

AGENDA FOR THE KERRVILLE CITY COUNCIL MEETING

TUESDAY, JULY 26, 2022, 6:00 P.M.

CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS

The Community Vision

Kerrville will be a vibrant, welcoming and inclusive community that:

- *Respects and protects the natural environment that surrounds it;*
- *Seeks to attract economic growth and development;*
- *Provides opportunities for prosperity, personal enrichment and intellectual growth for people of all ages; and*
- *Does so while preserving the small-town charm, heritage, arts and culture of the community.*



Kerrville2050



CITY COUNCIL MEETING AGENDA

JULY 26, 2022, 6:00 PM

CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS



Council Meeting Procedures, City Council and City Staff Safety Measures, and Citizen Participation Guidelines

COVID-19 (Coronavirus) provides a unique concern in that gathering members of the public, City Council, and City staff within a physical setting constitutes a public health risk. Taking this into account, standard safety protocols will be observed by City Council, City staff, and citizens/visitors attending the meeting. Masks are voluntary and highly encouraged. Visitor seating will be designated.

Citizens may view and hear City Council meetings on Spectrum Channel 2 or by live-streaming via the City's website (www.kerrvilletx.gov). City Council meetings are recorded and the recordings are posted on the City's website.

Citizens wishing to speak during a meeting shall submit a completed "speaker request form" to the City Secretary before the item is introduced, but are encouraged to submit the form before the meetings begin. Each speaker is limited to four minutes.

Thank you for your participation!

CALL TO ORDER: Mayor Judy Eychner

INVOCATION AND PLEDGE OF ALLEGIANCE: Led by Councilmember Place 4 Brenda Hughes

1 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.

2 PRESENTATIONS:

2.A. Recognition of the Parks and Recreation Department's Competitive Lifeguard Team achievements.

3 VISITORS/CITIZENS FORUM: Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must fill out the speaker request form and give it to the City Secretary. The speaker request form must be submitted to the City Secretary before the item is called or read into record. City Council may not discuss or take any action on an item but may place the issue on a future agenda. Each speaker is limited to four minutes.

4 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 the City Council approve the following items which will grant the Mayor or City Manager the authority to take all actions necessary for each approval:

4.A. City Council workshop minutes, July 12, 2022.

[Attachment: 20220726_Minutes_CC workshop 7-12-22 4pm.pdf](#)

4.B. City Council meeting minutes, July 12, 2022.

[Attachment: 20220726_Minutes_CC meeting 7-12-22 6pm.pdf](#)

4.C. City Council workshop minutes, July 19, 2022.

[Attachment: 20220726_Minutes_CC workshop budget 7-19-22 10am.pdf](#)

4.D. City Council and Kerrville Convention and Visitors Bureau annual meeting July 21, 2022.

[Attachment: 20220726_Minutes_CC-CVB annual meeting 7-21-22.pdf](#)

END OF CONSENT AGENDA.

5 CONSIDERATION AND POSSIBLE ACTION:

5.A. Resolution No. 42-2022. A Resolution authorizing the transfer of the ownership of funds from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for employee related group benefits for Fiscal Year 2023.

[Attachment: 20220726_Reso 42-2022 Transfer to EBT FY2023.pdf](#)



5.B. Interlocal Agreement between Kerrville Independent School District and the City of Kerrville for Provision of School Resource Officers.

[Attachment: 20220726_Agreement_KISD for SRO.pdf](#)



5.C. Professional Service Agreement with Freese and Nichols, Inc. to serve as Owner Representative for the Public Safety Facility.

[Attachment: 20220726_Scope of Service_FNI Advisor Services PSF.pdf](#)



5.D. Lease Schedule and Master Lease Agreement with John Deere Financial for a 60 month lease in the amount of \$266,854 for six pieces of maintenance equipment for the Scott Schreiner Golf Course.

6 INFORMATION & DISCUSSION:

6.A. Financial Report for month ended June 30, 2022.

[Attachment: 20220726_Presentation_Financial update 6-30-22.pdf](#)

7 EXECUTIVE SESSION: *City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above 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/officers), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code.*

8 ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY:

9 ITEMS FOR FUTURE AGENDAS: *Council may suggest items or topics for future agendas.*

ADJOURN.



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

SUBJECT: Recognition of the Parks and Recreation Department's Competitive Lifeguard Team achievements.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 20, 2022

SUBMITTED BY: Ashlea Boyle

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

On July 11, 2022, the City of Kerrville's competitive lifeguard team, "Kerr Villains", competed at the Central Texas Lifeguard Competition in New Braunfels, Texas. The team walked away with multiple awards including: 2nd place in the Cardio Pulmonary Resuscitation (CPR) Scenario, 3rd place in First Aid, and 3rd place overall at the competition. The team is coached by Rosa Ledesma, Recreation Manager.

The regional qualifier competition is the first step for teams to earn a spot at the State Lifeguard Championships to be held in Brenham, Texas on August 1st. At the regional competition, the "Kerr Villains" competed against nine other teams in three unknown scenario events.

The first scenario consisted of: rule enforcement, an unconscious guest in the water requiring extrication with a backboard which ultimately led to the administration of basic lifesaving provisions, and a conscious choking infant that became unconscious.

For the second and third scenario the team was split into two groups for a first aid and

CPR scenario. The first aid scenario consisted of a guest with a laceration to the forearm and a knocked-out tooth. The CPR scenario consisted of rule enforcement, a conscious guest experiencing symptoms of a heart attack that then went into full cardiac arrest requiring guards to administer basic life support skills such as CPR and the use of an Automated External Defibrillator (AED).

In addition to the scenarios, the judges were asked to individually nominate a top male and top female contestant out of all the competitors that showed exceptional skills. Only two guards were selected out of all the competitors. This honor went to two members of the "Kerr Villains" team, Jesus Guzman and Bailee Boggess.

Staff is very proud of the hard work and accomplishments of the team not only at the competition, but also for representing our organization and community in a first class manner, and for enhancing awareness of aquatics emergencies and safety. Staff recommends recognition of their efforts.

RECOMMENDED ACTION:

Recognition.



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

SUBJECT: City Council workshop minutes, July 12, 2022.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 14, 2022

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20220726_Minutes_CC workshop 7-12-22 4pm.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

City Council workshop minutes held July 12, 2022 at 4:00 p.m., in the City Hall Council Chambers.

RECOMMENDED ACTION:

Approve minutes as presented.

CITY COUNCIL WORKSHOP MINUTES CITY HALL COUNCIL CHAMBERS

**JULY 12, 2022 4:00 PM
701 MAIN STREET, KERRVILLE, TEXAS**

CALL TO ORDER: On July 12, 2022 at 4:00 p.m., the City Council workshop was called to order by Mayor Judy Eychner at the City Hall Council Chambers, 701 Main Street.

COUNCILMEMBERS PRESENT:

Judy Eychner, Mayor
Kim Clarkson, Mayor Pro Tem, Councilmember Place 2
Roman Garcia, Councilmember Place 1
Joe Herring Jr, Councilmember Place 3
Brenda Hughes, Councilmember Place 4

COUNCILMEMBER ABSENT:

Kim Clarkson, Mayor Pro Tem, Councilmember Place 2 (absent during call of order, joined the workshop at 4:04 p.m.)

CITY STAFF PRESENT:

E.A. Hoppe, City Manager Michael Hornes, Asst City Manager
William Tatsch, Asst City Attorney Kim Meismer, Asst City Manager
Shelley McElhannon, City Secretary Drew Paxton, Director of Planning
Guillermo Garcia, Exec Director Innovation

VISITORS PRESENT: Abdi Yassin, MuniCap, Inc.

1. PUBLIC COMMENT: None

Mayor Pro Tem/Councilmember Place 2 Kim Clarkson joined the workshop at 4:04 p.m. and commenced seat at the bench.

2. INFORMATION, DISCUSSION, AND POSSIBLE ACTION:

2A. Presentation on Municipal Utility Districts (MUD), Public Improvement Districts (PID), Tax Increment Reinvestment Zones (TIRZ), and Municipal Management Districts (MMD).

E.A. Hoppe introduced both the item and Municap, Inc Consultant Abdi Yassin. Abdi Yassin and E.A. Hoppe provided information and responded to questions.

ADJOURN. The workshop adjourned at 5:51 p.m.

APPROVED BY COUNCIL: _____ ATTEST: _____

Judy Eychner, Mayor

Shelley McElhannon, City Secretary



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

SUBJECT: City Council meeting minutes, July 12, 2022.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 14, 2022

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20220726_Minutes_CC meeting 7-12-22 6pm.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

City Council meeting minutes held July 12, 2022 at 6:00 p.m., in the City Hall Council Chambers.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL MINUTES
REGULAR MEETING**

**KERRVILLE, TEXAS
JULY 12, 2022 6:00 PM**

On July 12, 2022 at 6:00 p.m., Mayor Judy Eychner called the Kerrville City Council meeting to order in City Hall Council Chambers, 701 Main Street. Councilmember Joe Herring, Jr. provided the invocation and led the Pledge of Allegiance.

COUNCILMEMBERS PRESENT:

Judy Eychner	Mayor
Kim Clarkson	Mayor Pro Tem, Councilmember Place 2
Roman Garcia	Councilmember Place 1
Joe Herring, Jr.	Councilmember Place 3
Brenda Hughes	Councilmember Place 4

COUNCILMEMBER ABSENT: None

CITY EXECUTIVE STAFF:

E.A. Hoppe, City Manager	Stephen Boyd, Deputy Fire Chief
William Tatsch, Assistant City Attorney	Ashlea Boyle, Director Parks & Recreation
Michael Hornes, Assistant City Manager	Kyle Burow, Director Engineering
Kim Meismer, Assistant City Manager	Stuart Cunyus, Public Information Officer
Shelley McElhannon, City Secretary	Guillermo Garcia, Exec Dir Innovation
Julie Behrens, Director of Finance	Chris McCall, Police Chief
Donna Bowyer, Code Enforcement	Drew Paxton, Chief Planner

VISITORS PRESENT: A list of the citizen speakers present during the meeting is on file in the City Secretary's Office for the required retention period.
Gil Salinas, Kerr Economic Development Corporation

1. ANNOUNCEMENTS OF COMMUNITY INTEREST: Announcements of Community Interest provided by Stuart Cunyus, Councilmember Roman Garcia, Councilmember Kim Clarkson, and Mayor Eychner.

2. PRESENTATIONS:

2A. Kerrville Kindness Award presented to Sylvia Fritz Dobbs, David Fritz, and Mini Mart.

Presentation deferred until a future Council meeting.

2B. Proclamation recognizing July 2022 as National Parks and Recreation month.

Mayor Eychner recognized July 2022 as National Parks and Recreation month, which was received by Parks and Recreation Director Ashlea Boyle along with Parks and Recreation staff Justin LaQuey, Diedre Flores, Bobby Morris, Rosa Ledesma, and Tina North.

Shelley McElhannon read general business protocols of conduct into record.

3. VISITORS FORUM:

The following persons spoke:

- Mike and Mary Olden

4. CONSENT AGENDA:

Mayor Eychner stated the City Council meeting minutes of June 28, 2022 have been corrected listing Mayor Judy Eychner instead of Bill Blackburn. Councilmember Garcia made a motion to approve the consent agenda items 4A, 4B, and 4C, seconded by Councilmember Brenda Hughes. The motion passed 5-0.

4A. City Council and Planning & Zoning Commission joint workshop minutes, June 28, 2022.

4B. City Council workshop minutes, June 28, 2022.

4C. City Council meeting minutes, June 28, 2022.

END OF CONSENT AGENDA.

5 PUBLIC HEARINGS AND RESOLUTIONS:

5A. Resolution No. 39-2022. A Resolution granting a Conditional Use Permit to authorize a Car Wash on property generally located Northwest of the Intersection of Commerce Street and State Highway 27 (Junction Highway), comprising an approximate 3.57 acres and consisting of Lot 2, Block 1, Starkey Manor Subdivision; said property is located within a General Commercial Zoning District (C-3); and making said permit subject to certain conditions and restrictions.

Shelley McElhannon read Resolution No. 39-2022 caption into record.

Drew Paxton provided information and responded to questions.

Mayor Eychner opened the public hearing at 6:22 p.m.

The following person(s) spoke:

- Jeff Newland

Mayor Eychner closed the public hearing at 6:25 p.m.

Councilmember Hughes made a motion to approve Resolution No. 39-2022, seconded by Councilmember Garcia. The motion passed 5-0.

5B. Resolution No. 40-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of on Lots 2 and 3, Block 2, Virgil Merrell 3rd Addition; and more commonly known as 1203 Donna Kay; said property is located within a Single-Family Residential Zoning District (R-1); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 40-2022 caption into record.

Drew Paxton provided information and responded to questions.

Mayor Eychner opened the public hearing at 6:28 p.m.

The following person(s) spoke:

- Leslie Garcia, property owner
- Anna Ramirez
- Karen Sides

Mayor Eychner closed the public hearing at 6:41 p.m.

Mayor Eychner made a motion to approve Resolution No. 40-2022, seconded by Councilmember Hughes. The motion passed 5-0.

5C. Resolution No. 41-2022. A Resolution granting a Conditional Use Permit to authorize a Short-Term Rental Unit on the property consisting of Lot 3, Block 1, Schreiner High School Addition; and more commonly known as 729 Robinson; said property is located within a Single-Family Residential with Accessory Dwelling Unit Zoning District (R-1A); and making said permit subject to conditions and restrictions.

Shelley McElhannon read Resolution No. 41-2022 caption into record.
Drew Paxton provided information and responded to questions.

Mayor Eychner opened the public hearing at 6:46 p.m.

The following person(s) spoke:

- Anna Ramirez
- Karen Sides

Mayor Eychner closed the public hearing at 6:49 p.m.

Councilmember Herring made a motion to approve Resolution No. 41-2022, seconded by Mayor Eychner. The motion passed 5-0.

6 CONSIDERATION AND POSSIBLE ACTION:

6A. Kerrville Police Department Body Camera/In-Car Camera Replacement Project.

Shelley McElhannon read Item 6A caption into record.

Chief Chris McCall provided information and responded to questions. Chief McCall noted an increase to the total cost of project by \$49,000 (over the five years).

Councilmember Hughes made a motion to (1) authorize the City Manager to finalize and execute a contract with Utility Associates, Inc., and (2) authorize the use of American Rescue Plan Act (ARPA) funds in the amount of \$441,853.85 for the portion of the project not covered by grant funds, seconded by Councilmember Garcia. The motion passed 5-0.

7 INFORMATION AND DISCUSSION:

7A. Kerrville Economic Development Corporation quarterly update.

Shelley McElhannon read Item 7A caption into record.

Gil Salinas with KEDC provided information and responded to questions.

7B. Community Investment Plan (CIP) project quarterly update.

Shelley McElhannon read Item 7B caption into record.

Kyle Burow provided information and responded to questions.

7C. Neighborhood Enhancement Team (NET) update.

Shelley McElhannon read Item 7C caption into record.

Guillermo Garcia and E.A. Hoppe provided information and responded to questions.

8 BOARD APPOINTMENT(S):

8A. Appointment to the Kerr Emergency 9-1-1 Network Board of Directors.

Shelley McElhannon read Item 7A caption into record.

Chief McCall provided information.

Councilmember Garcia made a motion to reappoint Kerrville Police Department Communications Manager Frank Galvan as the City of Kerrville representative to the 9-1-1 Board of Directors, seconded by Councilmember Herring. The motion passed 5-0.

Councilmember Garcia made a motion City Council enter executive session under 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), and 551.087 (deliberation regarding economic development negotiations), seconded by Councilmember Hughes. The motion passed 5-0. Closed Executive Session convened at 7:47 p.m.

9 EXECUTIVE SESSION:

9A. Workforce Housing development projects (551.071, 551.072, 551.087)

The closed executive session adjourned, and City Council returned to open session at 8:37 p.m. No action was taken during executive session.

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

11 ITEM(S) FOR FUTURE AGENDAS:

- Councilmember Garcia – requested to schedule appointment of City of Kerrville delegate for the 2022 Texas Municipal League Annual Conference business meeting no later than the first meeting in September, seconded by Councilmember Herring.

ADJOURN. The meeting adjourned at 8:38 p.m.

APPROVED BY COUNCIL: _____

APPROVED:

ATTEST:

Judy Eychner, Mayor

Shelley McElhannon, City Secretary



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

SUBJECT: City Council workshop minutes, July 19, 2022.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 14, 2022

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20220726_Minutes_CC workshop budget 7-19-22 10am.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

City Council budget workshop minutes held July 19, 2022 at 10:00 a.m., in the City Hall Council Chambers.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL MINUTES
WORKSHOP, COUNCIL CHAMBERS**

**KERRVILLE, TEXAS
JULY 19, 2022 10:00 AM**

CALL TO ORDER: July 19, 2022 at 10:00 a.m., the Kerrville City Council workshop was called to order by Mayor Judy Eychner in the City Hall Council Chambers, 701 Main Street.

COUNCILMEMBERS PRESENT:

Judy Eychner	Mayor
Roman Garcia	Place 1
Kim Clarkson	Mayor Pro Tem, Place 2
Joe Herring Jr	Place 3
Brenda Hughes	Place 4

COUNCILMEMBER ABSENT: None

CITY STAFF PRESENT:

E.A. Hoppe	City Manager	Jacob Bogusch, Finance
Mike Hayes	City Attorney	Danielle Brigati, Library Director
Michael Hornes	Asst City Manager	Guillermo Garcia, Exec Director Innovation
Kim Meismer	Asst City Manager	Yesenia Luna, Court Coordinator
Shelley McElhannon	City Secretary	Drew Paxton, Planning Director
Stuart Barron	Exec Dir PW & Eng	Cody Scott, Finance Compliance
Julie Behrens	Director Finance	Trina Rodriguez, Asst Director Finance

VISITORS PRESENT: Media

Shelley McElhannon read general business protocols of conduct into record.

1. PUBLIC COMMENTS: None

2. CONSIDERATION AND POSSIBLE ACTION:

2.A. Fiscal Year 2023 Budget (Water fund, asset replacement funds, community investment plan, hotel and motel occupancy tax fund, debt funds, development services fund, library memorial fund, and other small funds).

E.A. Hoppe introduced the item. E.A. Hoppe, Julie Behrens, Stuart Barron, and Trina Rodriguez presented information and responded to questions by City Council. Julie Behrens will research and provide water base rate options to City Council.

Mayor Eychner departed bench and exited workshop at 11:31 a.m. Councilmember Kim Clarkson served in the capacity of Mayor Pro Tem.

ADJOURN: Mayor Pro Tem Clarkson adjourned workshop at 11:52 a.m.

APPROVED BY COUNCIL: _____

APPROVED:

Judy Eychner, Mayor

ATTEST:

Shelley McElhannon, City Secretary



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

SUBJECT: City Council and Kerrville Convention and Visitors Bureau annual meeting
July 21, 2022.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 20, 2022

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20220726_Minutes_CC-CVB annual meeting 7-21-22.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
0	0	0	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Minutes for the Kerrville City Council and Kerrville Convention and Visitors Bureau annual meeting July 21, 2022 at 11:30 a.m. at the YO Hotel and Conference Center.

RECOMMENDED ACTION:

Approve minutes as presented.

CITY COUNCIL MINUTES **JULY 21, 2022 AT 11:30 AM**
KERRVILLE CONVENTION AND VISITORS BUREAU ANNUAL MEETING
YO HOTEL AND CONVENTION CENTER, SPANISH OAK ROOM, KERRVILLE, TX

COUNCILMEMBERS PRESENT:

Roman Garcia	Councilmember Place 1
Joe Herring, Jr.	Councilmember Place 3
Brenda Hughes	Councilmember Place 4

COUNCILMEMBERS ABSENT:

Judy Eychner	Mayor
Kim Clarkson	Councilmember Place 1, Mayor Pro Tem

CITY STAFF PRESENT:

E.A. Hoppe, City Manager	Mike Hayes, City Attorney
Julie Behrens, Director Finance	Michael Hornes, Asst City Manager
Jacob Bogusch, Accounting Asst	Shelley McElhannon, City Secretary
Ashlea Boyle, Director Parks & Rec	Kim Meismer, Asst City Manager
Megan Folkerts, Senior Analyst	Cody Scott, Compliance Coordinator

CALL TO ORDER: On Thursday, July 21, 2022 at 11:50 a.m., Julie Davis, President of the Kerrville Convention and Visitors Bureau (CVB) called the annual budget meeting to order at the Y.O. Hotel and Convention Center – Spanish Oak Room, 2033 Sidney Baker Street, Kerrville, Texas. Julie Davis provided opening remarks and introductions.

INVOCATION: Mindy Wendele, CVB Board Member provided the invocation.

PLEDGE OF ALLEGIANCE: Julie Davis led the Pledge of Allegiance.

1. INFORMATION AND DISCUSSION

1.A. Julie Davis provided information regarding Community Interest, the CVB's mission, Marketing Plan 2023, collected data, target areas, trends, and advertisements. She provided the Annual Report, Proposed Budget 2023, and the draft Marketing Plan. She followed-up with responses to questions. No action was taken during the meeting.

ADJOURN. The meeting adjourned 12:55 p.m.

APPROVED BY COUNCIL: _____ **ATTEST:**

Judy Eychner, Mayor

Shelley McElhannon, City Secretary



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

SUBJECT: Resolution No. 42-2022. A Resolution authorizing the transfer of the ownership of funds from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for employee related group benefits for Fiscal Year 2023.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jun 28, 2022

SUBMITTED BY: Kim Meismer

EXHIBITS: [20220726_Reso 42-2022 Transfer to EBT FY2023.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

If the Trustees of the Employee Benefit Trust approve the Fiscal Year 2023 employee benefit plans that were presented in the Benefit Trustee meeting, Council will need to consider approval of Resolution No. 42-2022 authorizing the transfer of funds from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for the employee benefits for Fiscal Year 2023.

RECOMMENDED ACTION:

Due to the action taken by the Trustees of the City of Kerrville Employee Benefit Trust to approve the FY2023 employee benefit plans, staff recommends Council adopt Resolution No. 42-2022, approving the transfer of funds from the City of Kerrville to the City of Kerrville Benefit Trust to pay for FY2023 employee benefits in an amount not to exceed \$9,107 per employee.

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 42-2022

A RESOLUTION AUTHORIZING THE TRANSFER OF THE OWNERSHIP OF FUNDS FROM THE CITY OF KERRVILLE TO THE CITY OF KERRVILLE EMPLOYEE BENEFIT TRUST TO PAY FOR EMPLOYEE RELATED GROUP BENEFITS FOR FISCAL YEAR 2023

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

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

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

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

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

City Council authorizes the transfer of the ownership of the City of Kerrville Internal Service Fund to the City of Kerrville Employee Benefits Trust for fiscal year 2023.

PASSED AND APPROVED ON this the ___ day of July, A.D., 2022.

Judy Eychner, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary



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

SUBJECT: Interlocal Agreement between Kerrville Independent School District and the City of Kerrville for Provision of School Resource Officers.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 19, 2022

SUBMITTED BY: Chris McCall

EXHIBITS: [20220726_Agreement_KISD for SRO.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	F - Public Facilities and Services
Guiding Principle	F5. Consider opportunities for interlocal agreements and collaborations with other government entities and partner agencies for the provision of services
Action Item	F2.5 - Encourage more public safety programs for schools and home school sites

SUMMARY STATEMENT:

The City of Kerrville Police Department currently employs two police officers who are assigned to the Kerrville Independent School District (KISD) as School Resource Officers (SRO's), at Tivy High School and Hal Peterson Middle School. This agreement will expand this program to 4 SRO's to be assigned to KISD. This will allow for one officer to be assigned at Tivy High School, one officer at Hal Peterson Middle School, and two officers to split time at elementary schools. This agreement will continue the existing cost sharing arrangement of salaries and benefit costs of those officers assigned to the SRO positions, and will additionally call for an amortized cost to fully equip the SRO with applicable equipment, uniforms, vehicles, and training related to these positions.

This agreement also terminates and replaces any existing agreement in place related to provisions for School Resource Officers. The initial term of this Agreement will commence

September 1, 2022 and ends August 31, 2024, with options for additional automatic renewals.

RECOMMENDED ACTION:

Authorize the City Manager to finalize and execute the Interlocal Agreement between Kerrville Independent School District and the City of Kerrville for provision of School Resource Officers.

**INTERLOCAL AGREEMENT BETWEEN KERRVILLE INDEPENDENT SCHOOL
DISTRICT AND THE CITY OF KERRVILLE
FOR PROVISION OF SCHOOL RESOURCE OFFICERS**

This Agreement is made by and entered into between the Kerrville Independent School District (hereinafter "KISD") and the City of Kerrville (hereinafter "City"), on the _____ day of _____, 2022.

WHEREAS, the Interlocal Cooperation Act, Chapter 791, Government Code, authorizes local governments to contract with one another for the performance of governmental functions and services; and

WHEREAS, City and KISD entered into an Interlocal Agreement For the Provision of School Resource Officer dated March 4, 2005, which was later amended on November 24, 2009 and replaced on May 24, 2021; and

WHEREAS, City and KISD desire to terminate the preexisting Interlocal Agreement Between Kerrville Independent School District and the City of Kerrville for Provision of School Resource Officer dated May 24, 2021, and replace it with a new agreement for the purpose of providing police services to KISD by City, as hereinafter set out in the body of this Agreement;

NOW, THEREFORE, City and KISD do hereby terminate any preexisting Interlocal Agreements for Provision of School Resource Officers and contract, agree, and covenant for good and valuable consideration, the mutual promises and agreements made in the body of this Agreement as follows:

1. **Initial Term:** The initial term of the Agreement is for a term commencing September 1, 2022 and ending August 31, 2024.
2. **Services to be provided:** City agrees to assign four (4) police officers as School Resource Officers (SRO), one (1) to Tivy High School, one (1) to Hal Peterson Middle School, and two (2) dedicated to KISD elementary schools. Said officers will serve at all times under the direction of City's Chief of Police ("Chief") or his designee. Said officers shall conduct police activities and investigations on the designated campuses and at other properties of KISD as necessary to carry out the officers' duties. KISD shall furnish a suitable office space on each campus for the SROs' use. The Chief or his designee shall meet and confer with the campus principals and Central Office Administration from time to time to establish mutually agreeable operational policies for the SROs. However, nothing in this Agreement shall abridge the right and responsibility of the Chief to assign, replace, discipline or otherwise supervise the activities of the SRO. Further, nothing in this Agreement shall require City to provide continuous police presence on the campus of Tivy High School, Hal Peterson Middle School, or any other KISD campus during every school day when any of the SROs may be away from a campus for court, training, administrative duties, arrest processing or other official duties. Further, nothing in this Agreement shall obligate the City to provide an SRO or other police presence at any school activities or events outside of regular school hours. If a police presence at such extracurricular activities is desired by KISD, it shall be negotiated separately from and independent of this Agreement.

3. Funding: KISD agrees to fund 5/6 and City agrees to fund 1/6 of all SRO Program annual expenses to include compensation and benefits (which includes, but is not limited to, payments for salary, longevity, certification, training, stipends, Federal Insurance Contribution Act, retirement, and medical insurance), and an amortized cost to fully equip the SROs to include, but not limited to, radios, vehicles, vehicle cameras, laptops, body cameras, cell phones, uniforms, and other ancillary equipment necessary to equip the SROs. KISD's portion of funding shall be paid in two payments to City, one payment due on or before November 30th of each year, and one payment due on or before June 30th of each year. City will provide invoices at least 30 days before each payment is due. The bill that is due on or before June 30th will include any proration or adjustments to annual expenses that may have accrued during the applicable year (September 1st to August 31st) of this Agreement.
4. Allocations of Funds Upon Termination: KISD and City agree that should either party not fund the obligations outlined in the Agreement, the program will terminate, and a prorated portion (KISD 5/6, City 1/6) of any remaining funds shall be transferred to the funding Parties.
5. Duration of On-Campus Duties for SRO: The SROs assigned to KISD under this Agreement shall be assigned to KISD campuses during a ten month period from August – May. During June and July, said officers shall report for duty at the Kerrville Police Department.
6. Automatic Renewal: This Agreement shall have a two (2) year initial term and shall be automatically renewed for three (3) additional one (1) year terms subject to the funding provisions contained herein. Financial considerations within this agreement are subject to annual budget appropriations of the Parties hereto. Either party may terminate this Agreement at any time by giving one hundred twenty (120) days written notice to the other party. The Parties may mutually agree to terminate this Agreement at any time. In the event the Agreement is terminated prior to the end of a term year, the compensation provided in Section 3 shall continue through the date of termination.
7. Vacancy: Should an SRO position become vacant at any time during an annual term, KISD and City agree that the prorated portion (KISD 5/6, City 1/6) of any remaining funds attributable to the vacated position shall be transferred to the funding Parties at the end of the annual term.
8. Hold Harmless Agreement: Nothing herein shall be construed as limiting the powers or immunities otherwise held by either party, and this Agreement shall not be construed to create any employer/employee relationship between KISD and the SRO, or any agreement whereby either party will have any obligation to indemnify the other. Each party hereto agrees to hold the other, and its agents, servants or employees, harmless of and from all claims, demands, liability, loss, cost and expense (including attorney's fees and cost of litigation) in any manner arising out of or resulting from any claim, demand, liability, loss, cost or expense caused in whole or in part by its own negligence or the negligence of its agents, servants or employees.

9. Notices: Any notice required or permitted to be given hereunder or under the laws of this state shall be given in writing and may be given via the United States Postal Service, certified mail, or commercial courier service, addressed to the applicable party at the address set forth below:

City: City of Kerrville
Attention: City Manager
701 Main Street
Kerrville, Texas 78028

KISD: Kerrville Independent School District
Attention: Superintendent
1009 Barnett Street
Kerrville, Texas 78028

10. Approval of Agreement: This Agreement will not become effective unless and until the approval and completed execution of this Agreement by both City and KISD, in accordance with Texas law.

11. Governing Law and Venue: This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any cause of action shall be in a court of competent jurisdiction in Kerr County, Texas.

12. Severability: If any provision of this Agreement is invalid or unenforceable, this Agreement shall be considered severable as to such provision, and the remainder of this Agreement shall remain valid and binding as though such invalid or unenforceable provision were not included herein.

13. Captions: Section headings are inserted herein only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent to any provision herein.

14. Use of Language: Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires.

15. Entire Agreement: This Agreement embodies the entire agreement between the Parties, and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. This Agreement shall not be changed, modified, discharged or extended, except by written instrument duly executed by the Parties. The Parties agree that no representations or warranties shall be binding upon either party unless expressed in writing in the aforesaid Agreement.

This Agreement may be executed in multiple counterparts, each of which constitutes an original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be legally executed this _____ day of _____, 2022.

CITY OF KERRVILLE

By: _____
Judy Eychner, Mayor

ATTEST:

Shelley McElhannon, City Secretary

KERRVILLE INDEPENDENT SCHOOL DISTRICT

By: _____
Dr. Mark J. Foust, Superintendent

APPROVED AS TO FORM:

William L. Tatsch, Assistant City Attorney

APPROVED AS TO FUNDING:

Julie Behrens, Director of Finance



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

SUBJECT: Professional Service Agreement with Freese and Nichols, Inc. to serve as Owner Representative for the Public Safety Facility.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jun 15, 2022

SUBMITTED BY: Stuart Barron

EXHIBITS: [20220726_Scope of Service_FNI Advisor Services PSF.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$300,000	\$0 -- This expense will be reimbursed to the general fund once bond proceeds are received	\$0 -- This expense will be reimbursed to the general fund once bond proceeds are received	70-7000-3125 Project #70-22005

PAYMENT TO BE MADE TO: Freese and Nichols

Kerrville 2050 Item?	Yes
Key Priority Area	F - Public Facilities and Services
Guiding Principle	F2. Place the highest priority on public safety (police, fire, EMS).
Action Item	N/A

SUMMARY STATEMENT:

The State of Texas mandates if a city chooses to use the Design Build Delivery Method, then the city must have a qualified owners representative. The owners representative is utilized in this capacity to verify the design-build team is following the applicable state laws and delivering a building that meets the City's needs, within the allotted budget.

Freese and Nichols has previously performed in the the owners representative capacity for the City of Kerrville, and understands the needs of this city. Freese and Nichols has experience in over-seeing large construction projects similar to the proposed new Public Safety Facility. Freese and Nichols is capable and qualified to fulfill the State's requirement, and have historically excelled in this capacity.

At this time, the City recommends contracting with Freese and Nichols for a scope of services as Owners Representative through preconstruction. Additional supplemental services for construction management and/or inspection services will need further Council action at that time.

RECOMMENDED ACTION:

Authorize the City Manager to finalize and execute a Professional Service Agreement for the scope of service, as presented.

EXHIBIT "A"
City of Kerrville
Public Safety Facility Project – Design-Build Advisor Services

Project Understanding

Freese and Nichols, Inc. (FNI) understands that the City of Kerrville (City) is seeking professional services for performing as a Design-Build Advisor to the City on its Public Safety Facility Project. The Project will consist of a new 69,000+ SF building that will house a municipal court, police administration and related space, fire administration and related space, and a new parking lot with associated site improvements. The City intends to utilize the Progressive Design-Build Project Delivery method, in accordance with Texas Government Code 2269, to secure the services of a qualified Design-Build (DB) Team to deliver the described facility.

Texas Government Code 2269.305 states that a governmental entity (municipality) shall designate an architect or engineer independent of the design-build firm to act as the governmental entity's representative for the duration of the project. FNI will provide these services to the City throughout the project including during the procurement, preconstruction and construction phases.

Scope of Services

Task A: Project Management

A1. Administration

Perform general administration duties for the project, including attendance at meetings, general communication and correspondence, office administration, and monthly invoicing.

A2. Project Kickoff Meeting

Meet with the City to review the scope, project team, and schedule.

A3. Communication

- A. Support the DB Team with the establishment of a communication plan.
- B. Attend periodic meetings to exchange information regarding the progress of the project.
- C. Review and provide input on agendas prior to the meetings, attend meetings, and review the meeting minutes for completeness and accuracy.
- D. Submit monthly project progress reports.

A4. Schedule

Review master summary schedule, on a monthly basis, developed by DB Team that will provide an executive level bar chart, tracking project progress throughout the project.

A5. Budget

Review a projected spend plan and cash flow curve, on a monthly basis, developed by DB Team that will provide an executive level overview of the financial status throughout the project.

A6. Quality Control

Review the quality assurance/quality control ("QA/QC") program provided by the DB Team.

A7. Progress Reports

Provide monthly Project progress reports and submit invoices on or before the 25th day of each month for the previous month's effort.

A8. Project Controls

Monitor Project integration, scope, schedule, cost, quality, staff resources, communications, risk analysis, Project Management Information System, and overall project management provided by the DB Team.

Task B: Procurement Services

B1. Design-Build Justification Memorandum

Meet with the City Staff to discuss and justify the merits of the Design-Build Project Delivery Method when compared to other project delivery methods. FNI will meet with the City Council to discuss these merits and address questions raised by Council. FNI will support the City Staff as needed with the Staff's preparation of the DB justification memo.

B2. Council Resolution

Support City Staff as needed in the preparation of a Council Resolution to submit to Council for official approval to allow the use of the Design-Build Project Delivery Method.

B3. Design-Build Request for Qualifications (RFQ)

- A. Prepare a draft Request for Qualifications for Design-Build services for the project.
- B. RFQ will be based on and include the conceptual project scope information prepared by Randall Scott Architects under a separate agreement with the City.
- C. Prepare a design criteria package to be included in the RFQ that provides more detailed information about the project gathered from FNI meeting with the various facility user groups within the City. This information will include but not necessarily be limited to:
 1. Legal description of the site and metes and bounds survey (if available) of the site provided by the City (survey services not included in FNI scope)
 2. Applicable codes, ordinances and Authorities having Jurisdiction
 3. Site development requirements (drainage/detention, landscaping/irrigation, impervious cover, fencing/screening, lighting, security, etc.)
 4. Existing utility locations (water, sewer, electrical, gas, etc.)
 5. Vehicle access and parking requirements
 6. Available geological and geotechnical information about the site (geotechnical services not included in FNI scope)
 7. Interior space requirements (elaboration of block floor plan developed by Randall Scott, Inc.)
 8. Façade and other exterior feature requirements (materials, roofing, etc.)
 9. Special material and equipment requirements (Security systems, AV, Sally Port and holding cells, court amenities, etc.)
 10. Material quality standards
 11. Schedule and budget estimate
 12. QA/QC requirements

B4. Design-Build Request for Proposals (RFP)

- A. Prepare a draft Request for Proposals for those firms/teams that are shortlisted after review of the Statements of Qualifications.
- B. Review DB proposals and facilitate City Staff review, evaluation, scoring and ranking of the DB Teams and will provide a draft composite score for review by the City.
- C. Should interviews be desired by the City, FNI will assist in preparing for and conducting these interviews. FNI will add interview scoring into the overall scoring and provide a final ranking of the DB Teams.
- D. Assist in the preparation and negotiations of the DB agreement between the City and the highest ranked DB Team.

Task C: Pre-Construction Services

C1. Design-Build Agreement

Assist the City in the development of the Design-Build agreement to be executed by the Design-Builder and the City.

C2. Pre-Construction Meeting

Assist the City in the preparation for and conducting of a pre-construction meeting with the Design-Build team, City staff, and other stakeholders.

C3. Stakeholder Coordination

Support the DB Team in obtaining permits and coordinating design elements with stakeholders.

C4. Guaranteed Maximum Price (GMP) Development

Monitor the development of the GMP and review for overall compliance to the contract documents, overall project objectives, cost, schedule and quality.

C5. Bid Package Review

Review the bid packages and procurement schedule provided by the DB Team for compliance with project scope.

C6. Document Control

Periodically review the web based PMIS system provided and managed by the DB Team.

C7. Review of Opinion of Probable Cost

Review the OPCC prepared by the DB Team at the SD, DD and CD deliverables.

C8. Review of Design Deliverables

Review design documents prepared by the DB Team at the SD, DD and CD deliverables (total of 3 reviews).

Task D: Construction Management Services (Supplemental Services)

Support the City during construction by administering the construction contract, acting as liaison between the City and the DB Team, and providing other construction management duties described in this section as necessary to facilitate construction of the project by the DB Team.

Multiple FNI staff will be involved in the various tasks described in this section. For budgeting purposes, the following estimate of effort has been included based on a projected construction period of 78 weeks (18 months):

- Contract Administration – Average 32 hours per week (inclusive of effort listed below)
 - Bi-weekly Meetings/Site Visits – 40 total visits
 - Submittal Review – 100 total submittals (not all submittals will require review)
 - Special Inspections – 40 total inspection visits
 - Commissioning/Closeout – 10 total visits

D1. Construction Site Visits and Progress Meetings

Make periodic site visits and attend bi-weekly construction progress meetings with the entire project team and other parties as appropriate throughout the project.

D2. Construction Quality

Periodically observe the work to determine if the work is proceeding in accordance with the contract documents. FNI will review documents submitted by the DB Team including test reports, equipment installation reports, commissioning reports, and other documents required by the contract documents.

D3. Document Control

Review an electronic project management information system provided by the DB Team. FNI will review monthly reports prepared by the DB Team to monitor the status of all submittals in the review process.

D4. Submittal Review

Perform a cursory review of submittals (ie. shop drawings, RFIs, etc.) and facilitate reviews of submittals by the City when applicable. These reviews are intended to be cursory in nature to verify submittal contents are in general conformance with the construction documents. Note that it is the DB Team's responsibility to prepare and verify that submittal contents strictly conform to the construction documents. The DB Team must identify all components and accessories in the submittal necessary for a complete assembly that will be installed in accordance with all applicable codes and regulations, and that will have the aesthetic and operational characteristics that meets the overall intent of the form and function of the facility.

D5. Schedule Management

Review the baseline and the monthly construction progress schedules submitted by the DB Team.

D6. Cost Management

Review the schedule of values and payment requests prepared by the DB Team. Review the monthly cash flow projections provided by the DB Team. Verify quantities of work in place, review the payment requests and supporting documentation, and provide the City its opinion of alignment between the payment requested and the actual work completed, and a recommendation for payment as appropriate.

D7. Issue Management

Periodically review the Issues Log developed by DB Team and facilitate the resolution of any issue that requires City input or involvement. If necessary, provide an interpretation of the drawings and specifications when questions arise concerning the meaning or intent as it pertains to City defined items.

D8. Change Management

Review the procedures for administering changes to the construction contract developed by the DB Team. Review the documentation of requested contract modifications and subsequent change order documents for approved changes and have them executed appropriately.

D9. Discipline Specific Inspection

Perform inspections of parts of the project at appropriate stages of construction (ie. HVAC system, electrical systems, etc.)

D10. Project Commissioning and Completion

Observe start-up and commissioning of the facility and all the building systems planned and conducted by the DB Team.

When the DB Team requests that substantial completion be granted for the Project (or applicable portions thereof), FNI will conduct a review of the Project with the City to determine conformance or non-conformance with the Project design and construction documents. FNI will prepare a list of deficiencies to be corrected by the DB Team before substantial completion is granted and any partial release or reduction of retainage is approved.

Conduct a final review of the Project with the City for conformance with all the Project documents. FNI will confirm work is complete and in accordance with the Project documents prior to recommending final payment.

Assist the City in obtaining warranties, spare parts, operation and maintenance manuals, as-built drawings, and facility keys from the DB Team. FNI will review and confirm that the DB Team has submitted all required documents to the City prior to recommending the final payment.

Assist the City in the preparation of a Substantial Completion Checklist to ensure that all AHJ's (Authorities Having Jurisdiction) have approved the facility for a Certificate of Occupancy.

D11. Material Transfer

Facilitate the transfer and acceptance of City furnished equipment or materials. Facilitate the transfer and acceptance of any DB Team furnished spare parts, materials, keys, etc.

D12. Record Drawings

Review as-built drawings provided by the DB Team and verify that they accurately reflect the actual project components and conditions.

D13. Deliverables

Submit site visit reports, monthly summary reports, and other correspondence as outlined in other sections of this scope of work.

Limitations of Authority of Owner Representative

- A. FNI will not authorize any deviation from the contract documents or substitution of materials or equipment (including "or-equal" items) without authorization from the City.
- B. FNI will not undertake any of the responsibilities of the DB Team.
- C. FNI does not guarantee the DB Team's performance.

- D. FNI will not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences, or procedures of construction unless such advice or directions are specifically required by the contract documents.
- E. FNI will not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the work or any activities or operations of the City or the DB Team.

Task E: Construction Inspection Services (Supplemental Services)

FNI will support the City during construction by providing on-site construction inspection services. FNI inspector will communicate with the FNI Construction Manager and the City on regular basis and will provide daily observation of the ongoing construction to verify that the work is being completed in general conformance to the construction contract documents.

Inspection services can be provided on a full-time or part-time basis so the following estimate of effort has been included for the inspection duties described in this Section which are necessary to provide observation of ongoing construction by the DB Team.

For budgeting purposes, the following estimate of effort for 3 options has been included based on a projected construction period of 78 weeks (18 months):

- Option 1 - Full-time on-site inspection – 40 hours (5 days) per week
- Option 2 - Part-time on-site inspection – 24 hours (3 days) per week
- Option 3 - Part-time on-site inspection – 16 hours (2 days) per week

Each option includes 1 hour of travel time per day

E1. Meetings

Attend on site bi-weekly and other project-related meetings providing input on construction progress and resolution of outstanding issues.

E2. Liaison

- A. Serve as City's on-site liaison with the DB Team, working principally through superintendent to address field issues and assist in understanding the intent of Contract Documents.
- B. Assist in obtaining from City additional details or information, when required for proper execution of the Work.

E3. Submittals

Review submittals to verify provision and installation of materials and equipment conform to approved submittals.

E4. Review of Work, Rejection of Defective Work, Inspections and Tests

- A. Conduct observations of the Work in progress to determine if the Work is in general proceeding in accordance with the Contract Documents.
- B. Report to Superintendent any Work that will not produce a completed Project that conforms generally to the Contract Documents or will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be

made. Advise the CM and the City that the work should be corrected or rejected, or should be uncovered for observation, or requires special testing and inspection prior to approval.

- C. Verify that tests, equipment and systems start-up and operating and maintenance training are conducted in the presence of appropriate personnel, and the DB Team maintains adequate records thereof; and observe, record and report to CM appropriate details relative to the test procedures and start-ups.
- D. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections and include in daily reports.

E5. Interpretations of Contract Documents

Study DB Team's requests for clarifications and interpretations of the Contract Documents and report to CM and City with recommendations. Coordinate response with DB Team.

E6. Requests for Revisions

Consider CM DB Team's suggestions for revisions to the Contract Documents and report to CM and City with recommendations. Coordinate response with DB Team.

E7. Records

Maintain electronic files for correspondence, meeting minutes, shop drawings and samples, changes, clarifications, interpretations, progress reports, test reports, commissioning reports, and all other project related documentation. Certain information such as samples may be kept on site in hard copy format.

E8. Reports

Provide daily reports documenting progress of the work. Reports will include specific information about weather, number and type of crews on site, equipment in and not in operation on site, equipment and material deliveries, visitor names and discussion topics, construction materials testing performed, meetings, special inspections, issues, nonconforming work, photographs, and other information that illustrates construction related activities at the site.

E9. Accidents

Report accidents immediately to the CM and the City.

E10. Progress Schedules

Review monthly progress schedules and provide input on overall accuracy, issues with potential schedule impact, recovery of slippage as applicable, and other issues or concerns.

E11. Payment Requests

Review monthly applications for payment for compliance with the established procedure for their submission and forward with recommendations to CM for processing and recommendation of payment to the City. Verify percentage of completion and/or quantities of payment line items with Superintendent.

E12. Construction Materials Testing Coordination

Coordinate and monitor quality assurance construction materials testing activities with testing firm contracted directly with the City.

E13. Operations and Maintenance Manuals

Verify that certificates, operations and maintenance manuals and other data required to for equipment, assemblies, systems and other items furnished by DB Team are applicable to the items actually installed and in accordance with the Contract Documents.

E14. Completion

- A. Conduct inspections in the company of the CM and the City and prepare list of observed items requiring completion or correction prior to substantial completion and again prior to final completion. Verify that DB Team addresses list satisfactorily prior to issue of Certificate of Substantial Completion, and prior recommending City consider Final Acceptance and make final payment.
- B. Verify with DB Team that inspections are performed as required by laws or regulations, ordinances, codes or order applicable to the Work, including but not limited to those to be performed by public agencies having jurisdiction over the Work.

E15. Deliverables

Submit daily construction observation reports and other correspondence as needed.

Schedule

FNI is authorized to commence work on the Project upon execution of this AGREEMENT and agrees to complete the services in accordance with the following schedule:

Services	Duration
Procurement Services	May 2022 - October 2022
Pre-Construction Services	November 2022 – April 2023
Construction Services	May 2023 – October 2024

If FNI's services are delayed through no fault of FNI, FNI will be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in City or regulatory reviews, delays on the flow of information to be provided to FNI, governmental approvals, etc.

Compensation

Compensation to FNI for the Basic Services will be the lump sum amount of \$300,000. Task D under supplemental services would be lump sum if the City authorizes these services. Task E under supplemental services would be based on an hourly rate with a not to exceed amount listed for each of the three options if the City authorizes the services of one of these options. If FNI sees the Scope of Services changing so that additional services are needed FNI will notify City for City's written approval before proceeding.

Basic Services

Task A – Project Management	Included in Tasks below
Task B – Procurement Services	\$100,000
Task C – Preconstruction Services	\$200,000
Total Basic Services (Lump Sum)	\$300,000

Supplemental Services

Task D – Construction Management Services	\$575,000
Task E Option 1 – Full-Time Inspection Services (40hrs/wk)	\$500,000
Task E Option 2 – Part-time Inspection Services (32hrs/wk)	\$400,000
Task E Option 3 – Part-Time Inspection Services (24hrs/wk)	\$300,000

Additional Services

1. Furnishing design, regulatory/stakeholder coordination, construction management, construction administration, full-time Resident Representation, and/or construction materials testing services.
2. Assisting City in the defense or prosecution of litigation in connection with or in addition to those services contemplated by this proposal.
3. Geotechnical and Construction Materials Testing services.
4. Survey services.
5. Any other services not specifically identified in the basic services.



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

SUBJECT: Lease Schedule and Master Lease Agreement with John Deere Financial for a 60 month lease in the amount of \$266,854 for six pieces of maintenance equipment for the Scott Schreiner Golf Course.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 18, 2022

SUBMITTED BY: Ashlea Boyle

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$266,854	\$38,900 (FY2023 budget includes cost for future expenditures)	Multi-year commitment replacing existing lease on current equipment	14-1401-3410

PAYMENT TO BE MADE TO: John Deere Financial

Kerrville 2050 Item?	Yes
Key Priority Area	P - Parks / Open Space / River Corridor
Guiding Principle	P5. Focus on enhancing/investing in existing parks, their purpose or repurpose and improving accessibility before acquiring land for new parks
Action Item	N/A

SUMMARY STATEMENT:

Staff is requesting authorization to execute a 60 month lease-purchase agreement with John Deere Financial for six pieces of maintenance equipment for the Scott Schreiner Golf Course in the amount of \$266,854. Monthly payments would be \$4,447.55. This need was identified, budgeted, and approved in the FY22 budget process. Due to supply chain issues, this equipment will be expensed for no more than three of the twelve months of FY2022. If approved, staff will continue to budget appropriately for the lease expenditure each year.

The equipment included in the lease are as follows:

- 1) 8900A Precisioncut Large Area Reel Mower
- 2) 2700 Precisioncut Triplex Mower
- 3) 2653B Trim N Surrounds Mower
- 4) Progator 2030A
- 5) 1200 Hydro Rake
- 6) Z930M ZTRAK

This expenditure is consistent with Kerrville 2050's guiding principle of focusing on enhancing and investing in existing parks. Staff recommends approval of this expenditure and requests Council approval authorizing the City Manager to finalize a contract for the purpose described. A copy of the lease documents are available for viewing in the City Secretary Office.

RECOMMENDED ACTION:

Authorize the City Manager to finalize and execute a lease agreement.



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

SUBJECT: Financial Report for month ended June 30, 2022.

AGENDA DATE OF: July 26, 2022 **DATE SUBMITTED:** Jul 14, 2022

SUBMITTED BY: Julie Behrens

EXHIBITS: [20220726_Presentation_Financial update 6-30-22.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Monthly financials report, month ended June 30, 2022.

RECOMMENDED ACTION:

Report. No action by City Council.

Financial Update

City Council Meeting
July 26, 2022



1

General Fund Summary

On May 7th voters approved Prop A - \$45M General Obligation Bond for expenses related to land acquisition, construction of a Public Safety Facility, and furniture, fixtures, and equipment.

Next Steps

Completed

- Staff (with Hilltop Securities and bond counsel) has prepared the third draft of the Preliminary Official Statement (POS) for bond issuance
- Completed land purchase
- Engineering agreement for relocation of sewer line

In-Progress

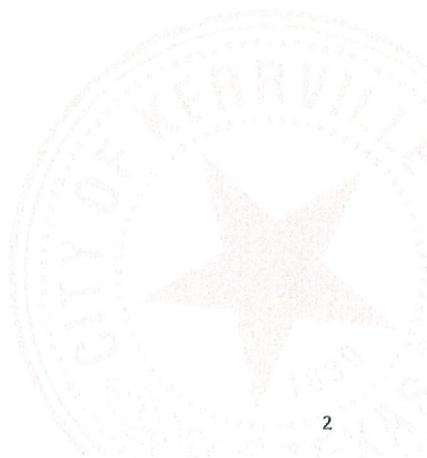
- Staff preparing documents for S & P bond rating determination
- Staff underwriter selection
- Design relocation of sewer line
- Engage in process of selecting engineering, design, and architecture firms

August

- 1st bond rating call
- 9th Receive bond rating from S & P
- Hilltop Securities will post POS on i-deal website for negotiated bond pricing
- Council will approve ordinance
- Conduct bond sale

September

- Funds will be received on or about Sept. 15th
- Reimburse City for any funds expended for project-to-date



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General Fund Summary

General Fund Revenues as of June 30, 2022

Property Tax:

Budget: \$10,720,382

Current Collections: \$10,703,064

- **Includes \$213,720 from prior years' taxes**
 - \$17K from being meeting budget
 - Expect to meet budget

Sales Tax:

Budget: \$9,339,787

Current Collections: \$7,094,821

- **Average increase of 12% over FY2021 through June 2022**
 - Categories with highest increases: Retail, Wholesale Trade, Manufacturing, Food Service
 - July sales tax has been received – 9.5% increase over FY2021
 - Estimating FY2022 year-end \$9.9M (\$585K better than amended budget)
 - 2 month lag – final numbers not available until November 2022

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General Fund Summary

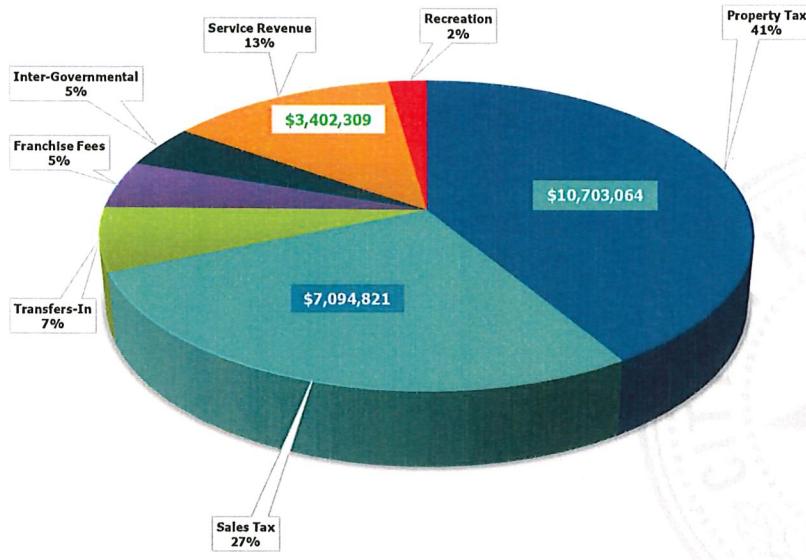
Overview of Revenues as of June 30, 2022

General Fund	FY2022 Budget	Y-T-D FY2022 Budget Estimate	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
Taxes						
Property Tax	\$ 10,720,382	\$ 10,484,534	\$ 10,703,064	\$ 218,530	\$ 10,128,150	\$ 574,914
Sales Tax	9,339,787	6,677,026	7,094,821	417,795	6,341,591	753,230
Franchise Fees	1,959,200	1,166,713	1,279,780	113,067	1,154,103	125,677
Total Taxes	\$ 22,019,369	\$ 18,328,272	\$ 19,077,665	\$ 749,393	\$ 17,623,844	\$ 1,453,821
Permits & Fees	40,495	32,733	22,745	(9,988)	18,905	3,840
Inter-Governmental	1,489,052	1,223,179	1,154,980	(68,199)	1,093,297	61,683
Service Revenue	3,997,854	2,802,574	3,402,309	599,735	2,841,266	561,043
Recreation	656,975	469,737	567,234	97,497	618,182	(50,948)
Fines & Forfeitures	476,550	392,970	295,082	(97,888)	282,285	12,797
Grants & Donations	29,500	29,500	36,027	6,527	88,473	(52,446)
Interest & Misc.	223,961	184,681	203,804	19,123	220,888	(17,084)
Transfers-In	2,276,116	1,718,337	1,718,337	-	1,837,584	(119,247)
Total General Fund Revenue:	\$ 31,209,872	\$ 25,181,984	\$ 26,478,183	\$ 1,296,199	\$ 24,624,724	\$ 1,853,459

- Recreation revenues \$98K better than YTD estimated budget but behind last year
- Services better than budget due to EMS revenues
- Overall fund \$1.3M ahead of FY2022 YTD estimated budget primarily due to growth in sales tax & EMS

General Fund Summary

Revenues By Category



General Fund Summary

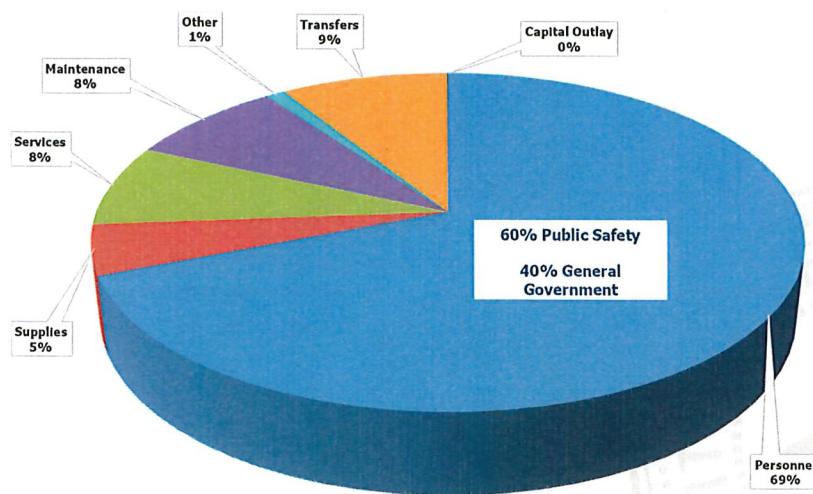
Overview of Expenses as of June 30, 2022

General Fund	FY2022 Budget	Y-T-D FY2022 Budget Estimate	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021		Change from YTD FY2021
					Actual	Actual	
Expenses							
Personnel	\$ 22,323,798	\$ 16,519,611	\$ 16,536,413	\$ (16,802)	\$ 15,245,385	\$ 1,291,028	
Supplies	1,495,320	1,046,724	1,144,866	(98,142)	934,581	210,285	
Maintenance	3,630,742	2,505,212	2,007,339	497,873	1,808,171	199,168	
Services	2,447,369	1,737,632	1,868,849	(131,217)	1,771,337	97,512	
Other	532,556	378,115	247,240	130,875	201,354	45,886	
Capital Outlay	106,236	74,365	7,492	66,873	139,092	(131,600)	
Transfers-Out	2,204,114	2,151,614	2,151,614	-	246,485	1,905,129	
Total General Fund Expenses:	\$ 32,740,135	\$ 24,413,272	\$ 23,963,813	\$ 449,459	\$ 20,346,405	\$ 3,617,408	

- Behind YTD budget estimate: Supplies and Services categories
 - Gas: \$87K higher in this fund than last year-to-date
 - Services: Other professional services & consulting fees related to the bond process, property tax collection commission, EMS billing, & liability insurance are drivers in this category
- Better than budget in maintenance – paving is kicking off
- Better than budget in Capital Outlay – supply issues
- Transfers-Out higher than FY2021 due to mid-year transfer of FY2021 surplus funds

General Fund Summary

Expenses By Category



- Personnel is budgeted at 70.5% of overall general fund expenses
- Supplies budgeted at 4.8%
- Services budgeted at 8.2%

Water Fund Summary

Water Fund Revenues

Water Sales:

Budget: \$6,665,813

Current Sales: \$4,619,468 (through June billing – May consumption)

- Slightly ahead of YTD budget estimate and ahead of last year

Sewer Sales:

Budget: \$5,992,747

Current Sales: \$4,596,889

Currently \$162K ahead of FY2022 ESTIMATED budget-to-date and ahead of last year

Water Fund Summary

Overview of Revenues as of June 30, 2022

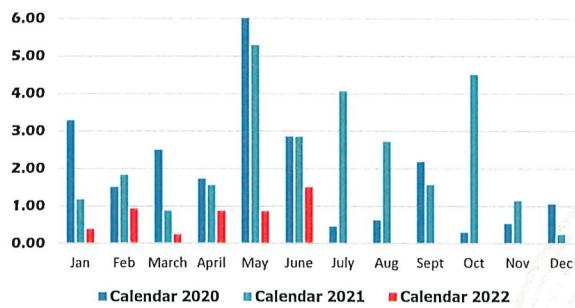
Water Fund	Current	Year to Date	Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
	FY2022 Budget	FY2022 Budget				
Revenues						
Water Sales	\$ 6,665,813	\$ 4,566,082	\$ 4,619,468	\$ 53,386	\$ 4,357,381	\$ 262,087
Sewer Sales	5,992,747	4,434,633	4,596,889	162,256	4,428,942	167,947
Reuse Sales	155,021	100,764	93,623	(7,141)	109,681	(16,058)
Waste Disposal Fees	450,000	315,000	270,067	(44,933)	336,220	(66,153)
Other	442,180	406,806	436,218	29,412	419,565	16,653
Total Revenues	\$ 13,705,761	\$ 9,823,284	\$ 10,016,265	\$ 192,981	9,651,789	364,476

Notes:

- Total fund revenues better than FY2022 estimated budget, largely due to sewer sales
- As of now, expect to meet overall budget for water fund for FY2022
- Water sales are slightly ahead of FY2022 estimated budget, however overall consumption is down compared to last year

Water Fund Summary

Rainfall Totals in Inches



Notes:

- Average (January – December) rainfall for Kerrville - 32"
- Rainfall January – June (2022) - 4.79"
- Rainfall January – June (2021) – 13.55"

Source: ars.usda.gov

Water Fund Summary

Overview of Expenses as of June 30, 2022

Water Fund	Current	Year to Date	Y-T-D FY2022 Actual	Better or	Y-T-D	Change
	FY2022 Budget	FY2022 Budget		Worse than YTD Budget	FY2021 Actual	from YTD FY2021
Expenses						
Personnel	\$ 3,655,737	\$ 2,705,245	\$ 2,680,488	\$ 24,757	\$ 2,601,555	\$ 78,933
Supplies	824,367	585,301	500,537	84,764	443,606	56,931
Maintenance	972,357	680,650	683,007	(2,357)	501,651	181,356
Services	1,088,446	794,566	773,037	21,529	732,889	40,148
Other	314,371	226,347	58,828	167,519	56,642	2,186
Capital Outlay	125,200	90,144	82,669	7,475	124,165	(41,496)
Transfers-Out	6,847,233	5,235,723	5,235,723	-	5,657,184	(421,461)
Total WF Expenses	\$ 13,827,711	\$ 10,317,976	\$ 10,014,288	\$ 303,688	\$ 10,117,692	\$ (103,404)

Notes:

- Overall fund better than YTD estimate
- Better than budget in most categories
 - Note: staff have moved some budget money from one line item to another to help cover shortfalls in areas such as supplies (gas & chemicals)
 - Working hard to overcome impact of inflationary factors
- FY2022 EARLY estimates CURRENTLY trend toward ending the year slightly ahead of expense budget, however, still 3 months of expenses pending that could vary greatly with inflationary issues

Golf Fund Overview

Overview as of June 30, 2022

Golf Fund	Current	YTD	Y-T-D FY2022 Actual	Better or	Y-T-D	Change
	FY2022 Budget	FY2022 Budget		Worse than YTD Budget	FY2021 Actual	from YTD FY2021
Revenues						
Revenues	\$ 1,015,083	\$ 677,866	\$ 846,902	\$ 169,036	\$ 791,946	\$ 54,956
Expenses	1,057,517	771,035	658,893	112,142	690,607	(31,714)
Net	\$ (42,434)	\$ (93,169)	\$ 188,009	\$ 281,178	\$ 101,339	\$ 86,670

Notes:

- Golf continues to perform well with revenues 7% ahead of FY2021
- Supply chain issues making expenses better than budget

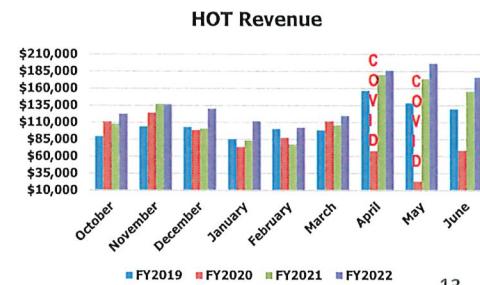
HOT Fund Summary

Overview as of June 30, 2022

Hotel Occupancy Tax Fund	Current		Year to Date		Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
	FY2022 Budget	FY2022	Budget	Actual				
Revenues	\$ 1,555,258	\$ 1,166,444	\$ 1,294,396	\$ 127,953	\$ 1,122,734	171,662		
Expenses	1,605,258	1,091,575	1,002,885	88,690	833,138	169,747		
Net	\$ (50,000)	\$ 74,868	\$ 291,511	\$ 216,643	\$ 289,596	\$ 1,915		

Notes:

- June revenues=May stays
- June 2022: 13% YTD ahead of June FY2021
- Expecting to end FY2022 \$260K better than budgeted revenues



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Development Services Fund

Overview as of June 30, 2022

Development Services Fund	Current		Year to Date		Y-T-D FY2022 Actual	Better or Worse than YTD Budget	Y-T-D FY2021 Actual	Change from YTD FY2021
	FY2022 Budget	FY2022	Budget	Actual				
Revenues								
Permits & Fees	\$ 888,473	\$ 666,355	\$ 540,932	\$ (125,423)	\$ 352,873	\$ 188,059		
Transfer In	147,895	\$ 110,921	110,921	-	204,195	(93,274)		
Total Revenue	\$ 1,036,368	\$ 777,276	\$ 651,853	\$ (125,423)	\$ 557,068	\$ 94,785		
Expenditures	1,061,068	795,801	754,938	40,863	722,470	(32,468)		
Net	\$ (24,700)	\$ (18,525)	\$ (103,085)	\$ (84,560)	\$ (165,402)	\$ 62,317		

Notes:

- Revenues from Permits & Fees behind estimated budget-to-date but \$188K ahead of last year
- Expenses better than estimated budget-to-date
- FY2022 budgeted transfer less than FY2021
- Too early to estimated FY2022 year-end

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Finance Calendar

- July 25 – Certified Property Tax roll deadline (or estimated)
- July 29 – Proposed budget filed
- August 1 – S&P bond rating call
- August 9 – Budget presentation and resolution to for proposed tax rate
- August 15 – Post Preliminary Official Statement (POS) for negotiated bond pricing
- August 22-24 – Initial audit site visit
- August 23 – First reading budget and tax rate ordinances
 - Ordinance to issue General Obligation Bonds
 - Conduct bond sale
- September 13 – Second reading budget and tax rate ordinances
- September 15 – Receive bond funds

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Council Questions or Comments?

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