873 (H) | 01-22-08 | 01-26-10 | 01-31-12 |
| FRY, LEE<br>120 Victoria Drive | 367-7109 (H) | 01-27-09 | 01-25-11 | 01-31-13 |
| LEWIS, PETER<br>334 W. Water St. | 896-4220 (O)<br>896-1707 (H) | 01-22-08 | 01-26-10 | 01-31-12 |
| McDOWELL, BRETT<br>106 Surrey Dr.<br>Boerne, Texas 78006 | 830-815-1342 (O)<br>896-5000 (H) | 08-10-10 | 01-25-11 | 01-31-13 |
| RAIN, SCOTT<br>106 Bowie | 459-1156 (H)<br>257-8588 | 01-25-11 | | 01-31-13 |
| SCHNEIDER, RICH<br>105 Whitetail Rd. | 370-4876 (H)<br>257-7373 (O) | 01-25-11 | | 01-31-13 |
| SMITH, KACY<br>125 Bushwhack Rd. | 792-7865 (O)<br>792-4788 (H) | 08-10-10 | | 01-31-12 |

**COUNCIL LIAISON:**

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|---|---|
| Scott Gross | 792-5555 (O) |
| 2908 Dry Hollow | 210-363-1144 (C) |
| PO Box 291277 | |

**CITY STAFF:**

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| Johnna Wade | 792-8395 (O) |
| 715 Water Street | |

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| Powers and Duties: | To encourage participation in the Main Street Revitalization Program; to establish goals and priorities for the Main Street Program; to review design appropriateness for the purpose of participation in the main street low-interest loan program and incentive grant projects; and to advise and support the main street program manager. |
| Term of Office: | Two years with a maximum of two full successive terms (Bylaws) |
| Quorum: | Five members |
| Number of Members: | Nine |
| Absences: | Any member who miss three consecutive meetings may be replaced (Bylaws) |
| Meeting Time & Place: | Fourth Thursday at noon, 715 Water Street |
| Established by: | Resolution No. 1994-133 |
| Revised: | January 25, 2011 |

## PARKS AND RECREATION ADVISORY BOARD

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| ZUBER, RUSTIN<br>Chairperson<br>514 East Lane | 895-2829 (O)<br>895-4913 (H)<br>895-1673 (F) | 04-08-08 | 04-13-10 | 03-31-12 |
| MCMAHON, DIANE<br>Vice-Chairperson<br>1904 Danielle Drive | 896-3195 (H) | 04-14-09 | 04-12-11 | 03-31-13 |
| CARDWELL, DANA<br>1225 Virginia | 285-5095 (C) | 09-28-10 | 04-12-11 | 03-31-13 |
| GARDNER, JIM<br>200 Fairway Dr. | 285-2129 (C) | 04-14-09 | 04-12-11 | 03-31-13 |
| LIPSCOMB, DAVID<br>909 Lake Drive | 895-4232 (H) | 04-12-11 | | 03-31-13 |
| NYE-SALLADIN, LISA<br>1015 Morningside Dr. | 377-7198 (C)<br>896-3834 (H) | 04-13-10 | | 03-31-12 |
| ROBERTS, STEPHEN<br>2410 Memorial Blvd. | 370-1630 (H)<br>257-0625 (O) | 09-28-10 | 04-12-11 | 03-31-13 |
| SANDER, SUSAN<br>500 Josephine | 329-6923 (C)<br>896-7936 (H) | 04-13-10 | | 03-31-12 |

**COUNCIL LIAISON:**

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|---|---|
| Stacie Keeble<br>3533 La Cumbre Drive | 895-7725 (H) |

**CITY STAFF:**

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| Kristine Ondrias,<br>Assistant City Manager | 792-8384 (O) |
| Malcolm Matthews<br>Director of Parks & Recreation | 258-5506 (O) |

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| Qualifications: | A majority shall be residents of the city of Kerrville, and all shall be residents of Kerr County. |
| Powers and Duties: | Shall constitute an advisory board to the city council and shall periodically assist city staff in procedural matters. The board shall have authority to hold hearings in the city and to consider and make recommendations to the city council in writing on any and all matters pertaining to the city's parks and recreation system. |
| Term of Office: | Two years with a maximum of two terms. No member shall serve more than two terms without having at least one full year off between terms. |
| Quorum: | Five |
| Members: | Eight |
| Meeting Time & Place: | Third Thursday, 8:30 a.m., City Council Chambers |
| Absences: | Any member having three consecutive unexcused absences shall have his membership reviewed by the board. By majority vote, the board may recommend to the council that such member be removed from office. The |

council may then act upon such recommendation and either remove or retain such member.

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| Established by: | Ordinance No. 1984-37, amended by Ordinance No. 1987-24 |
| Code of Ordinances: | Chapter 74 - Article II – Sections 74-31 through 74-38 |
| Revised: | April 14, 2011 |

## PLANNING AND ZONING COMMISSION

| | Telephone | Orig. Appt. | Re-Appt. Date | Exp. Date |
|---|---|---|---|---|
| KESSLER, JAMES<br>Vice-Chairperson<br>131 Homestead | 895-7831 (H) | 04-12-05 | 12-14-10 | 01-01-13 |
| BUELL, HAROLD<br>1214 Jack Dr. | 896-0114 (O)<br>895-2444 (H) | 01-09-07 | 01-12-10 | 01-01-12 |
| MACDONALD, JUSTIN<br>2951 Fall Creek Road | 257-5323 (O)<br>896-4821 (H) | 06-24-08 | 01-11-11 | 01-01-13 |
| ROBERTS, TONY<br>2390 Memorial Blvd. | 895-1676 (O)<br>896-5374 (H) | 08-24-10 | 01-11-11 | 01-01-13 |
| WATTERSON, DAVID<br>177 Phoenix Dr. | 895-4048 (O)<br>377-6400 (H) | 01-12-10 | | 01-01-12 |
| ALTERNATES: | | | | |
| SIGERMAN, MICHAEL<br>154 Wharton Rd. | 305-634-3469(O)<br>895-7765 (H) | 01-12-10 | 01-11-11 | 01-01-13 |
| McRAE, CHASTAN<br>705 Leland St. | 377-3710 (O) | 09-28-10 | | 01-01-12 |
| **COUNCIL LIAISON:**<br>Bruce Motheral<br>812A Sidney Baker | 257-6360 (O) | | | |
| **CITY STAFF:**<br>Gordon Browning<br>Senior Planner | 792-8350 (O) | | | |

Qualifications: At least four of the regular members shall be residents and eligible voters of the city; one regular member may reside in the city's extraterritorial jurisdiction (ETJ) and must be an eligible voter of Kerr County. At least one alternate member shall be a resident and eligible voter of the city; one alternate member may reside in the city's extraterritorial jurisdiction (ETJ) and must be an eligible voter of Kerr County.

Powers and Duties:

1. Shall formulate and recommend to the city council for adoption a Comprehensive Plan for the orderly growth and development of the city and its environs. On a yearly basis the commission shall review and if necessary recommend such changes in the plan as it finds will facilitate the movement of people and goods, and the health, recreation, safety and general welfare of the citizens of the city.
2. Shall formulate a zoning plan (ordinance) as may be deemed best to carry out the goals of the Comprehensive Plan; hold public hearings and make recommendations to the city council relating to the creation, amendment, and implementation of zoning regulations and districts as provided in state law.
3. Shall exercise all powers of a commission as to approval or disapproval of plans, plats, or replats as set out by state law and the city's subdivision regulations.

4. Shall initiate for consideration at public hearings, proposals for the original zoning of annexed areas or for the change of zoning district boundaries on an area wide basis.
5. Shall consider and take appropriate action, upon written request, variances as prescribed to the city's subdivision and sign regulations.
6. Shall from time to time recommend such changes to the subdivision regulations, sign regulations, and any other ordinance the city council assigns to their review that will facilitate the general health, safety and welfare of the citizens of the city.

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| Term of Office: | Two years. No regular member shall serve more than three consecutive full terms on the Commission without having at least one full year off the Commission between terms. |
| Quorum: | Three (may include an alternate member but only where substitution for and acting as a regular member) |
| Number of Members: | Five regular members and two alternates. |
| Meeting Time & Place: | First and third Thursdays, 4:30 p.m., City Hall |
| Absences: | Any member who is absent from twenty-five percent (25%) of the board's regular meetings during any twelve (12) month period, or who is absent from any three (3) consecutive regular meetings, shall be considered for removal by the city council. The staff member has the responsibility of reporting a member's non-attendance to the city council in writing, and the city secretary shall notify the board member in writing that their non-attendance has been reported to the city council. However, a member whose absences are directly related to a medical or family emergency may seek consideration from the board upon which they serve to qualify such absences as excused. |
| Established by: | Minutes of 12-18-44 Council meeting; amended by Ordinance Nos. 1979-37, 1987-24, and 2008-24 (which deleted from Code of Ordinances book Chapter 82 – Article II – Sections 82-31 through 82-36 and rolled into Zoning Code which is not codified) |
| Revised: | January 12, 2011 |