AGENDA FOR REGULAR MEETING

KERRVILLE CITY COUNCIL

TUESDAY SEPTEMBER 27, 2011, 6:00 P.M.

CITY HALL COUNCIL CHAMBERS

800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

KERRVILLE CITY COUNCIL AGENDA
REGULAR MEETING, TUESDAY, SEPTEMBER 27, 2011, 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION offered by John Wurster, First Presbyterian Church.

PLEDGE OF ALLEGIANCE TO THE FLAG led by Michael Kinler and Antonio Flores, Boy Scouts of America Troop 111.

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. RECOGNITIONS AND COMMENDATIONS:

2A. Proclamation proclaiming September as Childhood Cancer Awareness month. (Mayor Wampler)

2B. Presentation of the Texas Department of Transportation Click It or Ticket grant award. (Chief Young)

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 city council meeting held August 10, and the regular city council meeting held September 13, 2011. (staff)

3B. Tennis Professional Agreement by and between the City of Kerrville, Texas and Chris Crawford. (staff)

3C. A resolution authorizing execution of a Section 125 premium plan with Core Documents, Inc.; amending and restating the City of Kerrville section 125 summary plan document to limit payroll deductions to a premium only plan; and terminating deductions for flexible spending accounts. (staff)

3D. A resolution requesting street closure from TxDOT for the City of Kerrville Holiday Lighted parade scheduled for Saturday, November 19, 2011. (staff)

3E. Construction contract with PM Construction & Rehab, LLC for the replacement and/or renewal of approximately 16,800 linear feet of deteriorated wastewater pipe and associated manholes in an amount of $1,069,388.90 and change orders in an amount not to exceed $130,611.10. (staff)

3F. A resolution authorizing the waiver for Habitat for Humanity Kerr County Affiliate, Inc. of various fees associated with the construction of homes; said waiver to remain in effect through September 30, 2012, or the construction of ten homes, whichever occurs first. (staff)

3G. A resolution authorizing the waiver for Habitat for Hill Country Home Opportunity Council, Inc. of various fees associated with the construction of homes; said waiver to remain in effect through September 30, 2012, or the construction of ten homes, whichever occurs first (staff)

END OF CONSENT AGENDA

4. ORDINANCES, SECOND AND FINAL READINGS:

4A. An ordinance levying an ad valorem tax for the use and the support of the municipal government for the City of Kerrville, Texas, for the fiscal year 2012; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. (staff)

4B. An ordinance adopting the annual budget for the fiscal year 2012; providing appropriations for each department and fund; containing a cumulative clause; and containing a savings and severability clause. (staff)

APPROXIMATELY
6:30 P.M. 5. CITY COUNCIL RECESS:

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

5A. A resolution amending the Employee Benefits Trust (staff)

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

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 September 23, 2011 at 3:00 p.m. 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

6. <u>CONSIDERATION AND POSSIBLE ACTION:</u>
6A. A resolution authorizing publication of notice of intention to issue certificates of obligation in the amount not to exceed $3,500,000 for the purpose of parks and trail system improvements. (staff)

6B. Interlocal agreement between the City of Kerrville and Kerr County regarding airport operations and supporting airport budget. (staff)

7. INFORMATION AND DISCUSSION:
7A. Water resources report. (staff)

7B. Budget and economic update. (staff)

8. ITEMS FOR FUTURE AGENDA

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 matters:

11. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

12. ADJOURNMENT

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.
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: September 23, 2011 at 3:00 p.m. 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

<u>Agenda Item:</u>
(Mayor Wampler)

2A. Proclamation proclaiming September as Childhood Cancer Awareness month.

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

PROCLAMATION

WHEREAS, Each year 12,400 children are diagnosed for the first time with cancer; and

WHEREAS, While survival rates for many childhood cancers have risen sharply over the past few decades, cancer is still the leading cause of death by disease for young Americans between infancy and age 15; and

WHEREAS, Every day 46 children die from cancer; and

WHEREAS, Within 5 years, 20% of those diagnosed lose their lives to cancer. Childhood cancer kills more children than asthma, diabetes, cystic fibrosis, congenital abnormalities and pediatric aids combined; and

WHEREAS, Many families have been affected by cancer, and we must work together and ultimately defeat this destructive disease; and

WHEREAS, On Childhood Cancer Awareness Month, let us honor the young lives taken too soon but also celebrate the survivors; and

NOW, THEREFORE, I, David Wampler, Mayor of the City of Kerrville, Texas, on behalf the Kerrville City Council and the City of Kerrvilledo hereby proclaim September 2011 as National Childhood Cancer Awareness Month, and encourage all citizens to join me in the fight against childhood cancer.

IN WITNESS WHEREOF,
I have hereunto set my hand and caused the Seal of the City of Kerrville to be affixed hereto, the 27th day of September, 2011.

David Wampler, Mayor

<u>Agenda Item:</u>

(Chief Young)

2B. Presentation of the Texas Department of Transportation Click It or Ticket grant award.

BUSINESS OF THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS

SUBJECT: Presentation of the Texas Department of Transportation Click It or Ticket grant award

FOR AGENDA OF: October 11, 2011 **DATE SUBMITTED**: September 22, 2011

SUBMITTED BY: Chief John Young **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

The Click It or Ticket program is a State of Texas Department of Transportation traffic safety program. It is designed to increase occupant restraint use in all passenger vehicles and trucks by conducting intense occupant protection enforcement. The program also includes public information and education efforts during the Memorial Day Holiday period. Upon completion of the program citation data was collected and submitted to TXDOT. As a result of our participation, the city was awarded $4,000.00 grant.

RECOMMENDED ACTION

The Kerrville Police Department will receive a $4,000.00 grant award from Mr. Sam Aguirre of TXDOT, to be used for traffic related training or to purchase traffic enforcement equipment.

Agenda Item:
(Staff)

3A. Approval of the minutes of the special city council meeting held August 10, and the regular city council meeting held September 13, 2011.

MINUTES OF THE KERRVILLE CITY COUNCIL AND
CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT COPRORATION
JOINT MEETING AUGUST 10, 2011

On August 10, 2011, the joint meeting of the Kerrville City Council and the Economic Improvement Corporation was called to order by Mayor Wampler at 8:36 a.m. in the city hall council chambers, 800 Junction Highway.

COUNCIL MEMBERS PRESENT:

David Wampler	Mayor
Gene Allen	Mayor Pro Tem
T. Scott Gross	Councilmember
Stacie Keeble	Councilmember
Carson Conklin	Councilmember

EIC MEMBERS PRESENT:

Gregg Appel	President
Kenneth Early	Vice-President
Tony Roberts	Secretary
Larry Howard	Board Member
Rex Boyland	Board Member

EIC MEMBER ABSENT:

Bob Miller	Board Member

STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Teri Kinsey	Deputy City Secretary
Mike Wellborn	Director of Engineering
Mindy Wendele	Director of Business Programs
Mike Erwin	Director of Finance
Stuart Barron	Water/Wastewater Division Manager

1. CALL TO ORDER

2. DISCUSSION AND POSSIBLE ACTION:

2A. Discussion of Economic Development Strategic Plan.

Mr. Parton reviewed the proposed Economic Development Strategic Plan and presented the 5 year Capital Improvement Plan, FY2012 – FY2016. The following are needed infrastructure projects:

- G Street 24" / 27" interceptor
- Jefferson lift station & new force main
- Riverhill/Ridgewood storage tank transmission water line
- WTP Clearwater improvements
- Knapp Lift Station
- 12" water line crossing Guadalupe River
- 12" water line from Meadowview well
- Harper Road Utility Extension Phase 2

The total cost for these projects would be approximately $18,034,500, of that; $10,419,255 could be attributed to expand capacity to serve new development. Proposed rate increases of $.50 on every 1,000 gallons of water and $1.00 on every 1,000 gallons of wastewater could fund the additional $8,000,000 needed for completion of these proposed projects. Mr. Parton stated that all the projects were needed in order to expand capacity for development. Kristine Ondrias stated that the wastewater treatment facilities are either at or over capacity and expansion of these systems should to be a high priority in order to allow people and businesses to tie on and allow more commercial development in Kerrville.
The EIC Board members agreed that 4B money could be used to fund infrastructure projects to expand growth and an increase in water and wastewater rates could be implemented as well, but still want to have money available to fund private development projects. It was decided to fund projects using a balance of bond funds and cash. Bond funds could be issued with a debt service load not to exceed $750,000 per year. Utility expense projects would be funded through utility rates for the following priority projects:

- Harper Highway Utility Extension, Phase 2
- River Trail, Phases I, II, and III
- Louise Hays Park Improvements

One issue that needed to be understood, according to Mayor Wampler, was that the city and EIC needed to work together, whether using 4B dollars or not, to expand growth and infrastructure and the process needed to get started. City Council and EIC committed to a joint meeting at least twice a year.
Items discussed pertaining to downtown was as followed:

- Proposed city hall
- Parking
- Quality vendors for the Schreiner Building
- Boardwalk

2B. Prioritize proposed projects.

The top priorities established were:

- Harper Highway Utility Extension, Phase 2
- River Trail, Phases I, II, and III
- Louise Hays Park Improvements
- Guadalupe River
- UGRA Lake
- Downtown Street Level Enhancements/Boardwalk
- Ballparks
- Amphitheater
- New Reservoir

Also discussed as possible projects were Memorial Blvd and Meadow View Lane Street Improvements.

2C. Direction to staff to prepare applications for future consideration by EIC.

Direction to staff was to bring back to EIC and City Council a time line and cost estimate chart of what could be city and EIC funded. Engineering and construction had already been initiated for Phase 1A of the River Trail project. Staff would be instructed to go back out and start to contacting property owners in regards to the Harper Highway Utility Extension Project about easements and to have another joint meeting in the future and possibly get Pete Moore attend, in order to see what he would plan on contributing.

3. <u>ADJOURNMENT</u>:
The meeting adjourned at 11:15 am.

APPROVED: ___________________

____
David Wampler, Mayor

____
Gregg Appel, President

ATTEST:

____
Teri Kinsey, Deputy City Secretary

CITY COUNCIL MINUTES KERRVILLE, TEXAS
REGULAR MEETING SEPTEMBER13, 2011

On September 13, 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 Patty Edwards, Unity Church of the Hill Country, followed by the Pledge of Allegiance led by Stan Bujak, of the Military Officers Association of America.

COUNCILMEMBERS PRESENT:

David Wampler	Mayor
Gene Allen	Mayor Pro Tem
Carson Conklin	Councilmember
T. Scott Gross	Councilmember
Stacie Keeble	Councilmember

COUNCILMEMBER ABSENT: None

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Brenda G. Craig	City Secretary
Kristine Ondrias	Assistant City Manager
Travis Cochrane	Director of Information Technology
Mike Erwin	Director of Finance
Kevin Coleman	Director of Development Services
Charlie Hastings	Director of Public Works
Kim Meismer	Director of General Operations
John Young	Police Chief
Mindy Wendele	Director of Business Programs
Robert Ojeda	Fire Chief

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

1. VISITORS/CITIZENS FORUM: The following person spoke.

1A. Barbara Whipple noted September was childhood cancer awareness month and encouraged council and the community to support families who were experiencing this illness. Mayor Wampler instructed staff to prepare a proclamation for the next council meeting.

2. RECOGNITIONS AND COMMENDATIONS:

2A. Police Officer Paul Gonzales—Ray Ramon Peace Officer of the Year Award.

3. **CONSENT AGENDA**:

Mr. Hayes clarified that the correct amount of Item 3C was $125,000, noting that some agendas were printed with the wrong amount.

Mr. Conklin moved for approval of items 3A – 3I; Mr. Gross seconded the motion and it passed 5-0:

3A. Approval of the minutes of the special city council budget workshop held August 22 and the regular city council meeting held August 23, 2011.
3B. Resolution No. 032-2011 authorizing the closure of a portion of State Highway 27 during certain hours for the Kerrville Triathlon Festival 2011.
3C. Professional services agreement with Espey Consultants, Inc. in the amount of $125,000.00 to perform engineering design and construction management services for the ASR #3B project.
3D. Resolution No. 033-2011adopting a list of qualified brokers that are authorized to engage in investment transactions with the city.
3E. Extension of the existing contract with Maxey Energy for bulk fuel and card services through September 30, 2012.
3F. Approval of the City of Kerrville, Texas Economic Improvement Corporation (EIC) purchase and sale agreement with the Kerr Economic Development Foundation (KEDF) for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road.
3G. Contract with Kerr County Tax Assessor/Collector for conducting the City of Kerrville General Election to be held on May 12, 2012, estimated at $6,152.42.
3H. Land Lease for Off Airport property between the City of Kerrville and the Federal Aviation Administration (FAA) providing land rights to the FAA for an outer marker and compass locator site.
3I. Authorization to make application to the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) for fire and EMS equipment in an amount not to exceed $326,640 for thirty-five (35) high pressure self-contained breathing apparatus, and an amount not to exceed $74,623 for six (6) powered ambulance cots (stretchers).
END OF CONSENT AGENDA

4. FISCAL YEAR 2012 BUDGET PUBLIC HEARINGS AND ORDINANCES, FIRST READING:
4A. Public hearing for ad valorem tax rate for tax year 2011/fiscal year 2012.
Mr. Erwin proposed the ad valorem tax rate at $.5625, the same as FY11, which was 4.4% below the effective tax rate of $.5888; $.489 was for maintenance and operations, and $.0735 for debt service. The proposed tax rate of $.5625 would generate $314,000 less than FY11.

Mayor Wampler declared the public hearing open at 6:15 p.m.; no one spoke; Mayor Wampler closed the public hearing at 6:15 p.m.

4B. An ordinance levying an ad valorem tax for the use and the support of the municipal government for the City of Kerrville, Texas, for the fiscal year 2012; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. Mayor Wampler read the ordinance by title only.

Ms. Keeble moved for approval of the ordinance on first reading; Mr. Gross seconded the motion and it passed 5-0.

4C. Public hearing for fiscal year 2012 budget.
Mr. Erwin noted the following with regard to the FY12 budget:

- The general fund would generate $20,452,406 in revenue, with expenditures of $20,052,133.
- Water and sewer fund would generate $8,886,244 in revenue, and $8,809,406 in expenditures.
- Proposed a water and sewer infrastructure debt issuance of $6,297,400.
- Water and sewer fund proposed no rate increase in FY12; anticipated a rate increase in FY13 to fund debt issuance.
- Proposed a $7 million debt issuance funded by the economic improvement corporation.
- Proposed 305 full time employees, which was down from 323 in FY10.

Mayor Wampler declared the public hearing open at 6:20 p.m.; no one spoke; Mayor Wampler closed the public hearing at 6:20 p.m.

Mr. Parton compared the net impact of the interlocal agreements between the city and county from FY11 to FY12. He noted the net impact to the county would be an additional increase of $42,739 for fire/EMS, library, animal control and airport; however, the proposed increase of $50,000 to the city for prisoner housing would result in a net cost savings to the county of $7,261. In addition, city staff had proposed additional cuts in the airport budget that would increase the county's net cost savings. The city's net change from FY11 to FY12 would be an additional cost increase of $182,261.

Mayor Wampler noted that as proposed, the FY12 budget would result in a net cost savings in the county's allocation for the interlocal agreements; however, the commissioners were proposing a tax increase based on the cost of the city providing fire and EMS services for county citizens. He noted that negotiating the interlocal agreements with the county had been an eleven month process that began in October 2010. The council remained firm in its commitment to use the city's finite resources to protect and provide services that would benefit city taxpayers.

Councilmembers also noted that the council had begun the process of renegotiating the interlocal agreements in order to ensure that both entities received and paid their fair share for the services provided. The cost for fire/EMS did increase substantially to the county; however, the cost for airport, animal control, and jail fees increased substantially to the city.

4D. An ordinance adopting the annual budget for the fiscal year 2012; providing appropriations for each department and fund; containing a cumulative clause; and containing a savings and severability clause. Mayor Wampler read the ordinance by title only.
Mr. Conklin moved for approval of the ordinance on first reading; Ms. Keeble seconded the motion and it passed 5-0.

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Revision to sign ordinance concerning clarification of regulation of changeable electronic messages.

Mr. Coleman discussed several concerns regarding the current sign ordinance:

- Perceived gap that allowed some changing message signs but restricted others.
- Prohibited high resolution screen signs that changed display or message, and allowed lighted traveling message boards.
- Argument that prohibited screen signs were no more of an appearance issue, nuisance, or traffic hazard than traveling message boards, which were allowed.
- Prohibited the use of flashing lights as signs.
- Perceived inconsistencies in the ordinance resulted in enforcement difficulty.

Mr. Coleman requested direction on the following:

- Continue to allow traveling messages but restrict changeable screened messages.
- Change to prohibit, or allow, both traveling message signs and changeable screened message signs.
- Should other type of signs also be addressed, e.g. feather flags, inflatables, beacons, banners, stationary vehicles.

Mr. Coleman discussed aspects that council might consider with regard to electronic signs, e.g. focus on technology, operation, definition, location, brightness, and whether to limit placement to monument signs only. Further, he suggested that other types of signs be allowed for temporary use only, e.g. grand openings, etc., and restricted by time and location. He noted that any new restrictions with regard to size and location would not apply to existing signs; however, operational restrictions would apply to all signs.

The following persons spoke:

1. Polly Rickert questioned what a monument sign was and if signs could be regulated based on zoning. Mr. Coleman showed several monument signs and noted signs were regulated based on the zoning district in which it was located.

2. Cory Traub, sign company owner, noted a study by the US Sign Association stated that not one traffic accident was the result of a sign. The current sign ordinance was unclear and conflicting; travelling lighted message signs were allowed. He opined that screened message signs were safer and less distracting than scrolling message signs. Also, scrolling signs were obsolete and parts were difficult to find; significant technological changes had occurred, and only screened signs were available now. He suggested the city regulate other aspects of signs such as intensity, brightness, size, location, and message content. He offered assistance in writing sign ordinance revisions.

3. David Lipscomb questioned if there was a limit on the number of feather flags that could be placed at any one location. Mr. Coleman noted the current ordinance allowed up to six flags per property.

4. Traci Carlson, executive director of the chamber of commerce, recommended that any regulations be concise and easily understood.

The consensus of the council was that staff should present changes for council's consideration at a future meeting prior to drafting an ordinance.

5B. Interlocal agreement between the City of Kerrville and Kerr County regarding airport operation and supporting budget.
Mr. Parton noted the current interlocal agreement for airport operations would terminate October 1, and discussions between city and county representatives had not resulted in a new agreement. He provided a list of contractual and operational requirements that must be met by the city and county as owners of the airport and offered two options to address those requirements and continue operations on an interim basis until a new agreement could be negotiated with the county. Under both options the city and county would share in the functions and costs; both options represented significant cost savings for the city and county. He noted the airport budget had a reserve fund of $250,000, of which $200,000 was unrestricted funds. He opined that the county was the logical lead (Option A) to continue management. Both options were provided to the county on Friday but a response had not been received to date. The objective was to continue operations and commitments on an interim basis until a new agreement was signed by both owners.

Mayor Wampler noted the city gave notice of cancellation with intent to renegotiate a new airport interlocal agreement in early January 2011; however, last year the county requested that negotiations regarding the airport be deferred until the end of this fiscal year after other interlocals had been resolved. The council was very appreciative to the airport board members for their service; however, he stressed that the proposal being discussed was for temporary operation of the airport until a new interlocal agreement was in place.

The following persons spoke:
1. Fred Vogt, former airport board vice-chair, noted the credentials of airport board members and felt an agreement between the city and county could be worked out before October 1 and a budget could be developed thereafter.

2. Tom Moser, airport board vice-chair, stated he was involved in preparation of the proposed FY12 budget and the airport board and manager operated a cost effective operation. He noted the reputation of the airport was at stake and reviewed the expertise of the airport board members and manager. He discussed the projects completed and underway, including a master plan and economic development marketing plan, and noted airport maintenance was a big responsibility. The airport board's objective was to create a revenue neutral airport operation, and he reviewed several options to meet that objective, including construction of additional hangars, and enticing corporate jets to Kerrville. Mr. Moser requested council table action and keep the current agreement in place

until a new one was negotiated. He suggested two members be appointed from the city, county, and airport board to meet and resolve each issue of concern. Airport board members would provide assistance and answer questions and then walk away and let the city and county representatives negotiate the agreement. He was optimistic that the issues could be resolved and a new agreement could be negotiated in one day, and then a budget could be established.

3. Ed Livermore, airport board member, felt that council did not have all the facts about the airport operation and budget and this could be resolved by meeting with the airport board. The city was an equal owner/stockholder in the airport, and had an obligation to understand what was going on at the airport, but councilmembers did not attend airport board meetings. He gave several examples of things that had been accomplished by the airport manager and board. He suggested council: 1. Table the proposal for two weeks; 2. Agree to a meeting with the airport board and get all questions answered; and 3. Appoint one representative from the city, and he would ask the county to appoint one representative, and they could negotiate the points for a new interlocal agreement.

4. Ilse Bailey, attorney for the airport board, stated she had seen how the airport operated under several scenarios during the past 20 years, having also served in the city and county attorneys' offices. She asked council to extend the current interlocal agreement for one year, keeping the current board in operation, and during that year workout the issues in the agreement with the county. She recognized the management and business experience of the board members and the manager and noted it would be difficult to loose people with such expertise at a time when so many projects and things were happening at the airport.

5. Polly Rickert encouraged council to gather all the facts and try to accomplish an agreement; she understood the time constraints, but it was not complicated and the city and county should be able to resolve the issues within two weeks; however, if not, she preferred the city take the lead on the airport and if the county could not work part way then shame on them.

Council also discussed the following:

- The airport budget was much more expensive than it should be, and the budget presentation made to the city council in a past meeting lacked adequate response to questions.
- The airport board was not an owner of the airport; the interlocal agreement for the management of the airport operation was the responsibility of the city and county as the owners of the airport.
- It was highly unlikely that an agreement could be in place before the current interlocal expires on September 30 considering negotiations had gone on for nine months. A backup plan was necessary to keep the airport operating day to day.
- Having corporate jets in Kerrville could also increase the ad valorem tax base.

- The city cared about the airport operation and did not wish to undermine any future planning; that was the reason for trying to establish a temporary plan to keep the airport operating until a new agreement could be finalized.
- The council shared the airport board's objective to create a revenue neutral airport operation that was sustainable and created economic development for the community. The county voted to reduce its funding commitment to the Kerr Economic Development Corporation.
- Councilmembers did not attend airport board meetings; during the restructuring of the airport board several years ago, the board was set up to operate autonomously, and the council respected that. The council did send executive staff to all meetings.

Mr. Gross moved to continue negotiations with the county, with airport board representatives in attendance in an advisory capacity, and if an agreement could not be finalized before expiration of the existing interlocal agreement, then proceed with Option A for the county to take the lead and functions be shared. The motion died for lack of a second.

Ms. Keeble moved to direct Mayor Wampler and Councilmember Conklin to continue to meet with county representatives, without airport board members present, to try to negotiate a one year interlocal agreement and budget for the continued operation of the airport.

Mr. Parton noted that the county had been emphatic that they would not have communication regarding the airport interlocal agreement or budget without representatives of the airport board present.

The motion was seconded by Mr. Gross and passed 5-0.

5C. Interlocal agreement between the City of Kerrville and Kerr County regarding inmate housing.
Mr. Parton noted County Judge Tinley provided notice of the county's intent to terminate the inmate housing agreement. Police Chief Young had been working with Sheriff Hierholzer since April 2011 on a new agreement whereby the sheriff would accept city prisoners at $45 per day, an increase from $37, thus increasing the city's cost for this service from $25,000 in FY11 to approximately $75,000 for FY12. The city and county attorneys had drafted an agreement to this effect.

Mr. Parton noted in 2009 the county justices of the peace requested assistance with magistration duties to alleviate their workload by means of including city part-time municipal court judges in rotation. This request was denied by city council; however, the city did create a juvenile docket in municipal court to take all juvenile cases to help alleviate the JPs workload. The county JPs then contacted KISD and stated they desired to keep junior high and elementary cases in their courts. In addition, the city municipal court judges assumed warrant responsibilities working with district judges. He noted that the city's two part-time municipal court judges were willing to participate in rotation.

Mr. Parton recommended approving the draft inmate housing agreement at $45 per day as negotiated by the police chief and sheriff, and to allow the allow the municipal court judges to enter into the rotation cycle, one out of every five weeks, to relieve the workload of the county JPs, at additional cost to the city. He noted the inmate housing agreement had been considered by the commissioners' court on September 12; however, it was rejected.

Mayor Wampler stated that in February Judge Tinley assured him that the county judicial system and jail service would be available for all citizens of the county, and it appears that now the commissioners were withholding court and jail services from city citizens unless the city taxpayers paid more.

Council discussed the following points:

- City citizens paid for court service and jail service through their county tax, the same as county citizens did; the commissioners were proposing to withhold those services from the city citizens who paid for it.
- The increase from $37 to $45 was a 200% increase from FY11 to FY12.
- If the city magistrated prisoners before taking them to the jail, then the county had the responsibility to house prisoners and the city was not under any obligation to pay anything for housing prisoners.
- In the spirit of compromise, would be willing to allow municipal court judges to participate in rotation, if they desired to do so, and pay them for their additional time.
- County justices of the peace were elected by the voters to perform magistration services throughout the county; were they proposing to withhold that service from city taxpayers who elected them? Magistration duties should not be the responsibility of part-time municipal court judges, and city taxpayers should not have the responsibility of paying additional cost for these services.

The following person spoke:

1. Ruth Spradling asked why county commissioners did not approve the agreement, whether they had withheld action on the inmate housing agreement until the city agreed to participate in magistration duties. Mr. Parton believed that was the case.

Mr. Allen moved to accept the inmate housing agreement negotiated by the police chief and sheriff at $45; Mr. Conklin seconded the motion and it passed 5-0.

Mr. Allen moved to allow the two part-time city municipal court judges to participate in rotation of magistration duties if the county would allow them to do so. Mr. Gross seconded the motion and it passed 4 to 1 with Messrs. Allen, Gross, Conklin, and Wampler voting in favor of the motion; and Ms. Keeble voting against the motion.

6. INFORMATION AND DISCUSSION:

6A. Budget and economic update.

Mr. Erwin reported a continued slow down in unemployment, noting only 35,000 jobs were created each month nationally for the last three months. The September 2011 sales tax payment was a 3.9% decrease from September 2010; this was the first decrease in several months. He reported that staff recently mailed out the first set of water bills for the time period since implementation of Stage 4 water restrictions and there had been a 19% decrease from the previous month.

7. BOARD APPOINTMENTS:

7A. City of Kerrville, Texas, Economic Improvement Corporation.

Item was deferred to executive session.

8. ITEMS FOR FUTURE AGENDA

9. ANNOUNCEMENTS OF COMMUNITY INTEREST:

9A. Water supply report. Mr. Hastings reported the city had cut back from 2 million gallons a day (mgd) to 1 mgd from the lake, and the lake level had dropped about four feet since June. About 150 million gallons (mg) of water had been used from the ASR wells, leaving about 665 mg. The city was pumping about 1-1.5 mgd of groundwater. The city's water system was at 77-78% of safe operating capacity. The aquifer level in the city's groundwater wells had dropped and the city's pumping capability had dropped to about 50%. Some of the city's larger pumps were drawing down the level, and when the aquifer level drops the larger pumps begin to suck air; the city may have to install restrictive devices to slow down water flow in order to continue to use existing pumps, or install smaller pumps. Staff would continue to monitor the situation.

10. EXECUTIVE SESSION:

Mr. Conklin moved for the city council to go into executive closed session under 551.074 (personnel matters) of the Texas Government Code; the motion was seconded by Mr. Allen and passed 5-0 to discuss the following item:

Section 551.074:

- Appointment to the City of Kerrville, Texas, Economic Improvement Corporation.

At 9:34 p.m. the regular meeting recessed and council went into executive closed session at 9:34 p.m. At 9:51 p.m. the executive closed session recessed and council returned to open session at 9:52 p.m. Mayor Wampler announced that no action had been taken in executive session.

11. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

7A. City of Kerrville, Texas, Economic Improvement Corporation.

Ms. Keeble moved to appoint Polly Rickert with term to expire June 1, 2012. Mr. Gross seconded the motion and it passed 5-0.

12. **ADJOURNMENT**. The meeting adjourned at 9:53 p.m.

APPROVED: ______________

David Wampler, Mayor

ATTEST:

Brenda G. Craig, City Secretary

Agenda Item:
(Staff)

3B. Contract for tennis pro services.

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

SUBJECT: Authorization for City Manager to enter into a Tennis Professional Contract for Fiscal Years 2012 and 2013

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED**: September 16, 2011

SUBMITTED BY: Scott McDonough, Director of Golf

CLEARANCES: Todd Parton, City Manager, Mike Hayes, City Attorney, Kristine Ondrias, Assistant City Manager

EXHIBITS: FY12 Tennis Professional Contract

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
$15,000 FY12	$27,000 FY12	$27,000 FY12	01-852-306 FY12

PAYMENT TO BE MADE TO: Chris Crawford
REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The Extension of Terms of this contract states that City and the Tennis Professional agree to commence good faith negotiations regarding the extension of this Agreement for an additional term not later than July 1, 2011. The following change to the contract for FY12 is submitted:

1. The management contract would be for one year with the ability to renew for one additional year to allow staff the ability to evaluate performance of the contractor.

Attached is the contract for services negotiated with Chris Crawford based on the above guidelines.

RECOMMENDED ACTION

The Director of Golf & Tennis Operations recommends the City Council approve authorization for the City Manager to enter into a Tennis Professional Contract with Chris Crawford for Fiscal Years 2012 and 2013, subject to budget appropriation.

TENNIS PROFESSIONAL AGREEMENT BY AND BETWEEN THE CITY OF KERRVILLE, TEXAS AND CHRIS CRAWFORD

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

1. **Appointment as Tennis Professional**: During the term of this Agreement, Crawford agrees to provide his personal and professional services to City as a tennis professional in charge of the day-to-day operations of the H.E. BUTT MUNICIPAL TENNIS CENTER ("Tennis Center"). In performing under this Agreement, Crawford agrees to provide the following services and perform the following duties and obligations in a professional and workmanlike manner:

   a. Crawford shall at all times during the term of this Agreement and at his own expense be and remain a member in good standing of the United States Professional Tennis Association. In addition, Crawford shall obtain and/or maintain, in his name and at his expense, all other license and certifications required in order for Crawford to provide the services described herein;

   b. Crawford may employ additional staff for the teaching of tennis lessons on a reasonable schedule and basis, which right shall be exclusive. The use of any such person(s) is subject to the City's prior written approval and the completion of an appropriate background check to be conducted by City;

   c. Crawford shall, at his own expense, maintain an adequately stocked tennis shop at all times, which pro shop shall be open for the taking of court reservations, sale of sports merchandise, non-alcoholic beverages, and ice, seven days per week during hours approved by City, which rights shall be exclusive; the sale of food by Crawford shall be optional;

   d. Crawford shall at all times keep clean and maintain the courts, pro shop, and grounds immediately adjacent thereto, including, but not limited to:

      (1) tents for tournaments;

      (2) on-court water supply;

      (3) on-court trash removal; and

      (4) water removal equipment.

   e. Crawford shall not be responsible for the following:

      (1) cleaning and maintaining the playground and practice fields located at the Tennis Center;

(2) repairs of fences, gates, and bleacher seats;

(3) net replacement;

(4) repairs or replacements of windscreens;

(5) plumbing and electrical systems;

(6) watering and maintenance of lawns and landscaping at least once per week during the growing season and unless rainfall occurs;

(7) janitorial services for pavilion 6 days per week;

(8) cleaning sidewalks and court aprons after lawn mowing; and

(9) capital improvements, as that term is defined and used by the City.

f. Crawford may employ, at his sole cost, all employees, either full-time or part-time, necessary to sufficiently operate the Tennis Center and perform the obligations to be performed by Crawford pursuant to this Agreement. Prior to any such employment, Crawford shall provide notice to City of the prospective employee's name and identifying information so that City may perform a back-ground investigation. Crawford shall have each prospective employee complete a form provided by City which shall require the prospective employee to provide certain information and agree to the terms of this Agreement.

g. Crawford shall maintain the two signs provided by City explaining the rules and regulations applicable to the Tennis Center and use of its facilities, which signs shall at all times be displayed at a location in the pro shop and in a place visible to players using the courts.

h. Crawford may, at his sole option and cost, provide such security measures as Crawford deems necessary to protect the contents of the pro shop, including, but not limited to, the installation and maintenance of a burglar alarm system. Prior to any installation and use, Crawford shall submit information concerning such system to the City for its review and approval and shall thereafter inform and update the City regarding the assignment and use of all access codes.

2. <u>**Collection, Payment and Reporting of Pro Shop Revenues**</u>:

a. All revenues collected by Crawford pursuant to his operation of the Tennis Center shall be divided between him and the City:

Lessons Gross Revenues:	90% to Crawford 10% to City

Pro Shop Gross Revenues:	90% to Crawford 10% to City

State and local sales taxes collected by Crawford and remitted to the State of Texas shall not be included in the calculation of gross revenues.

b. For purposes of determining the gross revenues and the payment to City required by Section 2.a., above, Crawford shall include in the calculation of gross revenues all revenues received by any person authorized by Crawford to teach tennis lessons at the Tennis Center.

c. The payments required by Section 2.a. shall be delivered to City not later than fifteen (15) days following the end of each calendar quarter of this Agreement. The calendar quarters of this Agreement shall be:

(1) October 1 to December 31;

(2) January 1 to March 31;

(3) April 1 to June 30; and

(4) July 1 to September 30.

d. All payments required under this Section 2 shall be accompanied by a written report signed by Crawford and certified as being true and accurate which sets forth for the quarter just ended:

(1) gross revenue from sales from merchandise;

(2) number of tennis lessons taught that are calculated into gross revenues as set forth above;

(3) gross revenues from sale of food and beverages;

(4) such other information as may be reasonably requested by City relating to the operation of the Tennis Center.

e. All sales of merchandise and purchase of lessons shall be recorded on a cash register tape, a copy of which tape shall be dated and retained by Crawford for not less than two years after the termination of this Agreement; provided, Crawford shall not be required to keep more than the last two years of tapes if this Agreement is extended.

3. **Collection, Payment, and Reporting of Court Fees and Membership Dues**:

a. Crawford agrees to collect all court fees and membership dues on behalf of City, which fees and dues shall be divided equally (50/50) between Crawford and City.

b. By 5:00 PM Thursday of each week, Crawford shall remit directly to City all funds received for court fees and membership dues collected during the previous period.

c. Upon request from City, Crawford shall submit to City a signed report containing the number of paid court rentals, the number of contract court rentals, the number of free court rentals, the time reserved for tournaments, the number of members paying dues during the period represented by the payment and such other information related to the operation of the Tennis Center. Crawford shall deliver such information to City with the payment required by Section 3.b. For purpose of this paragraph, the phrase "contract court rentals" shall mean court time allotted to individuals or teams for whom City has agreed to allow the Tennis Center to be used through payment of a single lump sum payment.

d. Crawford shall not have the right to waive the payment of court rental fees unless such fee waiver is already granted by an act of the City Council, by contract between City and the party seeking the waiver, or with the written consent of the City Manager.

e. Crawford shall not be required to collect a court rental fee from students who are paying a lesson fee that is calculated into the gross revenues described in Section 2, above.

f. All proceeds will be recorded on cash register with court fee receipts being identified. A paper receipt will be given to all individual players who are not Tennis Center members. Cash register tapes shall be properly labeled and retained for any audit reviews as set forth in Section 2.e., above.

g. The following rules shall apply to tournaments:

(1) Two courts shall remain open for public play at all times during tournaments unless otherwise permitted in writing by City.

(2) All revenues collected by Crawford pursuant to tournaments shall be divided between him and City with 90% paid to Crawford and 10% paid to City.

(3) Kerrville Tennis Association may host tournaments at a reduced cost if the proceeds are to be placed back into the facility for improvement or to help facilitate additional programming. Prior to scheduling such tournaments, City must approve such tournaments in writing.

4. **Base Management Fee**: City agrees to pay Crawford a base annual management fee of $15,000.00 for each Contract Year, which City shall pay in equal monthly installments in the amount of $1,250.00 on or before the last day of the month. "Contract Year" shall mean the period beginning October 1 and ending the immediately subsequent September

30 occurring during the term of this Agreement. City shall pro-rate the payments during the 1st year of this Agreement as it will be less than a full calendar year.

5. **Term**: This Agreement shall be for a term commencing on October 1, 2011, and ending September 30, 2013, unless terminated earlier as provided herein. In addition, this Agreement is subject to an extension of the term in accordance with Section 12, below.

6. **INDEMNITY: CRAWFORD, AND ANY EMPLOYEES, AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS CITY AND ALL OF ITS OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, LOSSES, PROPERTY DAMAGES, AND EXPENSES OF ANY CHARACTER WHATSOEVER, INCLUDING ATTORNEY'S FEES, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PROPERTY ON ACCOUNT OF ANY NEGLIGENT ACT OR OMISSION OF CRAWFORD OR ANY OF HIS EMPLOYEES, AGENTS, REPRESENTATIVES, OR SUBCONTRACTORS IN THE EXECUTION, SUPERVISION, AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH CRAWFORD'S SERVICES OR OPERATIONS PURSUANT TO THIS AGREEMENT.**

7. **Insurance:**

   a. Crawford shall carry Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence of $1,000,000 combined single limit. The policy must provide contractual liability coverage for liability assumed under this Agreement, products and completed operations coverage, independent contractors coverage, and a waiver of a Transfer of Right of Recovery Against Others in favor of the City. If this coverage is underwritten on a claims made basis, the retroactive date shall be coincident with the date of this Agreement and the certificate of insurance shall state that the coverage is claims made and the retroactive date. Crawford shall maintain coverage for the duration of this Agreement.

   b. If insurance policies are not written for amounts specified in Subsection a., above, Crawford shall carry umbrella or excess liability insurance for any differences in amounts specified. If excess liability insurance is provided, it must follow the form of the primary coverage.

   c. Crawford shall provide City at least thirty (30) days written notice of erosion of the aggregate limit below the minimum required combined single limit coverage.

   d. Crawford shall provide that all provisions of this Agreement concerning liability, duty, standard of care, together with the indemnification or defense provisions herein, shall be underwritten by contractual coverage sufficient to include such obligations within applicable policies.

e. Crawford shall not commence work under this Agreement until he has obtained all required insurance and until such insurance has been reviewed by the City.

f. Crawford shall produce an endorsement to each affected policy that contains the following:

(1) That names City as additional insured with right of subrogation against City waived;

(2) That obligates the insurance company to notify City of any non-renewal, cancellation, or material change to the policy, at least thirty (30) calendar days before the change or cancellation.

g. Crawford shall not cause any insurance to be canceled or permit any insurance to lapse during the term of this Agreement or the six-month period following completion, in the case of a claims-made policy.

h. All certificates shall include a clause to the effect that the policy may not be canceled, reduced, restricted, or limited until thirty (30) calendar days after City has received written notice of such cancellation or change.

8. **Independent Contractor**: Nothing contained herein shall be construed to create any principal/agent, employer/employee, joint venture, partnership or other arrangement between City and Crawford and any of his assistants or employees. Crawford and any of his assistants and employees shall at all times be an independent contractor and shall maintain full control over the means of conducting the business operations permitted hereby, provided such means are consistent with the provisions of this Agreement. Neither Crawford nor any of Crawford's assistants or employees shall have the right to obligate the City in any manner whatsoever. At no time shall Crawford or any of Crawford's assistants or employees be entitled to any benefits provided or available to City's employees.

9. **Rules, Regulations, and Fees**: City shall at all times retain the right to establish the rules and regulations for the use and operation of the Tennis Center, including, but not limited to, the establishment of court rental fees and hours of operation. Crawford shall submit notice of any proposed changes in or variance from the rules and regulations for use and operation of the Tennis Center to City for its approval.

10. **Financial Records**: Crawford shall maintain at the Tennis Center accurate financial records of the income and expenses related to the operation of the Tennis Center. City shall have the right to inspect and copy all such financial records during reasonable business hours, with or without notice.

11. **No Assignment**: This Agreement is for unique personal services which shall under no circumstances be assigned by Crawford, in whole or in part, any attempt at such assignment being void.

12. **Extension of Term**: City and Crawford may agree to enter into an extension of this Agreement for an additional term

13. **Early Termination**: City may, at its sole option, terminate this Agreement at any time upon thirty (30) days written notice to Crawford.

14. **Non-Appropriation of Funds**: In the event the City Council fails to appropriate for any of its fiscal years during the term of this Agreement current funds to pay the obligations of the City under this Agreement, this Agreement shall terminate at midnight on September 30 of the fiscal year prior to the fiscal year for which funds are not appropriated. City agrees to use reasonable efforts to inform Crawford not later than July 15 of each calendar year of this Agreement if City anticipates that funds for this Agreement will not be appropriated.

15. **Interruption of Business**: City shall not be liable or responsible to Crawford in any manner for any interruption, or adverse impact on, Crawford's business as a result of casualty, flooding, acts of God, utility failures, or any other occurrence. City agrees to exercise reasonable efforts to restore access to and the use of the Tennis Center, but City shall not be responsible for failure to restore access or use within any particular period of time.

16. **Choice of Law; Venue**: This Agreement shall be governed by the laws of the State of Texas and shall be performed entirely within Kerr County, Texas.

SIGNED AND AGREED on the dates indicated below.

CITY OF KERRVILLE, TEXAS	CHRIS CRAWFORD
______________________	______________________
Todd Parton, City Manager	Chris Crawford
______________________	______________________
Date	Date

ATTEST:

____

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

____

Michael C. Hayes, City Attorney

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Agenda Item:
(Staff)

3C. A resolution authorizing execution of a Section 125 premium plan with Core Documents, Inc.; amending and restating the City of Kerrville section 125 summary plan document to limit payroll deductions to a premium only plan; and terminating deductions for flexible spending accounts.

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

SUBJECT: Consideration of Resolution amending and restating the City of Kerrville Section 125 Summary Plan Document effective October 1, 2011, to limit payroll deductions to a Premium Only Plan, terminating deductions for Flexible Spending Accounts until further notice.

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED**: September 15, 2011

SUBMITTED BY: Kimberly Meismer, Director of General Operations **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 DEPARTMENT:

SUMMARY STATEMENT

The City of Kerrville Section 125 Summary Plan Document adopted by the City of Kerrville effective December 10, 1996, allowed for pre-taxed deductions to pay employee benefit contributions and a flexible spending account for medical expenses and dependent care expenses.

This resolution will amend and restate the Section 125 Summary Plan Description to a Premium Only Plan meaning the employee payroll deductions for health benefits will continue to be taken on a pre-tax basis but the flexible spending account for medical expenses and dependent care expenses will be terminated effective October 1, 2011.

There is only one employee that participates in the dependent care savings account and twenty-four employees that participate in the flexible spending account for medical expenses.

RECOMMENDED ACTION

Staff recommends Council approve the resolution amending and restating the City of Kerrville Section 125 Summary Plan Document effective October 1, 2011, to limit payroll deductions to a Premium Only Plan, terminating deductions for Flexible Spending Accounts until further notice.

CITY OF KERRVILLE, TEXAS
RESOLUTION NO.___-2011

A RESOLUTION AUTHORIZING EXECUTION OF A SECTION 125 PREMIUM PLAN WITH CORE DOCUMENTS, INC.; AMENDING AND RESTATING THE CITY OF KERRVILLE SECTION 125 SUMMARY PLAN DOCUMENT TO LIMIT PAYROLL DEDUCTIONS TO A PREMIUM ONLY PLAN; AND TERMINATING DEDUCTIONS FOR FLEXIBLE SPENDING ACCOUNTS

WHEREAS, the City is presently administering a flexible benefits cafeteria plan under Section 125, Internal Review Code of 1986 for City employees ("Section 125 Plan");

WHEREAS, the Section 125 Plan allows City employees to designate that payroll deductions for their applicable benefits be made prior to the imposition of federal taxes, said deductions being used to pay employee benefit contributions and a flexible spending account for medical expenses and dependent care expenses; and

WHEREAS, City Council has determined that it would be in the best interests of the City to change the current Section 125 Plan by adopting a new Premium Only Plan and terminating deductions for flexible spending accounts, in which very few employees participate; and

WHEREAS, the new Section 125 Plan means that employee payroll deductions for health benefits will continue to be taken on a pre-tax basis but the flexible spending account for medical expenses and dependent care expenses will be terminated effective October 1, 2011; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to amend and restate its Section 125 Plan to limit payroll deductions to a new Premium Only Plan and to terminate deductions for flexible spending accounts;

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

SECTION ONE. The City Council amends and restates the City's Section 125 Plan to limit employee payroll deductions to a Premium Only Plan and to terminate deductions for flexible spending accounts with such action to be effective on October 1, 2011

SECTION TWO. The City Council authorizes and directs the City Manager to execute on behalf of the City of Kerrville, Texas, an agreement with Core Documents, Inc., of Bradenton, Fla., regarding the administration of the City's Section 125 Plan, the provisions of which agreement shall be as substantially as set forth in the agreement on file in the office of the City Secretary referred to by number and date of this Resolution and incorporated herein by reference as if made a part of this Resolution.

SECTION THREE. Resolution Nos. 96-155, 96-235, and 96-186 are repealed.

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

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Agenda Item:
(Staff)

3D. Resolution requesting street closure from TxDOT for the City of Kerrville Holiday Lighted parade scheduled for Saturday, November 19, 2011.

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

SUBJECT: A RESOLUTION AUTHORIZING THE CLOSURE OF A PORTION OF MEMORIAL HIGHWAY (SH 27) DURING CERTAIN HOURS FOR THE KERRVILLE MAIN STREET'S ANNUAL HOLIDAY LIGHTED PARADE AND AUTHORIZING THE MAYOR TO EXECUTIVE AN AGREEMENT FOR THE TEMPORARY CLOSURE OF STATE RIGHT-OF-WAY WITH THE TEXAS DEPARTMENT OF TRANSPORTATION

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED:** September 16, 2011

SUBMITTED BY: Johnna Wade
Main Street Manager

CLEARANCES: Mindy Wendele
Director of Business
Programs & Public Affairs

EXHIBITS: Resolution & support documents

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

The Business Programs Department is hosting the 11th Annual Kerrville Main Street Holiday Lighted Parade on Saturday, November 19, 2011. The parade is produced in conjunction with the Courthouse Lighting Ceremony and the Hill Country Holiday Round-Up.

Each year participation in the parade has grown to a size to where we no longer can safely accommodate parade entries along G and Water Streets. Due to the anticipated number of vehicular and pedestrian entries, the parade will step off at the intersection of Memorial Highway and Clearwater Paseo as it did in 2010.

The Texas Department of Transportation requires a resolution approved by the City Council, along with support documents, before a road closure can take place. This resolution provides authorization to the Mayor execute the road closure agreement with TxDot.

RECOMMENDED ACTION

Approve resolution

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. ____-2011

A RESOLUTION AUTHORIZING THE CLOSURE OF A PORTION OF MEMORIAL HIGHWAY (HWY 27) DURING CERTAIN HOURS FOR THE KERRVILLE MAIN STREET ANNUAL HOLIDAY LIGHTED PARADE AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR THE TEMPORARY CLOSURE OF STATE RIGHT-OF-WAY WITH THE TEXAS DEPARTMENT OF TRANSPORTATION

WHEREAS, the Kerrville Main Street Division seeks to close a portion of Memorial Highway (HWY 27) on Saturday, November 19, 2011, from 5:00 p.m. to 7:00 p.m., for the 2011 Holiday Lighted Parade; and

WHEREAS, Memorial Highway (HWY 27) is a state controlled highway and as such, the Texas Department of Transportation (TxDOT) requires the City to enter into an agreement to authorize any such closure; and

WHEREAS, pursuant to the agreement between TxDOT and the City, the City agrees to accrue all costs associated with the closure, to include having the Kerrville Police Department provide traffic control;

NOW, THEREFORE, LET IT BE RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, TEXAS THAT:

The Mayor is authorized to execute an agreement for the *Temporary Closure of State Right-of-Way with the Texas Department of Transportation* to authorize the City's closure and use of Memorial Highway (HWY 27) between Clearwater Paseo and Water Street, said agreement attached hereto as **Exhibit A**. The closure shall occur during the time period between 5:00 p.m. and 7:00 p.m., on Saturday, November 19, 2011

PASSED AND APPROVED ON this the _______ day of _______________, A.D., 2011.

____
David Wampler, Mayor

ATTEST:

____
Brenda G. Craig, City Clerk

APPROVED AS TO FORM:

____
Michael C. Hayes, City Attorney

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EXHIBIT "A" Agreement No.________________

STATE OF TEXAS §

COUNTY OF TRAVIS §

AGREEMENT FOR THE TEMPORARY CLOSURE OF STATE RIGHT OF WAY

THIS AGREEMENT is made by and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the "State," and the City of ___Kerrville___, a municipal corporation, acting by and through its duly authorized officers, hereinafter called the "local government."

WITNESSETH

WHEREAS, the State owns and operates a system of highways for public use and benefit, including _____SH 27_____________, in ____Kerr________, County; and

WHEREAS, the local government has requested the temporary closure of _SH 27___________ for the purpose of___Holiday Lighted Parade__, from _5:00 p.m. to _7:00 p.m., November 19, 2011 as described in the attached "Exhibit A," hereinafter identified as the "Event;" and

WHEREAS, the Event will be located within the local government's incorporated area; and

WHEREAS, the State, in recognition of the public purpose of the Event, wishes to cooperate with the City so long as the safety and convenience of the traveling public is ensured and that the closure of the State's right of way will be performed within the State's requirements; and

WHEREAS, on the _27th___ day of _September________, 2011_, the Kerrville__ City Council passed a Resolution, attached hereto and identified as "Exhibit B," establishing that the Event serves a public purpose and authorizing the local government to enter into this agreement with the State; and

WHEREAS, 43 TAC, Section 22.12 establishes the rules and procedures for the temporary closure of a segment of the State highway system; and

WHEREAS, this agreement has been developed in accordance with the rules and procedures of 43 TAC, Section 22.12;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, to be by them respectively kept and performed as hereinafter set forth, it is agreed as follows:

AGREEMENT

Article 1. CONTRACT PERIOD

This agreement becomes effective upon final execution by the State and shall terminate upon completion of the Event or unless terminated or modified as hereinafter provided.

Article 2. EVENT DESCRIPTION
The physical description of the limits of the Event, including county names and highway numbers, the number of lanes the highway has and the number of lanes to be used, the proposed schedule of start and stop times and dates at each location, a brief description of the proposed activities involved, approximate number of people attending the Event, the number and types of animals and equipment, planned physical modifications of any man-made or natural features in or adjacent to the right of way involved shall be attached hereto along with a location map and identified as "Exhibit C."

Article 3. OPERATIONS OF THE EVENT
A. The local government shall assume all costs for the operations associated with the Event, to include but not limited to, plan development, materials, labor, public notification, providing protective barriers and barricades, protection of highway traffic and highway facilities, and all traffic control and temporary signing.
B. The local government shall submit to the State for review and approval the construction plans, if construction or modifications to the State's right of way is required, the traffic control and signing plans, traffic enforcement plans, and all other plans deemed necessary by the State. The State may require that any traffic control plans of sufficient complexity be signed, sealed and dated by a registered professional engineer. The traffic control plan shall be in accordance with the latest edition of the Texas Manual on Uniform Traffic Control Devices. All temporary traffic control devices used on state highway right of way must be included in the State's Compliant Work Zone Traffic Control Devices List. The State reserves the right to inspect the implementation of the traffic control plan and if it is found to be inadequate, the local government will bring the traffic control into compliance with the originally submitted plan, upon written notice from the State noting the required changes, prior to the event. The State may request changes to the traffic control plan in order to ensure public safety due to changing or unforeseen circumstances regarding the closure.
C. The local government will ensure that the appropriate law enforcement agency has reviewed the traffic control for the closures and that the agency has deemed them to be adequate. If the law enforcement agency is unsure as to the adequacy of the traffic control, it will contact the State for consultation no less than 10 workdays prior to the closure.
D. The local government will complete all revisions to the traffic control plan as requested by the State within the required timeframe or that the agreement will be terminated upon written notice from the State to the local government. The local government hereby agrees that any failure to cooperate with the State may constitute reckless endangerment of the public and that the Texas Department of Public Safety may be notified of the situation as soon as possible for the appropriate action, and failing to follow the traffic control plan or State instructions may result in a denial of future use of the right of way for three years.
E. The local government will not initiate closure prior to 24 hours before the scheduled Event and all barriers and barricades will be removed and the highway reopened to traffic within 24 hours after the completion of the Event.
F. The local government will provide adequate enforcement personnel to prevent vehicles from stopping and parking along the main lanes of highway right of way and otherwise prevent interference with the main lane traffic by both vehicles and pedestrians. The local government will prepare a traffic enforcement plan, to be approved by the State in writing at least 48 hours prior to the scheduled Event. Additionally, the local government shall provide to the State a letter of certification from the law enforcement agency that will be providing traffic control for the Event, certifying that they agree with the enforcement plan and will be able to meet its requirements.
G. The local government hereby assures the State that there will be appropriate passage

allowance for emergency vehicle travel and adequate access for abutting property owners during construction and closure of the highway facility. These allowances and accesses will be included in the local government's traffic control plan.

H. The local government will avoid or minimize damage, and will, at its own expense, restore or repair damage occurring outside the State's right of way and restore or repair the State's right of way, including, but not limited to, roadway and drainage structures, signs, overhead signs, pavement markings, traffic signals, power poles and pavement, etc. to a condition equal to that existing before the closure, and, to the extent practicable, restore the natural and cultural environment in accordance with federal and state law, including landscape and historical features.

Article 4. OWNERSHIP OF DOCUMENTS

Upon completion or termination of this agreement, all documents prepared by the local government will remain the property of the local government. All data prepared under this agreement shall be made available to the State without restriction or limitation on their further use. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

Article 5. TERMINATION

A. This agreement may be terminated by any of the following conditions:

(1) By mutual written agreement and consent of both parties.
(2) By the State upon determination that use of the State's right of way is not feasible or is not in the best interest of the State and the traveling public.
(3) By either party, upon the failure of the other party to fulfill the obligations as set forth herein.
(4) By satisfactory completion of all services and obligations as set forth herein.

B. The termination of this agreement shall extinguish all rights, duties, obligations, and liabilities of the State and local government under this agreement. If the potential termination of this agreement is due to the failure of the local government to fulfill its contractual obligations as set forth herein, the State will notify the local government that possible breach of contract has occurred. The local government must remedy the breach as outlined by the State within ten (10) days from receipt of the State's notification. In the event the local government does not remedy the breach to the satisfaction of the State, the local government shall be liable to the State for the costs of remedying the breach and any additional costs occasioned by the State.

Article 6. DISPUTES

Should disputes arise as to the parties' responsibilities or additional work under this agreement, the State's decision shall be final and binding.

Article 7. RESPONSIBILITIES OF THE PARTIES

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

Article 8. INSURANCE

A. Prior to beginning any work upon the State's right of way, the local government and/or its contractors shall furnish to the State a completed "Certificate of Insurance" (TxDOT Form 1560, latest edition) and shall maintain the insurance in full force and effect during the period

that the local government and/or its contractors are encroaching upon the State right of way.
B. In the event the local government is a self-insured entity, the local government shall provide the State proof of its self-insurance. The local government agrees to pay any and all claims and damages that may occur during the period of this closing of the highway in accordance with the terms of this agreement.

Article 9. AMENDMENTS
Any changes in the time frame, character, agreement provisions or obligations of the parties hereto shall be enacted by written amendment executed by both the local government and the State.

Article 10. COMPLIANCE WITH LAWS
The local government shall comply with all applicable federal, state and local environmental laws, regulations, ordinances and any conditions or restrictions required by the State to protect the natural environment and cultural resources of the State's right of way.

Article 11. LEGAL CONSTRUCTION
In case one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Article 12. NOTICES
All notices to either party by the other required under this agreement shall be delivered personally or sent by certified U.S. mail, postage prepaid, addressed to such party at the following respective addresses:

Local Government:	State:
Mayor David Wampler	Mario G. Medina, P.E.
City of Kerrville	District Engineer
800 Junction Hwy	Texas Department of Transportation
Kerrville, Texas 78028	San Antonio, Texas

All notices shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided herein. Either party hereto may change the above address by sending written notice of such change to the other in the manner provided herein.

Article 13. SOLE AGREEMENT
This agreement constitutes the sole and only agreement between the parties hereto and supersedes any prior understandings or written or oral agreements respecting the within subject matter.

IN TESTIMONY WHEREOF, the parties hereto have caused these presents to be executed in duplicate counterparts.

Agreement No.________________

THE CITY OF ____KERRVILLE__________
Executed on behalf of the local government by:

By________________________________ Date_________________________
City Official

Typed or Printed Name and Title ___David Wampler_________________________

___Mayor________________________________

THE STATE OF TEXAS
Executed for the Executive Director and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By________________________________ Date_________________________
District Engineer

Exhibit A

Agreement No.________________

Exhibit B

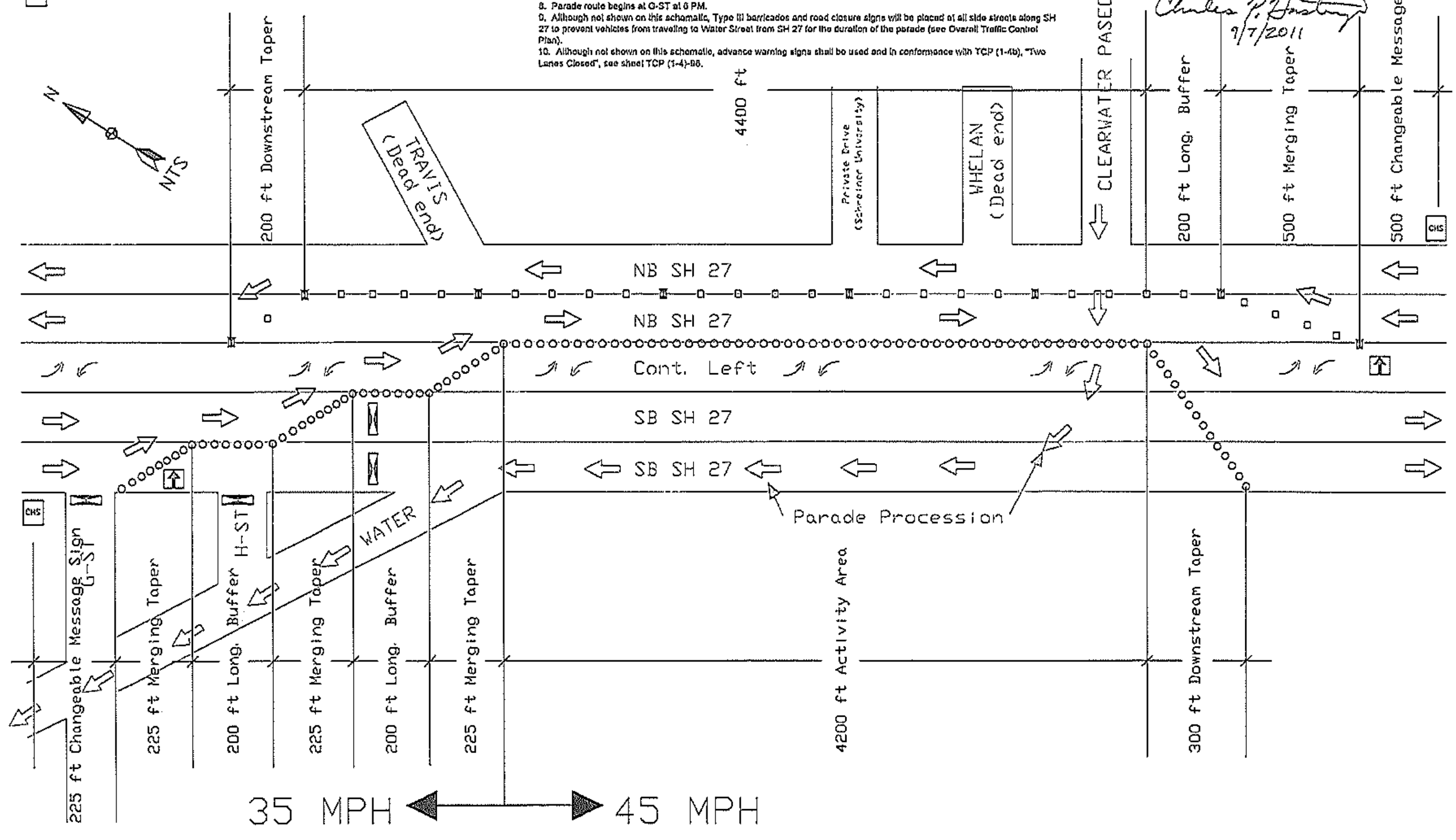
Exhibit C

○ 28' Cones (see detail sheet BC (10) - 07), spacing = 35 ft (35mph) and 45 ft (45mph)
□ Portable vertical panels (see detail sheet BC (9) - 07), spacing = 100 ft
Opposing Traffic Lane Dividers (see detail sheet BC (9) - 07), spacing = 500 ft
Type III Barricades (see detail sheet BC (10) - 07)
Flashing arrow boards
CMS Electronic Changeable Message Sign Board

GENERAL NOTES

1. The traffic control plan below shall be used to facilitate a parade procession from Clearwater Paseo northwest along the southbound outside lane of SH 27 to Water Street. The parade route and viewing by pedestrians begins at G-ST, travels northwest on Water Street to Earl Garrett, then northeast on Earl Garrett crossing SH 27 and concluding just past this intersection at the County Courthouse.
2. Traffic control officers at SH 27 and Earl Garrett shall override the traffic signal for the parade and provide breaks in the parade route to prevent vehicles stacking back to SH 16 on SH 27.
3. Because the parade route starts at G-ST, uniformed police officers shall patrol along SH 27 between Clearwater Paseo and Water Street to prevent pedestrians from using SH 27 to view the floats.
4. Traffic control officers shall control traffic on SH 27 at the intersection of Clearwater Paseo to allow the parade to procede through the intersection, and shall provide breaks in the procession route to manage vehicles stacking on SH 27.
5. Traffic control devices (cones, barricades, opposing traffic lane devidors, vertical panels, flashing arrow boards, etc.) shall be in place by 5:00 PM. and removed by 7:00 PM.
6. Parade procession (from Clearwater Paseo to Water Street) begins at 5:15 PM.
7. Drawing below is a schematic and not to scale.
8. Parade route begins at G-ST at 6 PM.
9. Although not shown on this schematic, Type III barricades and road closure signs will be placed at all side streets along SH 27 to prevent vehicles from traveling to Water Street from SH 27 for the duration of the parade (see Overall Traffic Control Plan).
10. Although not shown on this schematic, advance warning signs shall be used and in conformance with TCP (1-4b), "Two Lanes Closed", see sheet TCP (1-4)-98.

STATE OF TEXAS
CHARLES P. HASTINGS
87737
LICENSED
PROFESSIONAL ENGINEER
Charles P. Hastings
9/7/2011



CITY OF KERRVILLE

This document is released under the authority and seal of Charles P. Hastings, Texas P.E. #87737 to be used as a traffic control plan for the Kerrville Holiday Lighted Parade on November 19, 2011 only.

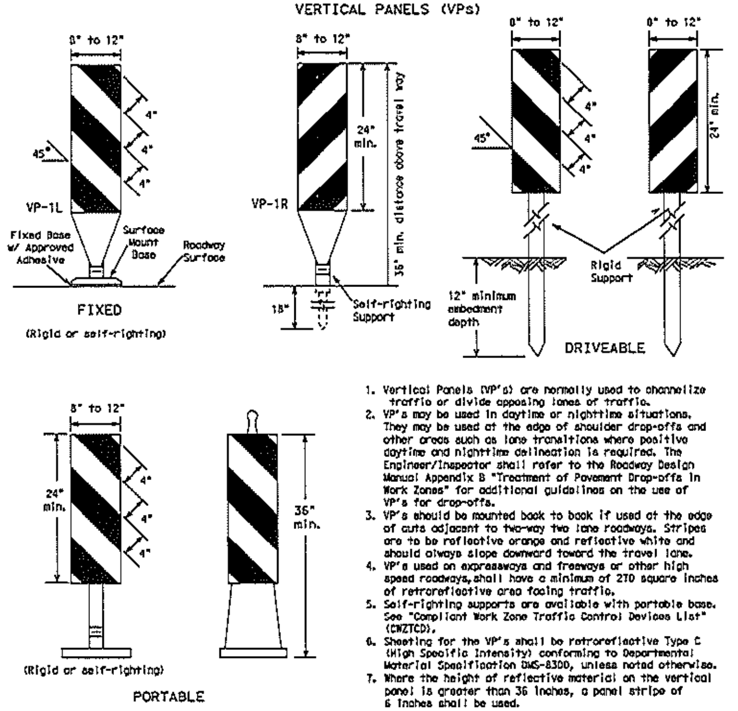
KERRVILLE HOLIDAY LIGHTED PARADE
S.H. 27 TRAFFIC CONTROL PLAN

DESIGN: CPH
DRAWN: CPH
CHECKED:
DATE: 09-07-2011
SCALE: NTS

SHEET
1 OF 1

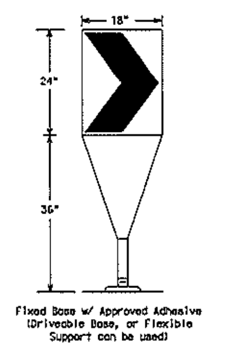
CHANNELIZING DEVICES

VERTICAL PANELS (VPs)



1. Vertical Panels (VP's) are normally used to channelize traffic or divide opposing lanes of traffic.
2. VP's may be used in daytime or nighttime situations. They may be used at the edge of shoulder drop-offs and other areas such as lane transitions where positive daytime and nighttime delineation is required. The Engineer/Inspector shall refer to the Roadway Design Manual Appendix B "Treatment of Pavement Drop-offs in Work Zones" for additional guidelines on the use of VP's for drop-offs.
3. VP's should be mounted back to back if used at the edge of cuts adjacent to two-way two lane roadways. Stripes are to be reflective orange and reflective white and should always slope downward toward the travel lane.
4. VP's used on expressways and freeways or other high speed roadways, shall have a minimum of 270 square inches of retroreflective area facing traffic.
5. Self-righting supports are available with portable base. See "Compliant Work Zone Traffic Control Devices List" (CWZTCD).
6. Sheeting for the VP's shall be retroreflective Type C (High Specific Intensity) conforming to Departmental Material Specification DMS-8300, unless noted otherwise.
7. Where the height of reflective material on the vertical panel is greater than 36 inches, a panel stripe of 6 inches shall be used.

CHEVRONS

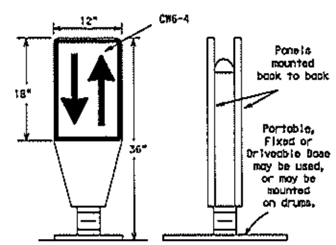


1. The chevron shall be a vertical rectangle with a minimum size of 12 by 18 inches.
2. Chevrons are intended to give notice of a sharp change of alignment with the direction of travel and provide additional emphasis and guidance for vehicle operators with regard to changes in horizontal alignment of the roadway.
3. Chevrons, when used, shall be erected on the outside of a sharp curve or turn, or on the far side of an intersection. They shall be in line with and at right angles to approaching traffic. Spacing should be such that the motorist always has three in view, until the change in alignment eliminates its need.
4. To be effective, the chevron should be visible for at least 500 feet.
5. Chevrons shall be orange with a black nonreflective legend. Sheeting for the chevron shall be retroreflective Type E (Fluorescent Prismatic) conforming to Departmental Material Specification DMS-8300, unless noted otherwise. The legend shall be black vinyl non-reflective decal sheeting meeting the requirements of DMS-8300.
6. For Long Term Stationary use on tapers or transitions on freeways and divided highways self-righting chevrons may be used to supplement plastic drums but not to replace plastic drums.

GENERAL NOTES:

1. Work Zone channelizing devices illustrated on this sheet may be installed in close proximity to traffic and are suitable for use on high or low speed roadways. The Engineer/Inspector shall ensure that spacing and placement is uniform and in accordance with the "Texas Manual on Uniform Traffic Control Devices" (TMUTCD).
2. Channelizing devices shown on this sheet may have a driveable, fixed or portable base. The requirement for self-righting channelizing devices must be specified in the General Notes or other plan sheets.
3. Channelizing devices on self-righting supports should be used in work zone areas where channelizing devices are frequently impacted by errant vehicles or vehicle related wind gusts making alignment of the channelizing devices difficult to maintain. Locations of these devices shall be detailed elsewhere in the plans. These devices shall conform to the TMUTCD and the "Compliant Work Zone Traffic Control Devices List" (CWZTCD).
4. The Contractor shall maintain devices in a clean condition and replace damaged, nonreflective, faded, or broken devices and bases as required by the Engineer/Inspector. The Contractor shall be required to maintain proper device spacing and alignment.
5. Portable bases shall be fabricated from virgin and/or recycled rubber. The portable bases shall weigh approximately 35 lbs.
6. Pavement surfaces shall be prepared in a manner that ensures proper bonding between the adhesives, the fixed mount bases and the pavement surface. Adhesives shall be prepared and applied according to the manufacturer's recommendations.
7. The installation and removal of channelizing devices shall not cause detrimental effects to the final pavement surfaces, including pavement surface discoloration or surface integrity. Driveable bases shall not be permitted on final pavement surfaces. The Engineer/Inspector shall approve all application and removal procedures of fixed bases.
8. Examples on this sheet are commonly used channelizing devices in work zones. For other devices, refer to the CWZTCD.

OPPOSING TRAFFIC LANE DIVIDERS (OTLD)

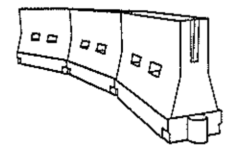


1. Opposing Traffic Lane Dividers (OTLD) are delineation devices designed to convert a normal one-way roadway section to two-way operation. OTLD's are used on temporary centerlines. The upward and downward arrows on the sign's face indicate the direction of traffic on either side of the divider. The base is secured to the pavement with an adhesive or rubber weight to minimize movement caused by a vehicle impact or wind gust.
2. The OTLD may be used in combination with simple tubular markers or VPs.
3. Spacing between the OTLD shall not exceed 500 feet. Tubular markers or VPs placed between the OTLD's should not exceed 100 foot spacing.
4. The OTLD shall be orange with a black non-reflective legend. Sheeting for the OTLD shall be retroreflective Type E (Fluorescent Prismatic) conforming to Departmental Material Specification DMS-8300, unless noted otherwise. The legend shall be black vinyl non-reflective decal sheeting meeting the requirements of DMS-8300.

Posted Speed	Formula	Minimum Desirable Taper Lengths ** 10' Offset	11' Offset	12' Offset	Suggested Maximum Spacing of Channelizing Devices On a Taper	On a Tangent
30	$L=\frac{WS^2}{60}$	150'	165'	180'	30'	60'-75'
35		205'	225'	245'	35'	70'-90'
40		265'	295'	320'	40'	80'-100'
45	L=WS	450'	495'	540'	45'	90'-110'
50		500'	550'	600'	50'	100'-125'
55		550'	605'	660'	55'	110'-140'
60		600'	660'	720'	60'	120'-150'
65		650'	715'	780'	65'	130'-165'
70		700'	770'	840'	70'	140'-175'
75		750'	825'	900'	75'	150'-185'
80		800'	880'	960'	80'	160'-195'

** Taper lengths have been rounded off.
L=Length of Taper (FT.) W=Width of Offset (FT.)
S=Posted Speed (MPH)

HOLLOW OR WATER BALLASTED SYSTEMS USED AS LONGITUDINAL CHANNELIZING DEVICES OR BARRIERS

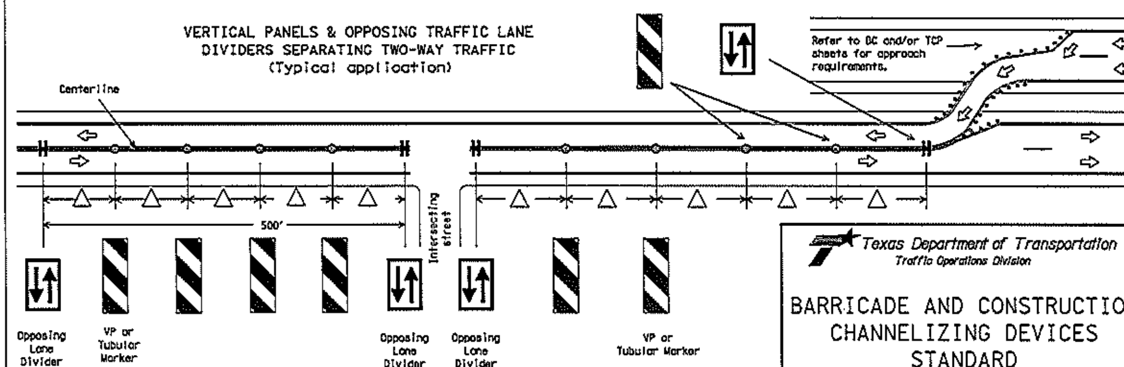


LONGITUDINAL CHANNELIZING DEVICES
1. Longitudinal channelizing devices are crashworthy, lightweight, deformable devices that are highly visible, have good target value and can be connected together. They are not designed to contain or redirect a vehicle on impact.
2. Longitudinal channelizing devices may be used instead of a line of cones or drums.
3. Longitudinal channelizing devices shall be placed in accordance to application and installation requirements specific to the device, and used only when shown on the CWZTCD list.
4. Longitudinal channelizing devices should not be used to provide positive protection for obstacles, pedestrians or workers.
5. Longitudinal channelizing devices shall be retroreflective, or supplemented with retroreflective delineation as required for temporary barriers on BC(7)-07.

WATER BALLASTED SYSTEMS USED AS BARRIERS
1. Water ballasted systems used as barriers shall not be used solely to channelize road users, but also to protect the work space per the appropriate NCHRP 350 crashworthiness requirements based on roadway speed and barrier application.
2. Water ballasted systems used to channelize vehicular traffic shall be supplemented with retroreflective delineation or channelizing devices to improve daytime/nighttime visibility. They may also be supplemented with pavement markings.
3. Water ballasted systems used as barriers shall be placed in accordance to application and installation requirements specific to the device, and used only when shown on the CWZTCD list.
4. Water ballasted systems used as barriers should not be used for a merging taper except in low speed (less than 45 MPH) urban areas. When used on a taper in a low speed urban area, the taper shall be delineated and the taper length should be designed to optimize road user operations considering the available geometric conditions.
5. When water ballasted systems used as barriers have blunt ends exposed to traffic, they should be attenuated as per manufacturer recommendations or flared to point outside the clear zone.

If used to channelize pedestrians, longitudinal channelizing devices or water ballasted systems must have a continuous detectable bottom for users of long canes and the top of the unit shall be not less than 32 inches in height.

VERTICAL PANELS & OPPOSING TRAFFIC LANE DIVIDERS SEPARATING TWO-WAY TRAFFIC
(Typical application)



△ Spacing between the VP's or tubular markers shall not exceed 100 feet. On roadways with speeds less than 45 MPH, spacing between the tubular markers or VP's shall be as shown on the channelizing spacing table shown on this page. If the table shows spacing greater than 100 feet based on the roadway speed, then use a maximum of 100 feet spacing between the tubular markers or VP's. Every fifth channelizing device shall be an OTLD, except when the OLTD must be spaced closer to accomodate an intersection. Spacing between the OTLD shall not exceed 500 feet.

Texas Department of Transportation
Traffic Operations Division

BARRICADE AND CONSTRUCTION CHANNELIZING DEVICES STANDARD

9 of 12   BC(9)-07

©TxDOT 11-4-02	DN: TXDOT	CK: TXDOT	DW: TXDOT	CK: TXDOT
9-07 REVISIONS	CONT	SECT	JOB	HIGHWAY
	DIST	COUNTY		SHEET NO.

DATE:
FILE:

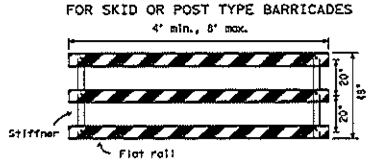
TYPE III BARRICADES

1. Refer to the Compliant Work Zone Traffic Control Devices List (CWZTCD) for details of the Type III Barricades and a list of all materials used in the construction of Type III Baricades.
2. Type III Barricades shall be used at each end of construction projects closed to all traffic.
3. Barricades extending across a roadway should have stripes that slope downward in the direction toward which traffic must turn in detouring. When both right and left turns are provided, the chevron striping may slope downward in both directions from the center of the barricade. Where no turns are provided at a closed road striping should slope downward in both directions toward the center of roadway.
4. Striping of rails, for the right side of the roadway, should slope downward to the left. For the left side of the roadway, striping should slope downward to the right.
5. Identification markings may be shown only on the back of the barricade rails. The maximum height of letters and/or company logos used for identification shall be 1".
6. Barricades shall not be placed parallel to traffic unless an adequate clear zone is provided.
7. Warning lights shall NOT be installed on barricades.
8. Where barricades require the use of weights to keep from turning over, the use of sandbags with dry, cohesionless sand is recommended. The sandbags will be tied shut to keep the sand from spilling and to maintain a constant weight. Sand bags shall not be stacked in a manner that covers any portion of a barricade rails reflective sheeting. Rock, concrete, iron, steel or other solid objects will NOT be permitted. Sandbags should weigh a minimum of 35 lbs and a maximum of 50 lbs. Sandbags shall be made of a durable material that tears upon vehicular impact. Rubber (such as tire inner tubes) shall not be used for sandbags. Sandbags shall only be placed along or upon the base supports of the device and shall not be suspended above ground level or hung with rope, wire, chains or other fasteners.
9. Sheeting for barricades shall be retroreflective Type C (High Specific Intensity) conforming to Departmental Material Specfication DMS-8300 unless otherwise noted.

Barricades shall NOT be used as a sign support.

TYPICAL STRIPING DETAIL FOR BARRICADE RAIL

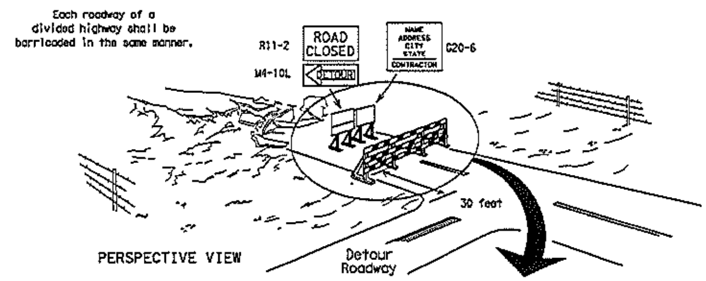
TYPICAL PANEL DETAIL FOR SKID OR POST TYPE BARRICADES



Stiffner may be inside or outside of support, but no more than 2 stiffeners shall be allowed on one barricade.

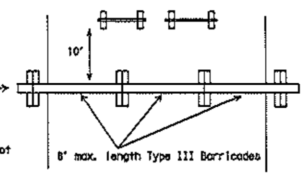
TYPE III BARRICADE (POST AND SKID) TYPICAL APPLICATION

Each roadway of a divided highway shall be barricaded in the same manner.



PERSPECTIVE VIEW

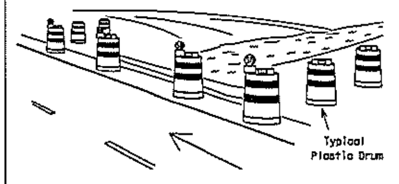
The three rails on Type III barricades shall be reflectorized orange and reflective white stripes on one side facing one-way traffic and both sides for two-way traffic.
Barricade striping should slant downward in the direction of detour.



PLAN VIEW

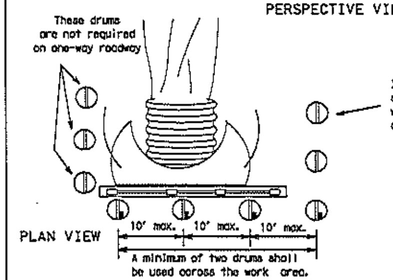
1. Signs should be mounted on independent supports at a 7 foot mounting height in center of roadway. The signs should be a minimum of 10 feet behind Type III Barricades.
2. Advance signing shall be as specified elsewhere in the plans.

CULVERT WIDENING OR OTHER ISOLATED WORK WITHIN THE PROJECT LIMITS



PERSPECTIVE VIEW

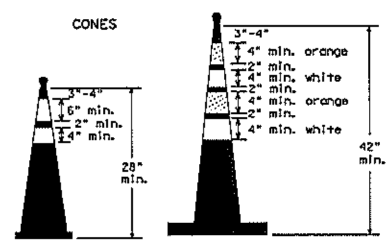
1. Where positive redirectional capability is provided, drums may be omitted.
2. Plastic construction fencing may be used with drums for safety as required in the plans.
3. Vertical Panels on flexible support may be substituted for drums when the shoulder width is less than 4 feet.
4. When the shoulder width is greater than 12 feet, steady-burn lights may be omitted if drums are used.
5. Drums must extend the length of the culvert widening.



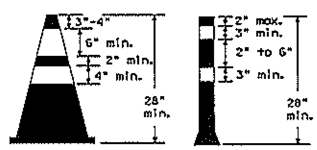
PLAN VIEW

Legend
- Plastic drum
- Plastic drum with steady burn light or yellow warning reflector
- SB Steady burn warning light or yellow warning reflector

CONES



Two-Piece cones

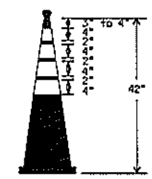


One-Piece cones   Tubular Marker

28" Cones shall have a minimum weight of 9 1/2 lbs.

42" 2-piece cones shall have a minimum weight of 30 lbs. Including base.

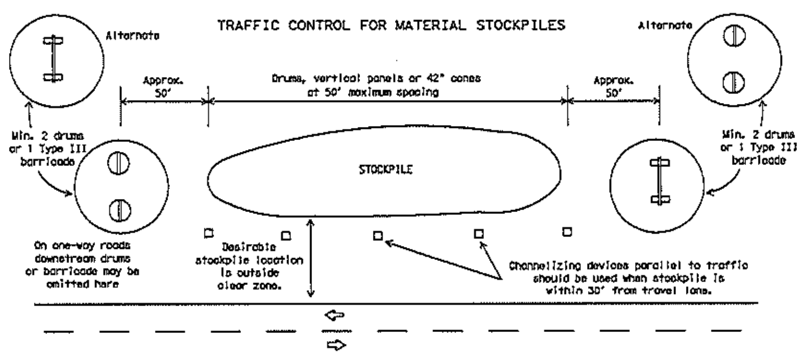
1. Traffic cones and tubular markers shall be a minimum of 28 inches in height when used either on freeways or at nighttime.
2. Cones or tubular markers shall be predominantly orange, fluorescent red-orange, or fluorescent yellow-orange. They should be kept clean and bright for maximum visibility.
3. Cones used only for daytime operations do not require the reflectorized bands.
4. Cones and tubular markers used for nighttime operations shall be reflectorized. Reflectorized material shall have a smooth, sealed outer surface that displays the same approximate color during the day and night. The reflectorized bands shall be retroreflective Type C (High Specific Intensity) conforming to Departmental Material Specification DMS-8300, unless otherwise noted.
5. When used at night, appropriate personnel shall ensure that cones and tubular markers remain in their proper location and in an upright position.
6. Reflectorization of 28"cones shall consist of a minimum 6 inch band placed at least 3 inches but not more than 4 inches from the top, supplemented by a minimum 4 inch band spaced a minimum of 2 inches below the 6 inch band.
7. Reflectorization of 42" cones shall be provided by alternating 4 to 6" orange and white stripes with orange on top.
8. Reflectorization of tubular markers shall be a minimum of two 3 inch bands placed a maximum of 2 inches from the top with a maximum of 6 inches between bands.
9. One-piece cones or tubular markers are generally suitable for temporary usage (up to 8 hours) with other channelization devices such as vertical panels, drums or two-piece cones for long term usage. Care should be taken to ensure they remain in their proper location and in an upright position.
10. Cones or tubular markers used on each project shall be of the same size and shape.
11. The handle may be designed as a hook or other shape, fabricated from non-rigid materials similar to the cone material, and may extend up to a maximum of 8 inches above the top of cone. Length of the handle shall not be considered with regard to the overall height of the cone.



EDGELINE CHANNELIZER

1. This device is intended only for use in place of a vertical panel to channelize traffic by indicating the edge of the travel lane. It is not intended to be used in transitions or tapers.
2. This device shall not be used to separate lanes of traffic (opposing or otherwise) or warn of objects.
3. This device is based on a 42 inch, two-piece cone with an alternate striping pattern: four 4 inch retroreflective bands, with an approximate 2 inch gap between bands. The color of the band should correspond to the color of the edgeline (yellow for left edgeline, white for right edgeline) for which the device is substituted or for which it supplements. The reflectorized bands shall be retroreflective Type C encapsulated bead (High Specific Intensity) conforming to Departmental Material Specification DMS-8300, unless otherwise noted.
4. The base must weigh a minimum of 30 lbs.

TRAFFIC CONTROL FOR MATERIAL STOCKPILES



Texas Department of Transportation
Traffic Operations Division

BARRICADE AND CONSTRUCTION CHANNELIZING DEVICES STANDARD

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9-07	REVISIONS

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DATE:
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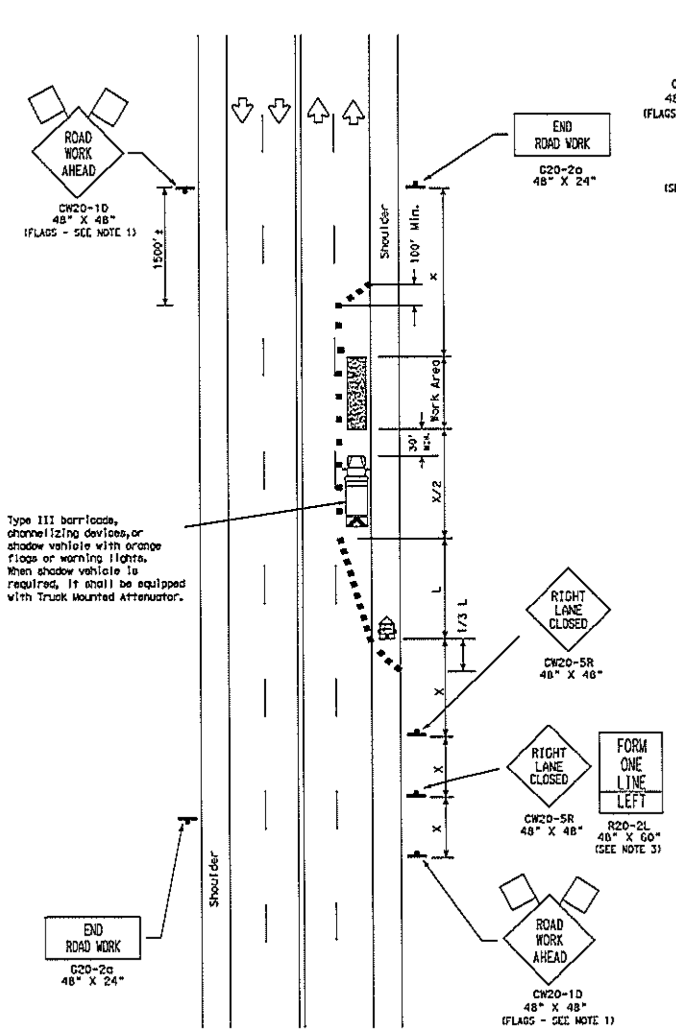
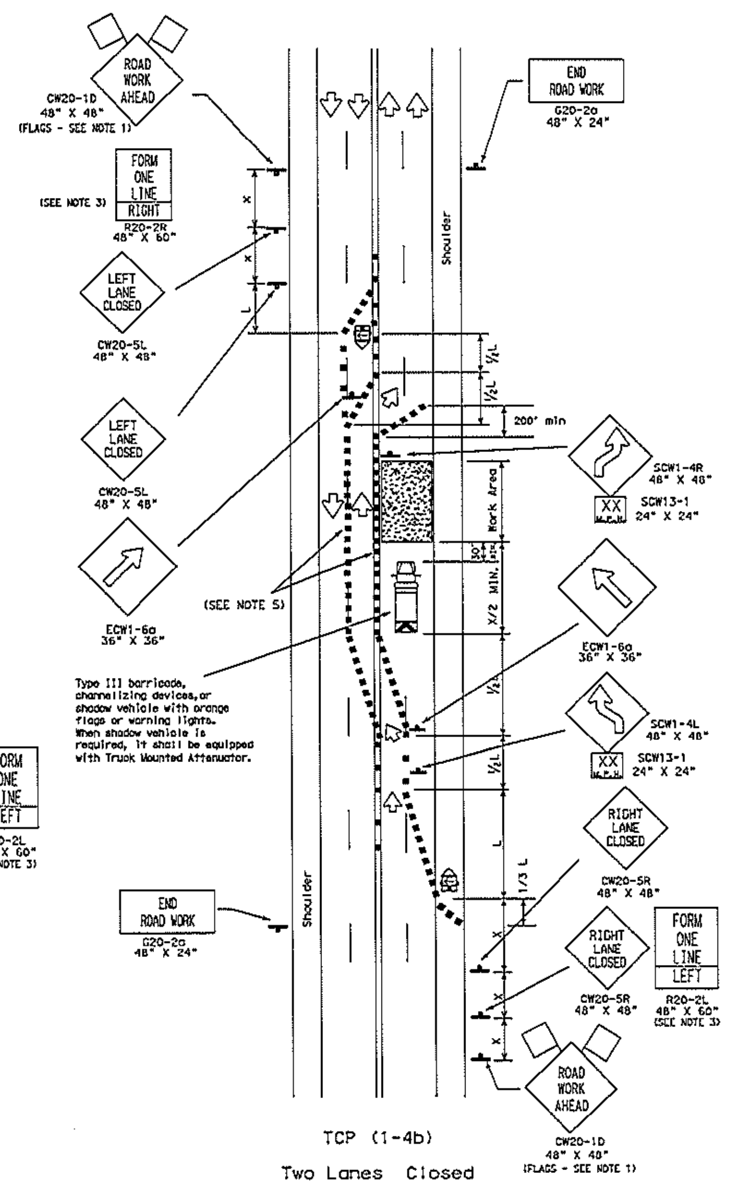


TCP (1-4a)
One Lane Closed



TCP (1-4b)
Two Lanes Closed

LEGEND

- Type III Barricade
- Channelizing Devices
- Flag
- Heavy Work Vehicle
- Truck Mounted Attenuator
- Trailer Mounted Flashing Arrow Panel
- Portable Changeable Message Sign
- Flagger
- Sign Post

Posted Speed *	Formula	Minimum Desirable Taper Lengths ** 10' Offset	11' Offset	12' Offset	Suggested Maximum Spacing of Device On a Taper	On a Tangent	Minimum Sign Spacing "X" Distance
30	$L=\frac{WS^2}{60}$	150'	165'	180'	30'	60'-75'	120'
35		205'	225'	245'	35'	70'-90'	160'
40		265'	295'	320'	40'	80'-100'	240'
45	L=WS	450'	495'	540'	45'	90'-110'	320'
50		500'	550'	600'	50'	100'-125'	400'
55		550'	605'	660'	55'	110'-140'	500'
60		600'	660'	720'	60'	120'-150'	*600'
65		650'	715'	780'	65'	130'-165'	*700'
70		700'	770'	840'	70'	140'-175'	*800'

* Conventional Roads Only

** Taper lengths have been rounded off.
L=Length of Taper (FT.) W=Width of Offset (FT.) S=Posted Speed (MPH)

TYPICAL USAGE:				
MOBILE	SHORT DURATION	SHORT TERM STATIONARY	INTERMEDIATE TERM STATIONARY	LONG TERM STATIONARY
	✓	✓		

GENERAL NOTES:

1. Unless otherwise stated in the plans, flags attached to the signs are REQUIRED.
2. All traffic control devices illustrated are REQUIRED, except those denoted with the triangle symbol may be omitted when stated elsewhere in the plans.
3. The FORM ONE LANE LEFT sign may be used following the RIGHT LANE CLOSED sign. Spacing distance between signs should be the minimum distance indicated.
4. ROAD WORK AHEAD sign may be repeated if the visibility of the work zone is less than 1500'.
5. If pavement markings are not removed and traffic is directed over a double yellow centerline, the maximum spacing of channelizing devices in a tangent section should be no greater than 10 feet.

Only pre-qualified products shall be used. A list of compliant products and their sources may be obtained by writing or faxing:

Standards Engineer
Traffic Operations Division - TE
Texas Department of Transportation
125 East 11th Street
Austin, Texas 78701-2483
Phone (512) 416-3335
Fax (512) 416-3161
E-mail TRF-STANDARD@mailgw.dot.state.tx.us

The requirement for shadow vehicles will be listed in the project GENERAL NOTES, Item 502, Barricades, Signs and Traffic Handling.

Texas Department of Transportation
Traffic Operations Division

TRAFFIC CONTROL PLAN

TCP(1-4)-98

DN: TXDOT	CK: TXDOT	DW: TXDOT	CK: TXDOT
REVISIONS: 2-94, 8-95, 1-97, 4-98	CONT / SECT	JOB	HIGHWAY
	DIST	COUNTY	SHEET NO.

DATE:
FILE:

THE CITY OF

KERRVILLE, TEXAS

September 7, 2011

Texas Department of Transportation
1832 Sidney Baker N.
Kerrville, Texas 78028

Sir or Madam:

The City of Kerrville will be conducting its annual Christmas Parade on November 19th 2011. We are requesting the closure of three lanes of S.H. 27 from the 2200 block to the 1800 block. Lane closures would include the two way left turn lane and the two inside main lanes. The hours of closure would be from 5:30pm until 7:00pm. These lane closures are solely within the city limits of Kerrville and would be established by City of Kerrville street department employees. Control of the lane closures will be conducted by City of Kerrville Police Officers.

Closing the roadway during this period would accommodate the flow of the parade onto the parade route. The outside lanes of S.H. 27 would remain open and flow at the direction of assigned traffic control officers. The parade units would utilize the two way left turn lane while the two inside turn lanes would be used as a safety zone between passing traffic and the parade units.

The area created by the lane closures will contain vehicular traffic only. The lane closures will be monitored by traffic officers to ensure the absence of conflicting pedestrian traffic.

Sincerely,

JOHN M. YOUNG JR.
CHIEF OF POLICE

Curtis J. Thomason
Lieutenant
Field Operations Division

Texas Department of Transportation (TxDOT)
CERTIFICATE OF INSURANCE

Prior to the beginning of work, the Contractor shall obtain the minimum insurance and endorsements specified. Only the TxDOT certificate of insurance for is acceptable as proof of insurance for department contracts. Agents should complete the form providing all requested information then either fax or mail thisform directly to the address listed on page one of this form. Copies of endorsements listed below are not required as attachments to this certificate.

Insured: City of Kerrville
Street/Mailing Address: 800 Junction Hwy
City Kerrville State: TX Zip: 79028
Phone Number: (830) 792-8340 Vendor EIN Number (11 digits)

Workers' Compensation Insurance Coverage:
Endorsed with a Waiver of Subrogation in favor of TxDOT.

Carrier Name: **Texas Municipal League Intergovernmental Risk Pool**			Carrier Phone Number: **800-537-6655**	
Address: **1821 Rutherford Ln.**			City: **Austin** State: **TX** Zip: **78754**	
Type of Insurance	Policy Number	Effective Date	Expiration Date	Limits of Liability:
Workers' Compensation	8179	10/01/11	10/01/12	Not Less Than: Statutory – Texas

Comprehensive General Liability Insurance:
Endorsed with TxDOT as Additional Insured and with a Waiver of Subrogation in favor of TxDOT.

Carrier Name: Texas Municipal League Intergovernmental Risk Pool			Carrier Phone Number: **800-537-6655**	
Address: **1821 Rutherford Ln.**			City: **Austin** State: **TX** Zip: **78754**	
Type of Insurance:	Policy Number:	Effective Date:	Expiration Date:	Limits of Liability:
Commercial General Liability Insurance Bodily Injury Property Damage *OR* Commercial General Liability Insurance	8179	10/01/11	10/01/12	Not Less Than: $500,000 each occurrence $100,000 each occurrence $100,000 for aggregate *OR* $600,000 combined single limit

Comprehensive Automobile Liability Insurance:
Endorsed with TxDOT as Additional Insured and with a Waiver of Subrogation in favor of TxDOT.

Carrier Name: **Texas Municipal League Intergovernmental Risk Pool**			Carrier Phone Number: **800-537-6655**	
Address: **1821 Rutherford Ln.**			City: **Austin** State: **TX** Zip: **78754**	
Type of Insurance:	Policy Number:	Effective Date:	Expiration Date:	Limits of Liability:
Business Automobile Policy Bodily Injury Property Damage	8179	10/01/11	10/01/12	Not Less Than: $ 250,000 each person $ 500,000 each occurrence $ 100,000 each occurrence

Umbrella Policy (if applicable):

Carrier Name:			Carrier Phone Number:	
Address:			City: State: Zip:	
Type of Insurance:	Policy Number:	Effective Date:	Expiration Date:	Limits of Liability:
Umbrella Policy				

Authorized Agent name, address and zip code:
Texas Municipal League Intergovernmental Risk Pool 1821 Rutherford Ln. Austin, TX 78754

This Certificate of Insurance neither affirmatively nor negatively amends, extends, or alters the coverage afforded by the above insurance policies issued by the named insurance company. Cancellation of the insurance policies shall not be made until THIRTY DAYS AFTER the agent or the insurance company has sent written notice by certified mail to the contractor and the Texas Department of Transportation.

THIS IS TO CERTIFY to the Texas Department of Transportation acting on behalf of the State of Texas that the insurance policies named meet all the requirements stipulated and such policies are in full force and effect. *If this form is sent by facsimile machine (fax), the sender adopts the document received by TxDOT as a duplicate original and adopts the signature produced by the receiving fax machine as the sender's original signature.*

The Texas Department of Transportation maintains the information collected through this form. With few exceptions, you are entitled on request to be informed about the information that we collect about you. Under sections 555.021 and 553.023 of the Texas Government Code, you also are entitled to receive and review the information. Under section 559.004 of the Government Code, you are also entitled to have us correct information about you that is incorrect.

Area Code (800) 537-6655
Authorized Agent's Phone Number

Authorized Agent Original Signature

9/13/2011
Date

Texas Department of Transportation (TxDOT)
CERTIFICATE OF INSURANCE

BEFORE YOU SUBMIT THIS FORM, MAKE SURE:

- You have the most current 1560-CSS TxDOT form Revised 04/10. Go to the following TxDOT Internet site: http://www.dot.state.tx.us/business/contractors_consultants/insurance.htm then look for the Form 1560-CSS.
- You have entered the 11-digit Vendor Identification Number, which includes your nine-digit FEIN (Federal Identification Number)
- You have entered each authorized agent's complete address, telephone number, policy expiration dates, sign and date
- If more than one agent covers different types of insurance (one writes Workers' Compensation, but another writes Auto), both have issued the certificate in its entirety
- You have provided all requested information on the forms, which may be faxed but must be followed up with the originally signed forms to the address listed below
- The form is being submitted in connection with a professional services contract
- For construction and maintenance contracts, go to the following TxDOT Internet site: (http://www.txdot.gov/business/contractors_consultants/contractor_insurance.htm) then look for the Form 1560.

To avoid work suspension, an updated insurance form must reach the address listed below one business day prior to the expiration date. List the contractor's legal company name, including the DBA (doing business as) name as the insured. If a staff leasing service company is providing insurance, the contractor's legal company name must be listed first, and then in parenthesis identify the staff leasing service company name (i.e. ABC Engineering, Inc (XYZ Staff 4 U, Inc– staff leasing service company)). Give contact information (i.e. address, phone number, and etc.) for the insured contractor only; do not list the contact information for either the staff leasing company or the insurance company in these fields. The certificate of insurance, once on file with the department, is adequate for subsequent department contracts provided adequate coverage is still in effect. Do not refer to specific projects or contracts on this form. Over-stamping or over-typing entries on the certificate of insurance are not acceptable if they change the provisions of the certificate in any manner. Stamped, typed, or printed signatures are not acceptable. Pre-printed limits are the minimum required; if higher limits are provided by the policy, enter the higher limit amount and strike through or cross out the pre-printed limit. Binder numbers are not acceptable for policy numbers.

WORKERS' COMPENSATION INSURANCE:

The contractor is required to have Workers' Compensation Insurance if the contractor has any employees, including relatives. The word STATUTORY, under limits of liability, means that the insurer would pay benefits allowed under the Texas Workers' Compensation Law. GROUP HEALTH or ACCIDENT INSURANCE is not an acceptable substitute for Workers' Compensation.

COMPREHENSIVE GENERAL LIABILITY INSURANCE or COMMERCIAL GENERAL LIABILITY INSURANCE:

If coverage's are specified separately, they must be at least these amounts:

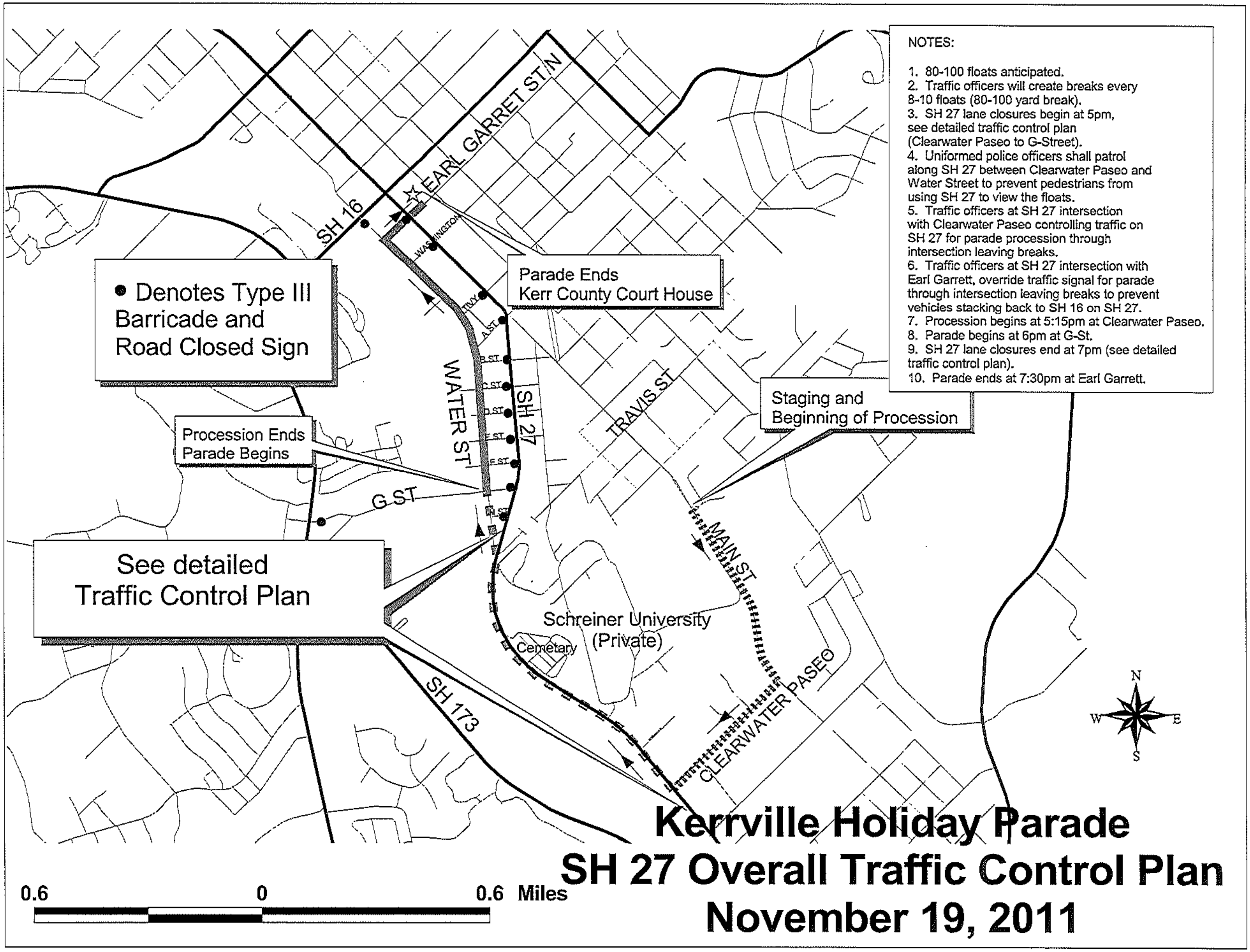
Bodily Injury	$500,000 each occurrence
Property Damage	$100,000 each occurrence
	$100,000 for aggregates

MANUFACTURERS' or CONTRACTOR LIABILITY INSURANCE is not an acceptable substitute for Comprehensive General Liability Insurance or Commercial General Liability Insurance.

COMPREHENSIVE AUTOMOBILE LIABILITY INSURANCE or TEXAS BUSINESS AUTOMOBILE POLICY:

The coverage amount for a Texas Business Automobile Policy or Comprehensive Automobile Liability may be shown as a minimum of $600,000 Combined Single Limit by a typed or printed entry and deletion of the specific amounts listed for Bodily Injury and Property Damage. BASIC AUTOMOBILE LIABILITY INSURANCE is not an acceptable substitute for Comprehensive Automobile Liability Insurance or Texas Business Automobile Policy.

MAIL CERTIFICATES TO:
Texas Department of Transportation
General Services Division - Contract Services Section
125 E. 11th St.
Austin, TX 78701-2483
512-374-5120 (V) 512-374-5121 (F)


Kerrville Holiday Parade
SH 27 Overall Traffic Control Plan
November 19, 2011
NOTES:
1. 80-100 floats anticipated.
2. Traffic officers will create breaks every 8-10 floats (80-100 yard break).
3. SH 27 lane closures begin at 5pm, see detailed traffic control plan (Clearwater Paseo to G-Street).
4. Uniformed police officers shall patrol along SH 27 between Clearwater Paseo and Water Street to prevent pedestrians from using SH 27 to view the floats.
5. Traffic officers at SH 27 intersection with Clearwater Paseo controlling traffic on SH 27 for parade procession through intersection leaving breaks.
6. Traffic officers at SH 27 intersection with Earl Garrett, override traffic signal for parade through intersection leaving breaks to prevent vehicles stacking back to SH 16 on SH 27.
7. Procession begins at 5:15pm at Clearwater Paseo.
8. Parade begins at 6pm at G-St.
9. SH 27 lane closures end at 7pm (see detailed traffic control plan).
10. Parade ends at 7:30pm at Earl Garrett.
● Denotes Type III Barricade and Road Closed Sign
Parade Ends
Kerr County Court House
Staging and
Beginning of Procession
Procession Ends
Parade Begins
See detailed
Traffic Control Plan
EARL GARRET ST N
SH 16
WASHINGTON
WATER ST
SH 27
A ST
B ST
C ST
D ST
E ST
F ST
G ST
TRAVIS ST
MAIN ST
CLEARWATER PASEO
Schreiner University
(Private)
Cemetary
SH 173
N
W
E
S
0.6
0
0.6 Miles

Agenda Item:
(Staff)

3E. Construction contract with PM Construction & Rehab, LLC for the replacement and/or renewal of approximately 16,800 linear feet of deteriorated wastewater pipe and associated manholes in an amount of $1,069,388.90 and change orders in an amount not to exceed $130,611.10.

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

SUBJECT: Council authorization for the City Manager to execute a construction contract with PM Construction & Rehab, LLC for the replacement and/or renewal of approximately 16,800 linear feet of deteriorated wastewater pipe and associated manholes in an amount of $1,069,388.90 and authorize the City Manager to execute change orders in an amount not to exceed $130,611.10.

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED:** September 16, 2011

SUBMITTED BY: Michael Wellborn, P.E. MW
Director of Engineering

CLEARANCES: Kristine Ondrias
Assistant City Manager

EXHIBITS: Construction Contract on file in City Secretary Office, Bid Tabulation

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: TP

Expenditure Required:	**Current Balance in Account:**	**Amount Budgeted:**	**Account Number:**
$1,200,000.00	**$1,392,922.30**	**$1,200,000.00**	**W78**

PAYMENT TO BE MADE TO: **PM Construction & Rehab, LLC**
131 N. Richey
Pasadena, TX 77506

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

As part of the FY09, FY10, & FY11 Budgets, City Council approved a multi phased Inflow and Infiltration (I&I) project to identify and correct problems in the city's wastewater collection systems. Ongoing studies and sewer rehabilitation enable the city to maintain a more compliant and better operational wastewater system. The project was approved at $700,000 per year ($100,000.00 for engineering and $600,000 for construction).

In 2008, the Water / Waste Water Utility Division funded the phase 1 engineering in an amount of $100,000 and FY09 Water & Wastewater Bonds in the amount of $700,000.00 funded the Phase 1 construction and the Phase 2 engineering. FY10 Water & Wastewater Bonds in the amount of $700,000 were sold for the Phase 2 construction and the Phase 3 engineering. FY11 Water & Wastewater Bonds in the amount of $700,000 were sold for Phase 3 construction and Phase 4 engineering. Phase 1 construction was completed in June of 2010 and the phase 2 & 3 engineering was awarded to LNV, Inc. in September of 2010. The Phase 2 & 3 design & construction funds were combined in an effort to capture construction benefits from an increased economy of scale.

Funding Source	Engineering	Construction
Water & Sewer Cash	Phase 1 - $100,000	
FY09 Bonds	Phase 2 - $100,000	Phase 1 - $600,000
FY10 Bonds	Phase 3 - $100,000	Phase 2 - $600,000
FY11 Bonds	Phase 4 - $100,000	Phase 3 - $600,000
FY12 Bonds	-	*Phase 4 - $600,000

* Proposed

Starting in August of this year, the Phase 2 & 3 construction plans & specifications were advertised and released for bids. On September 13, 2011, bids were opened and the lowest qualified bidder was PM Construction & Rehab, LLC. Their total bid for approximately 16,800 linear feet of wastewater pipe rehabilitation/replacement is $1,069,388.90. PM Construction & Rehab, LLC is a sister company to RePipe Construction, LTD who was the contractor for the Phase 1 construction project completed last year (2010).

RECOMMENDED ACTION

The Director of Engineering recommends that City Council authorize the City Manager to execute a construction contract with PM Construction & Rehab, LLC for the replacement and/or renewal of approximately 16,800 linear feet of deteriorated wastewater pipe and associated manholes in an amount of $1,069,388.90 and authorize the City Manager to execute change orders in an amount not to exceed $130,611.10.

Section 070

CITY OF KERRVILLE

CONSTRUCTION CONTRACT

This agreement made this day by and between the City of Kerrville, Texas, called "City," and the undersigned "Contractor" as follows:

1. THE WORK

The Contractor shall perform all the work as required by this contract for:

City of Kerrville Phase 2 Wastewater I&I Rehabilitation/Replacement Project
Reference Construction Plans signed and sealed by LNV, Inc. on August 9, 2011 and approved by the City of Kerrville.

Base Bid
Televising, Cleaning and Rehabilitation/Replacement of approximately 11,940 linear feet of existing sanitary sewer mains and rehabilitation/replacement of associated manholes in the City of Kerrville.

Additive Alternate #1
Televising, Cleaning and Rehabilitation/Replacement of approximately 2,920 linear feet of existing sanitary sewer mains and rehabilitation/replacement of associated manholes in the City of Kerrville.

Additive Alternate #2
Televising, Cleaning and Rehabilitation/Replacement of approximately 2,114 linear feet of existing sanitary sewer mains and rehabilitation/replacement of associated manholes in the City of Kerrville.

The following are incorporated herein:

a. General Requirements
b. Technical Specifications
c. Addenda issued prior to receipt of Bid
d. Plans
e. Instructions to Bidders
f. Proposal

Some of such documents may not be physically attached hereto but are on file at City Hall, and copies may be obtained upon request.

2. TIME

Construction substantial completion time will be 150 calendar days and 30 calendar days after for final completion from the date of written notice to proceed. Working days are defined in specification section 123.20. The project shall not be considered complete until all improvements have been accepted and are operational and performing to its intended purpose. The Contractor's obligations to the project however, are not complete and retainage will not be released until all construction items are 100% complete including disturbed areas being re-vegetated to the satisfaction of the City of Kerrville (70% coverage with a 2-inch stand of grass or other as specified in the plans and/or specifications).

3. LIQUIDATED DAMAGES

Liquidated damages are hereby established for work which is not substantially complete in the amount of Three Hundred Dollars ($300.00) per working day for each working day after the date established in the Notice to Proceed. The City may offset any such liquidated damages against any sums from time to time due by the City to Contractor.

The completion time assumes that fifteen percent of the working days are "bad weather days," days on which the work cannot proceed; therefore, the time for completion shall not be extended on account of bad weather until the said number of assumed "bad weather days" has been exceeded.

The time for completion shall not be extended except by written memorandum executed by the Contractor and the City Engineer. Contractor shall make written application to the City not later than ten (10) days after the day, event, or cause claimed by Contractor to be a delay. Failure to make such written claim within such time shall result in a waiver by Contractor of an extension based on those particular days, events, or causes. If, for example, this contract assumes twenty (20) bad weather days and Contractor desired a one-day extension for the twenty-first day of rain, Contractor shall make a written claim not later than ten (10) days after the occurrence of such twenty-first day.

The said amount per day is not a penalty but an agreed amount of actual damages which are difficult to calculate. Such damages include loss of staff time, answering complaints by citizens who have been inconvenienced by the work, City Council time, loss of use, and other damages difficult to reasonably anticipate or calculate.

4. PAYMENTS

The City shall pay the Contractor ninety-five percent (95%) of the portion of Contract Sum properly allocable to labor, materials, and equipment incorporated in the Work and constructed in place, less the aggregate of previous payments made by the City. No payments for materials on-hand or stored at the site will be made. All retainages from progress payments shall be withheld without liability for interest. Upon acceptance, the City shall make payment to Contractor such that one hundred percent (100%) of the completed work has been paid.

The City may choose to award a contract for the amount of the base bid plus no or any combination of additive alternates.

5. LIABILITY INDEMNITY

THE CONTRACTOR AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF KERRVILLE, TEXAS, AND ALL OF THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, LOSSES, PROPERTY DAMAGES, AND EXPENSES OF ANY CHARACTER WHATSOEVER, INCLUDING ATTORNEY'S FEES BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OF DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PROPERTY ON ACCOUNT OF ANY NEGLIGENT ACT OF THE CONTRACTOR, THE CITY OF KERRVILLE, TEXAS, OR ANY OF THEIR RESPECTIVE OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, OR SUBCONTRACTORS IN THE EXECUTION, SUPERVISION, AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH THE PERFORMANCE OF THIS AGREEMENT, WHETHER OR NOT THE ACT OR OMISSION OF THE CITY OR ANY OF THEIR RESPECTIVE OFFICERS, EMPLOYEES, OR AGENTS WAS THE SOLE PROXIMATE CAUSE OF THE INJURY OR DAMAGE OR A PROXIMATE CAUSE JOINTLY AND CONCURRENTLY WITH THE NEGLIGENCE OF THE CONTRACTOR OR ITS OFFICERS, EMPLOYEES, AGENTS, CONTRACTORS, OR SUBCONTRACTORS, IN THE EXECUTION, SUPERVISION AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH THE PERFORMANCE OF THIS AGREEMENT.

6. LIABILITY INSURANCE

Prior to the commencement of any work and not later than fifteen (15) days following the execution of this contract, the Contractor shall furnish the City copies of paid-up policies (to the City Risk Manager/City Hall) providing Liability and Workman's Compensation Coverage as follows minimum limits):

	TYPE OF INSURANCE	LIMITS
a.	Workman's Compensation covering all employees	Statutory
b.	Employer's Liability	$100,000.00
c.	Comprehensive General Liability	
	Bodily Injury & Property Damage (per occurrence)	$1,000,000.00
	Aggregate	$1,000,000.00
	(Premises/Operations Products/Completed Operations/Independent Contractors/Contractual Liability/Coverages may not be excluded). XCU must be supplied if any exposure.	
d.	Business Automobile Liability covering owned vehicles, rented and non-owned vehicles and employee non-ownership	

Bodily Injury Property Damage (per occurrence) $1,000,000.00
Aggregate $1,000,000.00

The Commercial General Liability and the Automobile Liability policies shall name the City of Kerrville, Texas, as additional insured and all policies shall provide for a waiver of subrogation in favor of the City of Kerrville. The policy and any renewal certificate shall provide that the City be notified thirty (30) days prior to cancellation or modification of any coverage. Language to the effect that the company will "Endeavor" or "Attempt" to so notify the City of Kerrville is not sufficient. Renewal certificates must be received by the City at least ten (10) days prior to any cancellation date. Policies will be in effect until final acceptance or cancellation of this contract, unless otherwise specified. The City may, at its sole option, terminate this agreement and file a claim on the Contractor's bid bond if the Contractor fails to deliver the required policies and certificates within 15 days after execution of this contract.

It shall be the responsibility of the Contractor to insure that all Subcontractors comply with the same insurance requirements as the said Contractor.

7. CASUALTY INSURANCE

In the event the work includes structures or buildings susceptible to damage by fire, windstorm, or other casualty, then the Contractor before being authorized to begin work shall furnish the City a duplicate original of an insurance policy naming the City of Kerrville as an additionally insured. Such insurance shall insure both the City of Kerrville and Contractor, during the term of the work, against loss by fire, windstorm, vandalism, theft, or other casualty. Such policy shall be in the total amount of this contract.

8. QUALITY OF WORK

All work shall be of good workmanship. Contractor shall comply with all applicable City of Kerrville Codes as well as all applicable professional and technical standards. Materials shall be of first quality.

9. CHANGES AND EXTRAS

No change of this Contract, whether for additional work, additional compensation, or other, shall be effective unless prior thereto a written change order has been authorized by the City Engineer. Employees of the City other than the City Engineer or Public Works Director do not have the authority to issue change orders.

10. ADDENDA

Contractor acknowledges the receipt of the following addenda:

1. Dated: AUGUST 26, 2011 Acknowledged by: [signature]

2. Dated: SEPTEMBER 7, 2011 Acknowledged by: [signature]

11. CONTRACT SUM

Proposal: Contractor agrees to provide all labor, materials, and all incidentals necessary to complete "The Work" for the following complete and in place Unit Prices:

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
BASE BID					
1.	1	LS	Mobilization, (Maximum 5% of Base Bid)	$ 35,000.00	$ 35,000.00
2.	200	SY	Cut and Restore Pavement (Per TXDOT Specifications) as Approved by City, complete in place	$ 140.00	$ 28,000.00
3.	200	SY	Cut and Restore Pavement (Per City Specifications) as Approved by City, complete in place	$ 115.00	$ 23,000.00
4.	1	LS	Barricades, Signs and Traffic Handling, complete in place	$ 4,000.00	$ 4,000.00
5.	1240	LF	Trench Excavation Safety Protection, complete in place	$ 0.01	$ 12.40
6.	3	EA	Subsurface Utility Investigation by Potholing, complete in place	$ 650.00	$ 1,950.00
7.	4	EA	Sanitary Sewer Manhole – 4 ft Diameter (0'-6'), complete in place	$ 2,900.00	$ 11,600.00
8.	2	EA	Sanitary Sewer Manhole - 5 ft Diameter (0'-6'), complete in place	$ 4,800.00	$ 9,600.00
9.	2	EA	Sanitary Sewer Drop Manhole – 4 ft Diameter (0'-6'), complete in place	$ 3,500.00	$ 7,000.00
10.	1	VF	Extra Depth Manholes – 4 ft Diameter (>6'), complete in place	$ 500.00	$ 500.00
11.	3	VF	Extra Depth Manholes – 5 ft Diameter (>6'), complete in place	$ 525.00	$ 1,575.00
12.	5	EA	One-Way Sanitary Sewer Cleanout, complete in place	$ 685.00	$ 3,425.00
13.	234	VF	Manhole Rehabilitation (Cementitious and Epoxy) (Standard 4 ft Diameter), complete in place	$ 335.00	$ 78,390.00

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
14.	7279	LF	Sewer Main Cleaning (Normal) – 6" Diameter Main, complete in place	$ 1.25	$ 9,098.75
15.	2163	LF	Sewer Main Cleaning (Normal) – 8" Diameter Main, complete in place	$ 1.25	$ 2,703.75
16.	2498	LF	Sewer Main Cleaning (Normal) – 10" Diameter Main, complete in place	$ 1.25	$ 3,122.50
17.	728	LF	Sewer Main Cleaning (Mechanical) – 6" Diameter Main, complete in place	$ 4.45	$ 3,239.60
18.	216	LF	Sewer Main Cleaning (Mechanical) – 8" Diameter Main, complete in place	$ 4.45	$ 961.20
19.	250	LF	Sewer Main Cleaning (Mechanical) – 10" Diameter Main, complete in place	$ 4.45	$ 1,112.50
20.	7279	LF	Pre Television Inspection for 6" Sewer Main, complete in place	$ 1.25	$ 9,098.75
21.	2163	LF	Pre Television Inspection for 8" Sewer Main, complete in place	$ 1.25	$ 2,703.75
22.	2498	LF	Pre Television Inspection for 10" Sewer Main, complete in place	$ 1.25	$ 3,122.50
23.	7279	LF	Post Television Inspection for 6" Sewer Main, complete in place	$ 1.50	$ 10,918.50
24.	2163	LF	Post Television Inspection for 8" Sewer Main, complete in place	$ 1.50	$ 3,244.50
25.	1976	LF	Post Television Inspection for 10" Sewer Main, complete in place	$ 1.50	$ 2,964.00
26.	522	LF	Post Television Inspection for 12" Sewer main, complete in place	$ 1.50	$ 783.00
27.	5844	LF	Pipe Bursting Exist 6" Sanitary Sewer (0'-10' Depth), complete in place	$ 24.25	$ 141,717.00
28.	169	LF	Pipe Bursting Exist 6" Sanitary Sewer (10'-15' Depth), complete in place	$ 30.00	$ 5,070.00
29.	1210	LF	Pipe Bursting Exist 8" Sanitary Sewer (0'-10' Depth), complete in place	$ 26.00	$ 31,460.00
30.	953	LF	Pipe Bursting Exist 8" Sanitary Sewer (10'-15' Depth), complete in place	$ 30.00	$ 28,590.00

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
31.	1548	LF	Pipe Bursting Exist 10" Sanitary Sewer (0'-10' Depth), complete in place	$ 32.00	$ 49,536.00
32.	192	LF	Pipe Bursting Exist 10" Sanitary Sewer (10'-15' Depth), complete in place	$ 38.00	$ 7,296.00
33.	522	LF	Pipe Bursting Exist 10" Sanitary Sewer, Upsize to 12" Sanitary Sewer (0'-10' Depth), complete in place	$ 42.00	$ 21,924.00
34.	15	EA	Service Reconnection, All Depths w/ Remote Control Cut Device (CIPP Only), complete in place	$ 100.00	$ 1,500.00
35.	180	EA	Service Reconnection, (0'-10' Depth) w/ Open Cut Excavation including up to 10 LF of Lateral, complete in place	$ 395.00	$ 71,100.00
36.	22	EA	Service Reconnection, (10'-15' Depth) w/ Open Cut Excavation including up to 10 LF of Lateral, complete in place	$ 495.00	$ 10,890.00
37.	50	LF	Service Reconnection, Extra Length (0'-10' Depth), complete in place	$ 25.00	$ 1,250.00
38.	50	LF	Service Reconnection, Extra Length (10'-15' Depth), complete in place	$ 35.00	$ 1,750.00
39.	46	EA	Point Repairs for 6"-8" Sanitary Sewer, (0'-10' Depth) including up to 10 LF of Piping, complete in place	$ 500.00	$ 23,000.00
40.	8	EA	Point Repairs for 6"-8" Sanitary Sewer, (10'-15' Depth) including up to 10 LF of Piping, complete in place	$ 1,000.00	$ 8,000.00
41.	16	EA	Point Repairs for 10" Sanitary Sewer, (0'-10' Depth) including up to 10 LF of Piping, complete in place	$ 1,000.00	$ 16,000.00
42.	2	EA	Point Repairs for 10" SS, (10'-15' Depth) including up to 10 LF of Piping, complete in place	$ 2,950.00	$ 5,900.00

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
43.	150	LF	Point Repairs Extra Length, 6"-10" Sanitary Sewer (0'-10' Depth), complete in place	$ 10.00	$ 1,500.00
44.	150	LF	Point Repairs Extra Length, 6"-10" Sanitary Sewer (10'-15' Depth), complete in place	$ 10.00	$ 1,500.00
45.	1266	LF	CIPP Exist 6" Sanitary Sewer, complete in place	$ 35.00	$ 44,310.00
46.	236	LF	CIPP Exist 10" Sanitary Sewer (10'-27' Depth), complete in place	$ 48.00	$ 11,328.00
47.	4	EA	Replacement of MH Throat Rings (Per Each MH), complete in place	$ 1,400.00	$ 5,600.00
48.	23	EA	MH Ring and Cover Replacement, complete in place	$ 1,000.00	$ 23,000.00
49.	2	EA	Bypass System Setup for Exist 21" Sanitary Sewer (For MH-2407 @ Gilmer St.), complete in place	$ 6,000.00	$ 12,000.00
50.	14	DY	Bypass System Operation for Exist 21" Sanitary Sewer (For MH-2407 @ Gilmer St.), complete in place	$ 400.00	$ 5,600.00
51.	1	LS	MH-2407 (@ Gilmer St.) Investigation including Removal of Lid, Verification of Inverts and Pipe Sizes and Replacement of Lid or Temporary Steel Plate, complete in place	$ 1,500.00	$ 1,500.00
52.	1	EA	Replace MH-2407 (@ Gilmer St.) with Drop Manhole Per City of Kerrville Standard Specifications and Details, complete in place	$ 11,000.00	$ 11,000.00

TOTAL BASE BID $ 799,446.70

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
ADDITIVE BID ALTERNATE 1 –					
A1-1.	1	LS	Barricades, Signs and Traffic Handling, complete in place	$ 1,850.00	$ 1,850.00
A1-2.	400	LF	Trench Excavation Safety Protection, complete in place	$ 0.01	$ 4.00
A1-3.	2	EA	Sanitary Sewer Manhole – 4 ft Diameter (0'-6'), complete in place	$ 2,900.00	$ 5,800.00
A1-4.	1	EA	Sanitary Sewer Drop Manhole – 4 ft Diameter (0'-6'), complete in place	$ 3,500.00	$ 3,500.00
A1-5.	3	VF	Extra Depth Manholes – 4 ft Diameter (>6'), complete in place	$ 500.00	$ 1,500.00
A1-6.	4	EA	One-Way Sanitary Sewer Cleanout, complete in place	$ 685.00	$ 2,740.00
A1-7.	17	VF	Manhole Rehabilitation (Cementitious and Epoxy) (Standard 4 ft Diameter), complete in place	$ 335.00	$ 5,695.00
A1-8.	2920	LF	Sewer Main Cleaning (Normal) – 6" Diameter Main, complete in place	$ 1.25	$ 3,650.00
A1-9.	292	LF	Sewer Main Cleaning (Mechanical) – 6' Diameter Main, complete in place	$ 4.45	$ 1,299.40
A1-10	2920	LF	Pre Television Inspection for 6" Sewer Main, complete in place	$ 1.25	$ 3,650.00
A1-11	2920	LF	Post Television Inspection for 6" Sewer Main, complete in place	$ 1.50	$ 4,380.00
A1-12	2608	LF	Pipe Bursting Exist 6" Sanitary Sewer (0'-10' Depth), complete in place	$ 26.00	$ 67,808.00
A1-13	2	EA	Service Reconnection, All Depths w/ Remote Control Cut Device, complete ii place	$ 100.00	$ 200.00
A1-14	46	EA	Service Reconnection, (0'-10' Depth) w Open Cut Excavation including up to 10 LF of Lateral, complete in place	$ 395.00	$ 18,170.00

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
A1-15	20	LF	Service Reconnection, Extra Length (0'-10' Depth), complete in place	$ 25.00	$ 500.00
A1-16	10	LF	Service Reconnection, Extra Length (10'-15' Depth), complete in place	$ 35.00	$ 350.00
A1-17	21	EA	Point Repairs for 6"-8" Sanitary Sewer, (0'-10' Depth) including up to 10 LF of Piping, complete in place	$ 500.00	$ 10,500.00
A1-18	20	LF	Point Repairs Extra Length, 6"-8" Sanitary Sewer (0'-10' Depth), complete in place	$ 10.00	$ 200.00
A1-19	10	LF	Point Repairs Extra Length, 6"-8" Sanitary Sewer (10'-15' Depth), complete in place	$ 10.00	$ 100.00
A1-20	312	LF	CIPP Exist 6" Sanitary Sewer, complete in place	$ 35.00	$ 10,920.00
A1-21	3	EA	MH Ring and Cover Replacement, complete in place	$ 1,000.00	$ 3,000.00

TOTAL ADDITIVE BID ALTERNATE 1 $ 145,816.40

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
ADDITIVE BID ALTERNATE 2					
A2-1.	1	LS	Barricades, Signs and Traffic Handling, complete in place	$ 1,850.00	$ 1,850.00
A2-2.	240	LF	Trench Excavation Safety Protection, complete in place	$ 0.01	$ 2.40
A2-3.	1	EA	Sanitary Sewer Manhole - 4 ft Diameter (0'-6'), complete in place	$ 2,900.00	$ 2,900.00
A2-4.	43	VF	Manhole Rehabilitation (Cementitious and Epoxy) (Standard 4 ft Diameter), complete in place	$ 335.00	$ 14,405.00

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
A2-5.	1823	LF	Sewer Main Cleaning (Normal) – 6" Diameter Main, complete in place	$ 1.25	$ 2,278.75
A2-6.	291	LF	Sewer Main Cleaning (Normal) – 8" Diameter Main, complete in place	$ 1.25	$ 363.75
A2-7.	182	LF	Sewer Main Cleaning (Mechanical) – 6" Diameter Main, complete in place	$ 4.45	$ 809.90
A2-8.	30	LF	Sewer Main Cleaning (Mechanical) – 8" Diameter Main, complete in place	$ 4.45	$ 133.50
A2-9.	1823	LF	Pre Television Inspection for 6" Sewer Main, complete in place	$ 1.25	$ 2,278.75
A2-10	291	LF	Pre Television Inspection for 8" Sewer Main, complete in place	$ 1.25	$ 363.75
A2-11	1823	LF	Post Television Inspection for 6" Sewer Main, complete in place	$ 1.50	$ 2,734.50
A2-12	291	LF	Post Television Inspection for 8" Sewer Main, complete in place	$ 1.50	$ 436.50
A2-13	997	LF	Pipe Bursting Exist 6" Sanitary Sewer (0'-10' Depth), complete in place	$ 26.00	$ 25,922.00
A2-14	440	LF	Pipe Bursting Exist 6" Sanitary Sewer (10'-15' Depth), complete in place	$ 32.00	$ 14,080.00
A2-15	291	LF	Pipe Bursting Exist 8" Sanitary Sewer (0'-10' Depth), complete in place	$ 32.00	$ 9,312.00
A2-16	2	EA	Service Reconnection, All Depths w/ Remote Control Cut Device, complete in place	$ 100.00	$ 200.00
A2-17	35	EA	Service Reconnection, (0'-10' Depth) w Open Cut Excavation including up to 10 LF of Lateral, complete in place	$ 395.00	$ 13,825.00
A2-18	16	EA	Service Reconnection, (10'-15' Depth) w/ Open Cut Excavation including up to 10 LF of Lateral, complete in place	$ 495.00	$ 7,920.00
A2-19	10	LF	Service Reconnection, Extra Length (0'-10' Depth), complete in place	$ 25.00	$ 250.00
A2-20	10	LF	Service Reconnection, Extra Length (10'-15' Depth), complete in place	$ 35.00	$ 350.00

ITEM NO.	APPROX. QUANTITY	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
A2-21	10	EA	Point Repairs for 6"-8" Sanitary Sewer, (0'-10' Depth) including up to 10 LF of Piping, complete in place	$ 500.00	$ 5,000.00
A2-22	2	EA	Point Repairs for 6"-8" Sanitary Sewer, (10'-15' Depth) including up to 10 LF of Piping, complete in place	$ 1,000.00	$ 2,000.00
A2-23	10	LF	Point Repairs Extra Length, 6"-8" Sanitary Sewer (0'-10' Depth), complete in place	$ 10.00	$ 100.00
A2-24	10	LF	Point Repairs Extra Length, 6"-8" Sanitary Sewer (10'-15' Depth), complete in place	$ 10.00	$ 100.00
A2-25	386	LF	CIPP Exist 6" Sanitary Sewer, complete in place	$ 35.00	$ 13,510.00
A2-26	3	EA	MH Ring and Cover Replacement, complete in place	$ 1,000.00	$ 3,000.00

TOTAL ADDITIVE BID ALTERNATE 2 $ 124,125.80

TOTAL BASE BID PLUS
ADDITIVE BID ALTERNATES 1 and 2 $ 1,069,388.90

COMPLETED BY

BAC ONG
(Printed Name)

AUTHORIZED REPRESENTATIVE
(Title)

BM CONSTRUCTION & REHAB, LLC
(Company Name)

DATE

SEPTEMBER 13, 2011
(Date)

Sub-Contractors:

NAME	ADDRESS	PHONE	WORK TO BE PERFORMED
1. SEE ATTACHED LIST			
2.			
3.			

(Attach additional sheet if required)

INSURANCE AGENT

NAME	ADDRESS	PHONE	POLICY
1. ALLIANT INSURANCE SERVICES HOUSTON, LLC	5847 SAN FELIPE, STE 2750 HOUSTON, TX 77057	832-485-4000	LIABILITY (SEE ATTACHED SCHEDULE)
2.			
3.			

BONDING AGENT

NAME	ADDRESS	PHONE	POLICY
1. JOANN DOMBROWSKI RFF & ASSOCIATES, INC	195 FARMINGTON AVENUE, STE 300 FARMINGTON, CT 06032	860-269-2153	BID BOND PAYMENT BOND PERFORMANCE BOND
2.			
3.			

Signed this 13TH day of SEPTEMBER, 2011

FM CONSTRUCTION & REHAB, LLC
Contractor

Attest: Lau Scott
Secretary (if by Corporation)

BY: Mhhanhme

SEAL

Title: AUTHORIZED REPRESENTATIVE

Business Address:

131 N. RICHEY

PASADENA, TX 77506

Phone: 832-252-4800

E-mail: BONG@FMCONST.COM

FAX: 832-550-2130

ACCEPTED THIS ____________________

day of ____________________, 2011

By: ______________________________
Todd Parton, City Manager
City of Kerrville, Texas.

ATTEST: ______________________________
Brenda Craig, City Secretary

CITY SEAL

APPROVED AS TO FORM:

____
Mike Hayes, City Attorney

PM
AN IPR COMPANY

CITY OF KERRVILLE

PHASE 2 WASTEWATER I&I REHABILITATION/REPLACEMENT PROJECT

Proposed Subcontractor and Supplier List

TV and Cleaning
Chief Environmental Surveys, Inc.
1535 N. Post Oak Rd.
Houston, Texas 77055
713-982-3231
713-682-3238 Fax
greg@chiefsolutionsinc.com

Manhole Rehabilitation
Fuquay, Inc.
P.O. Box 310946
New Braunfels, Texas 78131
830-606-1881
830-606-1885 Fax

Cured-in-Place Pipe
RePipe-Texas
7600 S. Santa Fe, Bldg. "E"
Houston, Texas 77061
713-634-0439
713-634-0489

IPR

Schedule of Insurance
April 1, 2010/11

Alliant

Coverage	Policy Number.	Carrier	Effective Date	Limit of Liability / Retentions
Workers Compensation	WA2-66D-066037-010	Liberty Mutual Fire Insurance Company	4/1/10-11	Limit of Liability Statutory Workers Compensation $ 1,000,000 Bodily Injury By Accident Each Accident $ 1,000,000 Bodily Injury By Disease Policy Limit $ 1,000,000 Bodily Injury by Disease Each Employee Retention $ 100,000
Automobile Liability	AS2-661-066037-020	Liberty Mutual Fire Insurance Company	4/1/10-11	Limit of Liability $ 2,000,000 Liability Insurance (Symbol 1) $ 2,000,000 Personal Injury Protection (Symbol 5) $ 10,000 Medical Payments (Symbol 1) $ 2,000,000 Uninsured/Underinsured Motorists (Symbol 6) ACV Physical Damage Comprehensive (Symbol 2) ACV Physical Damage Collision (Symbol 2) Deductible $ 15,000 Liability $ 3,500 Comprehensive (Symbol 2) $ 3,500 Collision (Symbol 2)
General Liability	TB2-661-066037-030	Liberty Mutual Fire Insurance Company	4/1/10-11	Limits of Liability $ 1,000,000 Bodily Injury & Property Dame Each Occurrence $ 1,000,000 Personal & Advertising Injury Each Person or Org. $ 2,000,000 General Aggregate $ 2,000,000 Products / Completed Operations Aggregate $ 100,000 Damage to Premises Rented to You Each Premises / Occurrence $ 5,000 Medical Expense Each Person/ Occurrence Retention $ 15,000 Retention
Excess Liability ($10M xs Primary)	71C1000143-101	Everest National Insurance Company	4/1/10-11	$ 10,000,000 Per Occurrence $ 10,000,000 Annual Aggregate
Excess Liability ($5M xs $10M)	WCSIEXS40018210	Starr Indemnity & Liability Company	4/1/10-11	$ 5,000,000 Per Occurrence $ 5,000,000 Annual Aggregate Excess of $10,000,000 and applicable primary policies

This Policy Schedule is provided to you for informational purposes only. This document is a list of the insurance policies in effect and does not reflect the terms, conditions, limitations and exclusions detailed in the actual insurance contracts. Nor does this document detail any change, amendment or endorsement that might alter the contracts listed herein. The terms and conditions of the insurance policies to which this document refers are found only in the insurance policies themselves. This document is not to be accepted or interpreted as a contract of insurance.

April 7, 2010

Schedule of Insurance
April 1, 2010/11

Coverage	Policy Number.	Carrier	Effective Date	Limit of Liability / Retentions
Pollution / Professional Liability	PCE 8629850 01	Great American E&S Insurance Company	4/1/10-11	Limit of Liability $ 10,000,000 Professional Liability (Coverage A) $ 10,000,000 Contracting Services Pollution Liability (Coverage B) $ 10,000,000 Pollution Legal Liability Arising from an Owned Location (Coverage C) $ 10,000,000 Non-Owned Disposal Site (Coverage D) $ 10,000,000 In-Bound and Out-Bound Contingent Transportation (Coverage E) $ 20,000,000 Policy Aggregate Limit of Liability Self Insured Retention $ 50,000 Professional Liability (Coverage A) $ 25,000 Contracting Services Pollution Liability (Coverage B) $50K for Sewer Back-up $ 25,000 Pollution Legal Liability Arising from an Owned Location (Coverage C) $ 25,000 Non-Owned Disposal Site (Coverage D) $ 25,000 In-Bound and Out-Bound Contingent Transportation (Coverage E)
Property / Contractors Equipment	MAXA6IM0047567	Max America Insurance Company	4/1/10-11	Limit of Liability $ 8,047,911 Contractors Equipment Limit per schedule on file $ 4,760,000 Building Property Limit per schedule on file $ 4,625,000 Business Personal Property per schedule on file $ 1,812,500 Business Income per schedule on file $ 19,245,411 Limit Subject to Sub-limits Deductible Contractors Equipment $ 1,000 except items greater than $100,000 deductible of $5,000 shall apply Down Hole Coverage – 20% of Insured values / minimum $25,000 Property Deductible $ 1,000 Except Locations greater than $1,000,000 – all other Perils Deductible is $5,000 24 Hour Business Income

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IPR

Schedule of Insurance
April 1, 2010/11

Alliant

Coverage	Policy Number.	Carrier	Effective Date	Limit of Liability / Retentions
Property / Contractors Equipment (Continued)	MAXA6IM0047567	Max America Insurance Company	4/1/10-11	Property Deductible (Continued) $ 25,000 Flood and Quake* 2% Tier One Wind – Minimum $25,000* *Applies over entire policy
Boiler & Machinery	3012781982	Continental Casualty Company	4/1/10-11	Limit of Liability $ 12,000,000 Property Damage per schedule on file Subject to Sub-limits Deductible $ 5,000 Property Damage $ 2,500 Spoilage 24 hour BI/Extra Expense 24 Hour Utility Interruption
Directors & Officers Liability, EPL, Fiduciary Liability, & Crime	KB0234821-09	Twin City Fire Insurance Co. (Hartford)	7/26/09-10	Limit of Liability $ 5,000,000 Directors and Officers Entity Liability Aggregate $ 2,000,000 Employment Practices Liability Aggregate $ 2,000,000 Fiduciary Liability Aggregate Crime $ 1,000,000 Employee Theft $ 1,000,000 Depositors Forgery or Alteration $ 1,000,000 Inside the Premises – Money, Securities & Other Prop. $ 1,000,000 Outside the Premises – Money, Securities & Other Prop $ 1,000,000 Computer and Funds Transfer Fraud $ 1,000,000 Money Orders and Counterfeit Currency Retention $ 0 Directors and Officers Insured Person Liability $ 50,000 Directors and Officers Corporate Reimbursement $ 75,000 Employment Practices Liability $ 0 Fiduciary Liability Crime $ 10,000 Employee Theft $ 10,000 Depositors Forgery or Alteration $ 10,000 Inside the Premises – Money, Securities & Other Prop. $ 10,000 Outside the Premises – Money, Securities & Other Prop $ 10,000 Computer and Funds Transfer Fraud $ 10,000 Money Orders and Counterfeit Currency

This Policy Schedule is provided to you for informational purposes only. This document is a list of the insurance policies in effect and does not reflect the terms, conditions, limitations and exclusions detailed in the actual insurance contracts. Nor does this document detail any change, amendment or endorsement that might alter the contracts listed herein. The terms and conditions of the insurance policies to which this document refers are found only in the insurance policies themselves. This document is not to be accepted or interpreted as a contract of insurance.

BID TABULATION

CITY OF KERRVILLE
PHASE 2 WASTEWATER I&I REHABILITATION/ REPLACEMENT PROJECT
DATE: SEPTEMBER 13, 2011

LNV ENGINEERING
8918 TESORO DRIVE, SUITE 401
SAN ANTONIO, TEXAS 78217
PHONE: 210/822-2232
FAX: 210/822-4032

				PM Construction and Rehab 131 N. Richey Pasadena, Texas 77506		Horseshoe Construction, Inc. 2309 S. Battleground Rd La Porte, Texas 77571	
ITEM	QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
BASE BID							
1	1	LS	MOBILIZATION	35,000.00	35,000.00	15,000.00	15,000.00
2	200	SY	CUT AND RESTORE PAVEMENT (PER TXDOT SPECIFICATIONS), AS APPROVED BY CITY	140.00	28,000.00	80.00	16,000.00
3	200	SY	CUT AND RESTORE PAVEMENT (PER CITY SPECIFICATIONS), AS APPROVED BY CITY	115.00	23,000.00	60.00	12,000.00
4	1	LS	BARRICADES, SIGNS & TRAFFIC HANDLING	4,000.00	4,000.00	15,000.00	15,000.00
5	1240	LF	TRENCH EXCAVATION SAFETY PROTECTION	0.01	12.40	1.00	1,240.00
6	3	EA	SUBSURFACE UTILITY INVESTIGATION BY POTHOLING	650.00	1,950.00	750.00	2,250.00
7	4	EA	SANITARY SEWER MANHOLE - 4 FT DIAMETER (0'-6')	2,900.00	11,600.00	3,000.00	12,000.00
8	2	EA	SANITARY SEWER MANHOLE - 5 FT DIAMETER (0'-6')	4,800.00	9,600.00	3,500.00	7,000.00
9	2	EA	SANITARY SEWER DROP MH - 4 FT DIAMETER (0'-6')	3,500.00	7,000.00	5,000.00	10,000.00
10	1	VF	EXTRA DEPTH MH - 4 FT DIAMETER (>6')	500.00	500.00	300.00	300.00
11	3	VF	EXTRA DEPTH MH - 5 FT DIAMETER (>6')	525.00	1,575.00	400.00	1,200.00
12	5	EA	ONE-WAY SANITARY SEWER CLEAN-OUT	685.00	3,425.00	1,850.00	9,250.00
13	234	VF	MANHOLE REHABILITATION (CEMENTITIOUS & EPOXY) (STANDARD 4 FT DIAMETER)	335.00	78,390.00	180.00	42,120.00
14	7279	LF	SEWER MAIN CLEANING (NORMAL) - 6" DIAMETER MAIN	1.25	9,098.75	1.00	7,279.00
15	2163	LF	SEWER MAIN CLEANING (NORMAL) - 8" DIAMETER MAIN	1.25	2,703.75	1.00	2,163.00
16	2498	LF	SEWER MAIN CLEANING (NORMAL) - 10" DIAMETER MAIN	1.25	3,122.50	1.00	2,498.00
17	728	LF	SEWER MAIN CLEANING (MECHANICAL) - 6" DIAMETER MAIN	4.45	3,239.60	5.00	3,640.00
18	216	LF	SEWER MAIN CLEANING (MECHANICAL) - 8" DIAMETER MAIN	4.45	961.20	5.00	1,080.00
19	250	LF	SEWER MAIN CLEANING (MECHANICAL) - 10" DIAMETER MAIN	4.45	1,112.50	5.50	1,375.00
20	7279	LF	PRE TELEVISION INSPECTION FOR 6" SEWER MAIN	1.25	9,098.75	1.50	10,918.50
21	2163	LF	PRE TELEVISION INSPECTION FOR 8" SEWER MAIN	1.25	2,703.75	1.50	3,244.50
22	2498	LF	PRE TELEVISION INSPECTION FOR 10" SEWER MAIN	1.25	3,122.50	1.50	3,747.00
23	7279	LF	POST TELEVISION INSPECTION FOR 6" SEWER MAIN	1.50	10,918.50	1.50	10,918.50
24	2163	LF	POST TELEVISION INSPECTION FOR 8" SEWER MAIN	1.50	3,244.50	1.50	3,244.50
25	1976	LF	POST TELEVISION INSPECTION FOR 10" SEWER MAIN	1.50	2,964.00	1.50	2,964.00
26	522	LF	POST TELEVISION INSPECTION FOR 12" SEWER MAIN	1.50	783.00	1.50	783.00
27	5844	LF	PIPE BURSTING EXIST 6" SANITARY SEWER (0'-10' DEPTH)	24.25	141,717.00	26.00	151,944.00
28	169	LF	PIPE BURSTING EXIST 6" SANITARY SEWER (10'-15' DEPTH)	30.00	5,070.00	35.00	5,915.00
29	1210	LF	PIPE BURSTING EXIST 8" SANITARY SEWER (0'-10' DEPTH)	26.00	31,460.00	28.00	33,880.00
30	953	LF	PIPE BURSTING EXIST 8" SANITARY SEWER (10'-15' DEPTH)	30.00	28,590.00	40.00	38,120.00
31	1548	LF	PIPE BURSTING EXIST 10" SANITARY SEWER (0'-10' DEPTH)	32.00	49,536.00	35.00	54,180.00

BID TABULATION

32	192	LF	PIPE BURSTING EXIST 10" SANITARY SEWER (10'-15' DEPTH)	38.00	7,296.00	52.00	9,984.00
33	522	LF	PIPEBURSTING EXIST 10" SANITARY SEWER, UPSIZE TO 12" SANITARY SEWER (0'-10' DEPTH)	42.00	21,924.00	55.00	28,710.00
34	15	EA	SERVICE RECONNECTION, ALL DEPTHS W/ REMOTE CONTROL CUT DEVICE	100.00	1,500.00	125.00	1,875.00
35	180	EA	SERVICE RECONNECTION, (0'-10' DEPTH) W/ OPEN CUT EXCAVATION INCLUDING UP TO 10 LF OF LATERAL	395.00	71,100.00	800.00	144,000.00
36	22	EA	SERVICE RECONNECTION, (10'-15' DEPTH) W/ OPEN CUT EXCAVATION INCLUDING UP TO 10 LF OF LATERAL	495.00	10,890.00	1,850.00	40,700.00
37	50	LF	SERVICE RECONNECTION, EXTRA LENGTH (0-10' DEPTH)	25.00	1,250.00	30.00	1,500.00
38	50	LF	SERVICE RECONNECTION, EXTRA LENGTH (10-15' DEPTH)	35.00	1,750.00	31.00	1,550.00
39	46	EA	POINT REPAIRS FOR 6-8" SS, (0-10' DEPTH) INCLUDING UP TO 10 LF OF PIPING	500.00	23,000.00	250.00	11,500.00
40	8	EA	POINT REPAIRS FOR 6-8" SS, (10-15' DEPTH) INCLUDING UP TO 10 LF OF PIPING	1,000.00	8,000.00	300.00	2,400.00
41	16	EA	POINT REPAIRS FOR 10" SS, (0-10' DEPTH) INCLUDING UP TO 10 LF OF PIPING	1,000.00	16,000.00	250.00	4,000.00
42	2	EA	POINT REPAIRS FOR 10" SS, (10-15' DEPTH) INCLUDING UP TO 10 LF OF PIPING	2,950.00	5,900.00	300.00	600.00
43	150	LF	POINT REPAIR EXTRA LENGTH, 6"-10" SS, (0-10' DEPTH)	10.00	1,500.00	60.00	9,000.00
44	150	LF	POINT REPAIR EXTRA LENGTH, 6"-10" SS, (10'-15' DEPTH)	10.00	1,500.00	90.00	13,500.00
45	1266	LF	CIPP EXIST 6" SANITARY SEWER	35.00	44,310.00	39.00	49,374.00
46	236	LF	CIPP EXIST 10" SANITARY SEWER (10'-27' DEPTH)	48.00	11,328.00	52.00	12,272.00
47	4	EA	REPLACEMENT OF MH THROAT RINGS (PER EACH MH)	1,400.00	5,600.00	2,500.00	10,000.00
48	23	EA	MH RING AND COVER REPLACEMENT	1,000.00	23,000.00	550.00	12,650.00
49	2	EA	BYPASS SYSTEM SETUP FOR EXIST 21" SS (FOR MH-2407 @ GILMER ST)	6,000.00	12,000.00	5,000.00	10,000.00
50	14	DA	BYPASS SYSTEM OPERATION FOR EXIST 21" SS (FOR MH-2407 @ GILMER ST)	400.00	5,600.00	750.00	10,500.00
51	1	LS	MH-2407 (@ GILMER ST) INVESTIGATION INCLUDING REMOVAL OF LID, VERIFICATION OF INVERTS AND PIPE SIZES, AND REPLACEMENT OF LID OR TEMPORARY STEEL PLATE	1,500.00	1,500.00	1,500.00	1,500.00
52	1	EA	REPLACE MH-2407 (@ GILMER ST) WITH DROP MANHOLE PER COK STANDARD SPECIFICATIONS AND DETAILS	11,000.00	11,000.00	20,000.00	20,000.00
BASE BID SUB-TOTAL:					**799,446.70**		**876,869.00**
ADDITIVE BID ALTERNATE BID NO. 1-							
A1-1	1	LS	BARRICADES, SIGNS & TRAFFIC HANDLING	1,850.00	1,850.00	10,000.00	10,000.00
A1-2	400	LF	TRENCH EXCAVATION SAFETY PROTECTION	0.01	4.00	1.00	400.00
A1-3	2	EA	SANITARY SEWER MANHOLE - 4 FT DIAMETER (0'-6')	2,900.00	5,800.00	3,000.00	6,000.00
A1-4	1	EA	SANITARY SEWER DROP MH - 4 FT DIAMETER (0'-6')	3,500.00	3,500.00	5,000.00	5,000.00
A1-5	3	VF	EXTRA DEPTH MH - 4 FT DIAMETER (>6')	500.00	1,500.00	500.00	1,500.00
A1-6	4	EA	ONE-WAY SANITARY SEWER CLEAN-OUT	685.00	2,740.00	1,850.00	7,400.00
A1-7	17	VF	MANHOLE REHABILITATION (CEMENTITIOUS & EPOXY) (STANDARD 4 FT DIAMETER)	335.00	5,695.00	220.00	3,740.00
A1-8	2920	LF	SEWER MAIN CLEANING (NORMAL) - 6" DIAMETER MAIN	1.25	3,650.00	1.00	2,920.00
A1-9	292	LF	SEWER MAIN CLEANING (MECHANICAL) - 6" DIAMETER MAIN	4.45	1,299.40	4.00	1,168.00
A1-10	2920	LF	PRE TELEVISION INSPECTION FOR 6" SEWER MAIN	1.25	3,650.00	1.00	2,920.00
A1-11	2920	LF	POST TELEVISION INSPECTION FOR 6" SEWER MAIN	1.50	4,380.00	1.50	4,380.00
A1-12	2608	LF	PIPE BURSTING EXIST 6" SANITARY SEWER (0'-10' DEPTH)	26.00	67,808.00	28.00	73,024.00
A1-13	2	EA	SERVICE RECONNECTION, ALL DEPTHS W/ REMOTE CONTROL CUT DEVICE	100.00	200.00	1,000.00	2,000.00
A1-14	46	EA	SERVICE RECONNECTION, (0'-10' DEPTH) W/ OPEN CUT EXCAVATION INCLUDING UP TO 10 LF OF LATERAL	395.00	18,170.00	900.00	41,400.00
A1-15	20	LF	SERVICE RECONNECTION, EXTRA LENGTH (0-10' DEPTH)	25.00	500.00	30.00	600.00
A1-16	10	LF	SERVICE RECONNECTION, EXTRA LENGTH (10-15' DEPTH)	35.00	350.00	40.00	400.00
A1-17	21	EA	POINT REPAIRS FOR 6"-8" SS, (0-10' DEPTH) INCLUDING UP TO 10 LF OF PIPING	500.00	10,500.00	100.00	2,100.00
A1-18	20	LF	POINT REPAIR EXTRA LENGTH, 6"-8" SS, (0-10' DEPTH)	10.00	200.00	20.00	400.00
A1-19	10	LF	POINT REPAIR EXTRA LENGTH, 6"-8" SS, (10'-15' DEPTH)	10.00	100.00	30.00	300.00
A1-20	312	LF	CIPP EXIST 6" SANITARY SEWER	35.00	10,920.00	35.00	10,920.00
A1-21	3	EA	MH RING AND COVER REPLACEMENT	1,000.00	3,000.00	600.00	1,800.00

BID TABULATION

TOTAL ADDITIVE BID ALTERNATE NO. 1					145,816.40		178,372.00
ADDITIVE BID ALTERNATE NO. 2							
A2-1	1	LS	BARRICADES, SIGNS & TRAFFIC HANDLING	1,850.00	1,850.00	5,000.00	5,000.00
A2-2	240	LF	TRENCH EXCAVATION SAFETY PROTECTION	0.01	2.40	1.00	240.00
A2-3	1	EA	SANITARY SEWER MANHOLE - 4 FT DIAMETER (0'-6')	2,900.00	2,900.00	3,000.00	3,000.00
A2-4	43	VF	MANHOLE REHABILITATION (CEMENTITIOUS & EPOXY) (STANDARD 4 FT DIAMETER)	335.00	14,405.00	180.00	7,740.00
A2-5	1823	LF	SEWER MAIN CLEANING (NORMAL) - 6" DIAMETER MAIN	1.25	2,278.75	1.00	1,823.00
A2-6	291	LF	SEWER MAIN CLEANING (NORMAL) - 8" DIAMETER MAIN	1.25	363.75	1.00	291.00
A2-7	182	LF	SEWER MAIN CLEANING (MECHANICAL) - 6" DIAMETER MAIN	4.45	809.90	4.00	728.00
A2-8	30	LF	SEWER MAIN CLEANING (MECHANICAL) - 8" DIAMETER MAIN	4.45	133.50	4.50	135.00
A2-9	1823	LF	PRE TELEVISION INSPECTION FOR 6" SEWER MAIN	1.25	2,278.75	1.00	1,823.00
A2-10	291	LF	PRE TELEVISION INSPECTION FOR 8" SEWER MAIN	1.25	363.75	1.00	291.00
A2-11	1823	LF	POST TELEVISION INSPECTION FOR 6" SEWER MAIN	1.50	2,734.50	1.50	2,734.50
A2-12	291	LF	POST TELEVISION INSPECTION FOR 8" SEWER MAIN	1.50	436.50	1.50	436.50
A2-13	997	LF	PIPE BURSTING EXIST 6" SANITARY SEWER (0'-10' DEPTH)	26.00	25,922.00	26.00	25,922.00
A2-14	440	LF	PIPE BURSTING EXIST 6" SANITARY SEWER (10'-15' DEPTH)	32.00	14,080.00	35.00	15,400.00
A2-15	291	LF	PIPE BURSTING EXIST 8" SANITARY SEWER (0'-10' DEPTH)	32.00	9,312.00	27.00	7,857.00
A2-16	2	EA	SERVICE RECONNECTION, ALL DEPTHS W/ REMOTE CONTROL CUT DEVICE	100.00	200.00	1,500.00	3,000.00
A2-17	35	EA	SERVICE RECONNECTION, (0'-10' DEPTH) W/ OPEN CUT EXCAVATION INCLUDING UP TO 10 LF OF LATERAL	395.00	13,825.00	800.00	28,000.00
A2-18	16	EA	SERVICE RECONNECTION, (10'-15' DEPTH) W/ OPEN CUT EXCAVATION INCLUDING UP TO 10 LF OF LATERAL	495.00	7,920.00	1,200.00	19,200.00
A2-19	10	LF	SERVICE RECONNECTION, EXTRA LENGTH (0-10' DEPTH)	25.00	250.00	20.00	200.00
A2-20	10	LF	SERVICE RECONNECTION, EXTRA LENGTH (10-15' DEPTH)	35.00	350.00	30.00	300.00
A2-21	10	EA	POINT REPAIRS FOR 6-8" SS, (0-10' DEPTH) INCLUDING UP TO 10 LF OF PIPING	500.00	5,000.00	100.00	1,000.00
A2-22	2	EA	POINT REPAIRS FOR 6-8" SS, (10-15' DEPTH) INCLUDING UP TO 10 LF OF PIPING	1,000.00	2,000.00	250.00	500.00
A2-23	10	LF	POINT REPAIR EXTRA LENGTH, 6"-8" SS, (0-10' DEPTH)	10.00	100.00	20.00	200.00
A2-24	10	LF	POINT REPAIR EXTRA LENGTH, 6"-8" SS, (10'-15' DEPTH)	10.00	100.00	20.00	200.00
A2-25	386	LF	CIPP EXIST 6" SANITARY SEWER	35.00	13,510.00	35.00	13,510.00
A2-26	3	EA	MH RING AND COVER REPLACEMENT	1,000.00	3,000.00	650.00	1,950.00
TOTAL ADDITIVE BID ALTERNATE NO. 2 :					124,125.80		141,481.00
TOTAL OF BASE BID ITEMS + ADDITIVE BID ALTERNATE NO. 1 + ADDITIVE BID ALTERNATE NO. 2					1,069,388.90		1,196,722.00

** DENOTES ERROR IN BID*

Agenda Item:
(Staff)

3F. A resolution authorizing the waiver for Habitat for Humanity Kerr County Affiliate, Inc. of various fees associated with the construction of homes; said waiver to remain in effect through September 30, 2012, or the construction of ten homes, whichever occurs first.

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

SUBJECT: Resolution to waive property development fees for Habitat for Humanity - Kerr County

FOR AGENDA OF: Sept. 27, 2011 **DATE SUBMITTED**: Sept. 15, 2011

SUBMITTED BY: Kevin Coleman, Director of Development Services KC

CLEARANCES: Kristine Ondrias, Assistant City Manager

EXHIBITS: Letter of request from Habitat for Humanity – Kerr County

Resolution

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 DEPARTMENT:

SUMMARY STATEMENT

Habitat for Humanity – Kerr County has requested that the City of Kerrville waive the payment of various fees related to the development of property through their program. Based on the average permitted value of recent Habitat for Humanity projects, this fee waiver represents a potential cost savings of $17,200 to this important program. The resolution presented replaces a similar resolution passed in September of 2010.

The resolution presented allows for:

- A general exemption of development fees, including planning/platting fees, building permit fees, or parkland dedication fees, and
- Allows this exception to run through September 30, 2012, or through the construction of nine homes, whichever comes first.

The resolution presented does not:

- Waive any fee related to utility service or connection, nor
- Release HCHOC, its contractor or agents, from the requirement to acquire permits, inspections or plat approvals, nor
- Create any other waiver or variance of any law, code or ordinance, other than the forgiveness of fees.

RECOMMENDED ACTION

Approve resolution as submitted.

Habitat for Humanity®
Kerr County Texas

Building houses, building hope

August 29, 2011

City Council-City of Kerrville
800 Junction Highway
Kerrville, Texas 78028

RE: Waiver of Fees

Habitat for Humanity Kerr County has had a long and satisfying relationship with the City of Kerrville during our 20 years of existence. The City has been kind enough to waive permit fees related to the construction of decent, affordable homes in this community. Instead of taking city staff and Council time to consider a waiver for each individual lot we hope to build on, it has been more efficient to request a waiver for the amount of lots intend to build on in a given year. Therefore, we are requesting that Council consider a waiver for all development fees related to the improvement of property for low income, single-family home ownership opportunities available by the construction of homes by Habitat for Humanity Kerr County. This waiver will apply to a maximum of 9 (nine) homes between now and 9/30/2012.

Thank you for your consideration of this matter.

Sincerely,

Dewayne Bannister

Dewayne Bannister
Board of Directors and Interim Executive Director

PO Box 2140, Kerrville, TX 78029-2140 (830) 792-4844 fax (830) 895-7085 www.habitatkerr.org

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. ____-2011

A RESOLUTION AUTHORIZING THE WAIVER FOR HABITAT FOR HUMANITY KERR COUNTY AFFILIATE, INC. OF VARIOUS FEES ASSOCIATED WITH THE CONSTRUCTION OF HOMES; SAID WAIVER TO REMAIN IN EFFECT THROUGH SEPTEMBER 30, 2012, OR THE CONSTRUCTION OF TEN HOMES, WHICHEVER OCCURS FIRST

WHEREAS, the work of Habitat for Humanity Kerr County Affiliate, Inc. ("Habitat-Kerr County") benefits the citizens of Kerrville by providing a means of increasing affordable housing within the City of Kerrville; and

WHEREAS, Habitat-Kerr County intends to construct ten homes within the City, which addresses are unspecified at this time; and

WHEREAS, Habitat-Kerr County has requested that the City waive the payment of various fees related to the development of the lots and construction of the homes; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds that increasing the inventory of affordable housing in the City, encouraging in-fill development on property which for-profit home builders generally find unprofitable, and encouraging new construction in areas of the City where neighborhood revitalization is needed, all serve a public purpose, and as such, it is in the public interest to waive the fees specified below which would result from Habitat-Kerr County's construction of the homes, specified above;

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

SECTION ONE. Subject to Sections Two and Three, below, the payment of the following fees shall be waived for Habitat-Kerr County through September 30, 2012, or with the construction of ten homes, whichever event occurs first:

1. Parkland Dedication Fee;
2. Building, Electrical, Plumbing and Mechanical Fees; and
3. Platting and replatting fee.

SECTION TWO. The waiver of fees described in Section One, above, shall apply only to applications filed by Habitat-Kerr County, and for the development and construction of a maximum of ten homes.

SECTION THREE. The waiver of the various fees listed in Section One, above, shall not be construed as waiving any requirements for obtaining the various permits and inspections required by the Code of Ordinances of the City of Kerrville, Texas, or any other applicable federal, state, or local law or regulation, nor shall it be construed as granting any waivers or variances to the subdivision regulations of the City of Kerrville.

PASSED AND APPROVED ON this the ______ day of ______________, A.D., 2011.

____
David Wampler, Mayor

ATTEST:

____
Brenda G. Craig, City Clerk

APPROVED AS TO FORM:

____
Michael C. Hayes, City Attorney

L:\LEGAL\DEVELOPMENT SERVICES (PLANNING)\RESO\HABITAT FEE WAIVER 091511.DOC

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

3G. A resolution authorizing the waiver for Habitat for Hill Country Home Opportunity Council, Inc. of various fees associated with the construction of homes; said waiver to remain in effect through September 30, 2012, or the construction of ten homes, whichever occurs first

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

SUBJECT: Resolution to waive property development fees for Hill Country Home Opportunity Council, Inc.

FOR AGENDA OF: Sept. 27, 2011 **DATE SUBMITTED**: Sept. 15, 2011

SUBMITTED BY: Kevin Coleman, Director of Development Services KC

CLEARANCES: Kristine Ondrias, Assistant City Manager

EXHIBITS: Letter of request from Hill Country Home Opportunity Council, Inc.

Resolution

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 DEPARTMENT:

SUMMARY STATEMENT

Hill Country Home Opportunity Council, Inc. has requested that the City of Kerrville waive the payment of various fees related to the development of property through their program. Based on the average permitted value of recent HCHOC projects, this fee waiver represents a potential cost savings of $18,000. The resolution presented replaces a similar resolution passed in September, 2010.

The resolution presented allows for:

- A general exemption of development fees, including planning/platting fees, building permit fees, or parkland dedication fees, and
- Allows this exception to run through September 30, 2012, or through the construction of ten homes, whichever comes first.

The resolution presented does not:

- Waive any fee related to utility service or connection, nor
- Release HCHOC, its contractor or agents, from the requirement to acquire permits, inspections or plat approvals, nor
- Create any other waiver or variance of any law, code or ordinance, other than the forgiveness of fees.

RECOMMENDED ACTION

Approve resolution as presented.

Hill Country Home Opportunity Council Inc.

September 13, 2011

City Council- City of Kerrville
800 Junction Hwy.
Kerrville, Texas 78028

RE: Waiver of Fees

The Hill Country Home Opportunity Council would like to thank the City of Kerrville for all the help it has done toward the Legion Hills Subdivision and our new subdivision on Pinto Trail. To date there have been over 50 single-family home built in the Legion Hills Subdivision. From the start the City has been very generous in waiving the permit fees related to the construction of housing that is affordable to low-income and moderate-income people in Kerrville, Texas. With purchase of our new property on Pinto Trail, for the use of affordable housing and with Legion Hills near completion, we are asking that the City Council consider a waiver of all fees related to the development and construction of property done by the Hill Country Home Opportunity Council Inc. This waiver will apply to a maximum of 10 homes between October 1, 2011 and September 30, 2011. Thank you for your time and consideration.

Sincerely,

Parker Harrison
Hill Country Home Opportunity Council Inc.
550 Earl Garrett, Suite 111
Kerrville, Texas 78028

PHONE 830 895 0735 FAX 830 895 0911 EMAIL hchoc@windstream.net ADDRESS P.O. Box 293071 Kerrville, TX 78029

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. ____-2011

A RESOLUTION AUTHORIZING THE WAIVER FOR HILL COUNTRY HOME OPPORTUNITY COUNCIL, INC. OF VARIOUS FEES ASSOCIATED WITH THE CONSTRUCTION OF HOMES; SAID WAIVER TO REMAIN IN EFFECT THROUGH SEPTEMBER 30, 2012, OR THE CONSTRUCTION OF TEN HOMES, WHICHEVER OCCURS FIRST

WHEREAS, the work of Hill Country Home Opportunity Council, Inc. ("HCHOC") benefits the citizens of Kerrville by providing a means of increasing affordable housing within the City of Kerrville; and

WHEREAS, HCHOC intends to construct ten homes within the City, which addresses are unspecified at this time; and

WHEREAS, HCHOC has requested that the City waive the payment of various fees related to the development of the lots and construction of the homes; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds that increasing the inventory of affordable housing in the City, encouraging in-fill development on property which for-profit home builders generally find unprofitable, and encouraging new construction in areas of the City where neighborhood revitalization is needed, all serve a public purpose, and as such, it is in the public interest to waive the fees specified below which would result from HCHOC's construction of the homes, specified above;

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

SECTION ONE. Subject to Sections Two and Three, below, the payment of the following fees shall be waived for HCHOC through September 30, 2012, or with the construction of ten homes, whichever event occurs first:

1. Parkland Dedication Fee;
2. Building, Electrical, Plumbing and Mechanical Fees; and
3. Platting and replatting fee.

SECTION TWO. The waiver of fees described in Section One, above, shall apply only to applications filed by HCHOC, and for the development and construction of a maximum of ten homes.

SECTION THREE. The waiver of the various fees listed in Section One, above, shall not be construed as waiving any requirements for obtaining the various permits and inspections required by the Code of Ordinances of the City of Kerrville, Texas, or any other applicable federal, state, or local law or regulation, nor shall it be construed as granting any waivers or variances to the subdivision regulations of the City of Kerrville.

PASSED AND APPROVED ON this the ______ day of ______________, A.D., 2011.

____
David Wampler, Mayor

ATTEST:

____
Brenda G. Craig, City Clerk

APPROVED AS TO FORM:

____
Michael C. Hayes, City Attorney

L:\LEGAL\DEVELOPMENT SERVICES (PLANNING)\RESO\HCHOC FEE WAIVER 091511.DOC

Agenda Item:
(Staff)

4A. An ordinance levying an ad valorem tax for the use and the support of the municipal government for the City of Kerrville, Texas, for the fiscal year 2012; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid.

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

SUBJECT: Second Reading of Ordinance – Ad Valorem Tax Rate for 2011

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED**: September 15, 2011

SUBMITTED BY: Mike Erwin
Director of Finance

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Ordinance

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

At the August 9, 2011 Council meeting, the Council voted to establish the proposed ad valorem tax rate for the Tax Year 2011 at \$0.5625/\$100 value, which is the same rate as Tax Year 2010. This rate is also 4.4% less than the effective tax rate of \$0.5888/\$100 value.

The first public hearing on the tax rate was held August 23, 2011. The second public hearing was held September 13, 2011.

The attached ordinance will adopt the 2011 tax rate. The tax rate has two components. The M&O rate for the general operations of the City is proposed at \$0.489 and the I&S rate for the General Fund's debt service is proposed at \$0.0735.

RECOMMENDED ACTION

The director of finance recommends approval of the ordinance on second and final reading to adopt the tax rate of \$0.5625 for the 2011 tax year.

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. _____-2011

AN ORDINANCE LEVYING AN AD VALOREM TAX FOR THE USE AND THE SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF KERRVILLE, TEXAS, FOR THE FISCAL YEAR 2012; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; AND PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID

WHEREAS, the City Council finds that an ad valorem tax must be levied to provide for current expenses and improvements for the City of Kerrville, Texas, during the fiscal year 2012; and

WHEREAS, the City Council further finds that an ad valorem tax must be levied to provide for the payment of principal and interest on outstanding debt maturing in the fiscal year 2012;

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

SECTION ONE. There is hereby levied and there shall be collected for the use and support of the municipal government of the City of Kerrville, Texas, and to provide interest and sinking funds for the fiscal year 2012, a tax of $0.5625 on each one hundred dollars ($100.00) valuation of all property, real, personal, and mixed, within the corporate limits of the City subject to taxation, for the specific purposes herein set forth:

(A) For the current expenditures of the City of Kerrville and for the general improvement, use and support of the City and its property, there is hereby levied and ordered to be assessed and collected for the fiscal year 2012 on all property situated within the corporate limits of the City, and not exempt from taxation by a valid law, an ad valorem tax rate of $0.489 on each one hundred dollars ($100.00) valuation of such property.

(B) For the purpose of paying principal and interest and providing payments into various debt service funds for each issue of tax supported debt, there is hereby levied and ordered to be assessed and collected for the fiscal year 2012 on all property situated within the corporate limits of the City and not exempt from taxation by a valid law, an ad valorem tax for each issue of debt described in this Section, the sum of such levies being $0.0735 on each one hundred dollars ($100.00) valuation of such property.

SECTION TWO. The ad valorem taxes levied shall become due on October 1, 2011, and may be paid up to and including January 31, 2012, without penalty, but if not paid, such taxes shall become delinquent on February 1, 2012, provided, however, in accordance with Texas Tax Code §31.03(a), the ad valorem taxes due hereunder may, at the option of the taxpayer, be paid in two payments without penalty or interest so long as the first payment of one-half of the taxes levied is paid before December 1, 2011, and the remaining one-half is paid before July 1, 2012.

SECTION THREE. No discounts are authorized on property tax payments made prior to January 31, 2012.

SECTION FOUR. All taxes become a lien upon the property against which assessed, and the designated City tax collector for the City of Kerrville is authorized and empowered to enforce the collection of such taxes according to the Constitution and Laws of the State of Texas and ordinances of the City of Kerrville, and shall by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty, and interest. All delinquent taxes shall bear interest and other charges from date of delinquency as prescribed by state law.

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

L:\Legal\FINANCE\Ord\Ordinance Levying Ad Valorem Tax Rate for FY2012_082611.doc

Agenda Item:
(Staff)

4B. An ordinance adopting the annual budget for the fiscal year 2012; providing appropriations for each department and fund; containing a cumulative clause; and containing a savings and severability clause.

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

SUBJECT: Second Reading of Ordinance to Adopt Budget for FY 2012

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED**: September 15, 2011

SUBMITTED BY: Mike Erwin ME
Director of Finance

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Ordinance, Schedules A, B and C & Financial Policies

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

The FY 2012 proposed budget was presented to the City Council in a series of budget workshops beginning on July 23, 2011 and ending August 22, 2011. A public hearing on the budget was held September 13, 2011.

The FY 2012 proposed budget totals $46,387,429 in revenues and $44,911,532 in expenditures.

The complete budget remains on file in the city secretary's office as well as via the City's Website.

RECOMMENDED ACTION

The director of finance recommends that Council approve the requested changes to the proposed budget as illustrated in Proposed to Adopted Tracking Changes spreadsheet.

The director of finance recommends that Council approve the financial policies.

The director of finance recommends approval of the ordinance on second and final reading to adopt the budget for FY 2012 as illustrated in Schedules A, B and C.

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2011-_____

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2012; PROVIDING APPROPRIATIONS FOR EACH DEPARTMENT AND FUND; CONTAINING A CUMULATIVE CLAUSE; AND CONTAINING A SAVINGS AND SEVERABILITY CLAUSE

WHEREAS, in accordance with Section 8.01 of the City Charter, the City Manager of the City of Kerrville prepared and filed with the City Secretary on July 27, 2011, a proposed budget for the City of Kerrville, Texas, for the fiscal year beginning October 1, 2011, and ending September 30, 2012; and

WHEREAS, in accordance with Section 8.04 of the City Charter, and after providing the required public notice in the City's official newspaper not less than two weeks prior to the date of the public hearing, a public hearing was duly held on September 13, 2011, at the time and place set forth in the public notice, said date being more than thirty days subsequent to the filing of the proposed budget by the City Manager, at which all interested persons were given an opportunity to be heard for or against any item within the proposed budget; and

WHEREAS, after due deliberation, study, and consideration of the proposed budget, and after making such amendments to the budget proposed by the City Manager that the City Council has determined are (1) warranted by law or (2) in the best interest of the taxpayers of the City, the City Council is of the opinion that the Official Budget for the Fiscal Year 2012, with the amendments described and discussed, should be approved and adopted, in accordance with Section 8.06 of the City Charter;

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

SECTION ONE. The Official Budget of the City of Kerrville, Texas, as specified in the attached Schedules A (operating), B (existing capital improvement projects), C (new capital projects) for the fiscal year commencing October 1, 2011, a copy of which is on file in the office of the City Secretary, referenced by the date and number of this Ordinance, and incorporated herein by reference as if fully set out herein, is adopted, in accordance with Section 8.06 of the City Charter.

SECTION TWO. The budgets for each department of the City are hereby deemed to provide a complete financial plan of City funds and activities for the Fiscal Year 2011, in accordance with Section 8.05 of the City Charter.

SECTION THREE. 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; 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 FOUR. 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 City 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.

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

____
Michael C. Hayes, City Attorney

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Proposed to Approved Budget Changes - General Fund 01

Date	Line Item #	Line Item Name	Department	Original Amount	Amount after change	Amount Changed	Reason for Changed
7/28/2011	01-805-001	Salaries & Wages	HR	$202,368.96	$190,217.00	-$12,151.96	HR Manager Retire
	01-805-004	Longevity	HR	$828.00	$828.00	$0.00	Move Assistant from City Manager to HR
	01-805-005	Social Security	HR	$15,481.23	$14,552.00	-$929.23	Increase Pay Grade to One Assistant
	01-805-006	Retirement	HR	$18,010.84	$16,929.00	-$1,081.84	Promote Payroll Analyst to Specialist
	01-805-007	Group Insurance	HR	$27,200.00	$27,200.00	$0.00	
7/28/2011	01-804-001	Salaries & Wages	City Admin	$308,334.96	$274,843.44	-$33,491.52	Move Assistant from City Manager to HR
	01-804-004	Longevity	City Admin	$1,144.00	$1,144.00	$0.00	Move Assistant from City Manager to HR
	01-804-005	Social Security	City Admin	$23,587.62	$21,025.52	-$2,562.10	Move Assistant from City Manager to HR
	01-804-006	Retirement	City Admin	$27,441.81	$24,461.07	-$2,980.74	Move Assistant from City Manager to HR
	01-804-007	Group Insurance	City Admin	$27,200.00	$20,400.00	-$6,800.00	Move Assistant from City Manager to HR
7/28/2011	01-813-001	Salaries & Wages	Police	$3,039,506.08	$2,971,834.00	-$67,672.08	Police Lieutenant Retire
	01-813-004	Longevity	Police	$26,338.00	$26,338.00	$0.00	Police Lieutenant Retire
	01-813-005	Social Security	Police	$244,159.70	$238,982.79	-$5,176.91	Police Lieutenant Retire
	01-813-006	Retirement	Police	$284,055.08	$278,032.26	-$6,022.82	Police Lieutenant Retire
	01-813-007	Group Insurance	Police	$469,200.00	$462,400.00	-$6,800.00	Police Lieutenant Retire
7/28/2011	01-813-001	Salaries & Wages	Police	$2,971,834.00	$3,029,671.60	$57,837.60	Replacement for Police Lieutenant
	01-813-004	Longevity	Police	$26,338.00	$26,338.00	$0.00	Replacement for Police Lieutenant
	01-813-005	Social Security	Police	$238,982.79	$243,407.37	$4,424.58	Replacement for Police Lieutenant
	01-813-006	Retirement	Police	$278,032.26	$283,179.81	$5,147.55	Replacement for Police Lieutenant
	01-813-007	Group Insurance	Police	$462,400.00	$469,200.00	$6,800.00	Replacement for Police Lieutenant
7/28/2011	01-813-001	Salaries & Wages	Police	$3,029,671.60	$2,971,834.00	-$57,837.60	Detective Position Eliminated
	01-813-004	Longevity	Police	$26,338.00	$26,338.00	$0.00	Detective Position Eliminated
	01-813-005	Social Security	Police	$243,407.37	$238,982.79	-$4,424.58	Detective Position Eliminated
	01-813-006	Retirement	Police	$283,179.81	$278,032.26	-$5,147.55	Detective Position Eliminated
	01-813-007	Group Insurance	Police	$469,200.00	$462,400.00	-$6,800.00	Detective Position Eliminated
7/28/2011	01-840-301	Telephone Service	Planning	$1,439.76	$719.88	-$719.88	Move Jeff Finley Cell Phone to Inspection
	01-842-301	Telephone Service	Inspection	$1,415.40	$2,135.28	$719.88	Move Jeff Finley Cell Phone to Inspection
8/5/2011	01-803-011	Local Meeting Expenses	City Attorney	$230.00	$100.00	-$130.00	Reduce local meeting expenses
	01-803-306	Special Services	City Attorney	$4,250.00	$2,000.00	-$2,250.00	Reduce Special Services budget
	01-804-101	Office Supplies	City Admin	$3,000.00	$2,500.00	-$500.00	Reduce Office Supplies
	01-804-104	Fuel & Oil Supplies	City Admin	$100.00	$0.00	-$100.00	Eliminate Fuel and Oil Supplies
	01-804-301	Telephone Service	City Admin	$2,500.00	$1,000.00	-$1,500.00	Reduce Telephone service
	01-804-402	Dues & Subscriptions	City Admin	$3,300.00	$5,000.00	$1,700.00	Dues and Subscriptions
	01-806-217	Software Maint Agreement	Finance	$3,500.00	$2,500.00	-$1,000.00	Reduce Software Maint Agreements
	01-849-011	Local Meeting Expenses	Business Program	$1,500.00	$1,000.00	-$500.00	Reduce Local Meeting Expenses
	01-849-101	Office Supplies	Business Program	$3,000.00	$2,500.00	-$500.00	Reduce Office Supplies
	01-849-106	Janitorial Supplies	Business Program	$100.00	$50.00	-$50.00	Reduce Janitorial Supplies
8/5/2011	01-870-101	Office Supplies	General Operations	$10,000.00	$5,000.00	-$5,000.00	Reduce Office Supplies
	01-870-102	Small Tools & Equipment	General Operations	$1,500.00	$500.00	-$1,000.00	Reduce Small Tools & Equipments
	01-870-103	Chemical & Medical Supplies	General Operations	$1,500.00	$2,500.00	$1,000.00	Increase Chemicals and Med Supply
	01-870-205	Office Equipment Maint	General Operations	$5,000.00	$1,000.00	-$4,000.00	Reduce Office Equipment Maint
	01-870-206	Instru. & Appar Maint	General Operations	$1,000.00	$0.00	-$1,000.00	Eliminate Instru. & Apparatus Maint
	01-870-306	Special Services	General Operations	$72,500.00	$82,500.00	$10,000.00	Increase Special Services
	01-870-312	Audit Fee	General Operations	$30,000.00	$28,500.00	-$1,500.00	Reduce Audit Fee
	01-870-313	Hire of Equipment	General Operations	$3,520.00	$3,000.00	-$520.00	Reduce Hire of Equipment Expen.

Proposed to Approved Budget Changes - General Fund 01

Date	Line Item #		Department	Original Amount	Amount after change	Amount Changed	Reason for Changed
8/5/2011	01-861-101	Office Supplies	PW Streets	$1,600.00	$1,500.00	-$100.00	Reduce Office Supplies
	01-861-102	Small Tools & Equipment	PW Streets	$10,000.00	$9,000.00	-$1,000.00	Reduce Small Tools & Equipments
	01-861-105	Food Supplies	PW Streets	$450.00	$1,000.00	$550.00	Increase Food Supplies
	01-861-106	Janitorial Supplies	PW Streets	$2,000.00	$2,500.00	$500.00	Increase Janitorial Supplies
	01-861-110	Postage	PW Streets	$175.00	$100.00	-$75.00	Reduce Postage
	01-861-118	Sign Materials & Supplies	PW Streets	$20,000.00	$30,000.00	$10,000.00	Increase Sign & Materials Supplies
	01-861-202	Building & Structure Maint	PW Streets	$1,500.00	$1,000.00	-$500.00	Reduce Building & Structure Maintenance
	01-861-204	Parts - City Garage	PW Streets	$12,000.00	$10,000.00	-$2,000.00	Reduce Parts-City Garage
	01-861-205	Office Equipment Maint	PW Streets	$250.00	$0.00	-$250.00	Eliminate Office Equipment Maint
	01-861-206	Instru. & Appar Maint	PW Streets	$2,500.00	$1,500.00	-$1,000.00	Reduce Instru. & Apparatus Maint.
	01-861-207-01	Street Maintenance	PW Streets	$485,560.00	$495,560.00	$10,000.00	Increase Street Maintenance
	01-861-302	Light & Power	PW Streets	$304,200.00	$275,000.00	-$29,200.00	Reduce Light & Power
	01-861-303	Natural Gas	PW Streets	$1,200.00	$700.00	-$500.00	Reduce Natural Gas Service
8/5/2011	01-805-012	Certification Pay	HR	$2,100.00	$1,500.00	-$600.00	Move to from Cert Pay to Travel & Train
	01-805-010	Travel & Training	HR	$1,500.00	$2,100.00	$600.00	Move to from Cert Pay to Travel & Train
	01-805-101	Office Supplies	HR	$4,202.00	$3,900.00	-$302.00	Reduce Office Supplies
	01-805-307	Insurance	HR	$700.00	$500.00	-$200.00	Eliminate Notary Public Bond
	01-807-217	Software Maintenance	IT	$83,356.00	$80,056.00	-$3,300.00	Reduce Software Maint Agreements
	01-809-202	Building & Structure Maint	Municipal Court	$3,318.00	$2,300.00	-$1,018.00	Reduce Building & Structure Maintenance
	01-813-132	Seed, Sod & Planting	Police	$55.00	$0.00	-$55.00	Eliminate Seed, Sod and Painting Mater.
8/5/2011	01-821-005	Social Security	Fire	$192,752.00	$192,400.00	-$352.00	Correction
	01-821-006	Retirement	Fire	$226,378.00	$225,968.00	-$410.00	Correction
	01-823-012	Certification Pay	Fire	$39,600.00	$35,000.00	-$4,600.00	Reduce Certification Pay
	01-823-102	Small Tools & Equipment	Fire	$17,420.00	$15,330.00	-$2,090.00	Reduce Small Tools & Equipments
	01-823-105	Food Supplies	Fire	$3,794.00	$3,000.00	-$794.00	Reduce Food Supplies
	01-823-108	Other Supplies	Fire	$300.00	$100.00	-$200.00	Reduce Other Supplies
	01-823-201	Land Maintenance	Fire	$300.00	$0.00	-$300.00	Eliminate Land Maintenance
	01-823-212	Repairs - Not City Garage	Fire	$7,458.00	$6,000.00	-$1,458.00	Reduce Repairs - Not City Garage
	01-826-101	Office Supplies	Fire Marshal	$1,000.00	$500.00	-$500.00	Reduce Office Supplies
	01-826-102	Small Tools & Equipment	Fire Marshal	$1,000.00	$500.00	-$500.00	Reduce Small Tools & Equipments
	01-826-103	Chemical & Medical Suppplies	Fire Marshal	$474.00	$300.00	-$174.00	Reduce Chemical & Medical Supplies
	01-826-108	Other Supplies	Fire Marshal	$3,625.00	$2,500.00	-$1,125.00	Reduce Other Supplies
	01-826-205	Office Equipment	Fire Marshal	$1,855.00	$1,200.00	-$655.00	Reduce Office Equipment Maint
	01-826-212	Repairs - Not City Garage	Fire Marshal	$500.00	$300.00	-$200.00	Reduce Repairs - Not City Garage
	01-826-402	Dues & Subscriptions	Fire Marshal	$1,635.00	$1,400.00	-$235.00	Reduce Dues & Subscriptions
	01-830-105	Food Supplies	EMS	$2,002.00	$1,000.00	-$1,002.00	Reduce Food Supplies
	01-830-112	Computer Software	EMS	$1,040.00	$0.00	-$1,040.00	Move to line 217
	01-830-205	Office Equipment	EMS	$1,550.00	$500.00	-$1,050.00	Move 1050 to 206
	01-830-206	Instrument & Appar. Maint	EMS	$11,846.00	$12,896.00	$1,050.00	Moved 1050 from 205
	01-830-217	Software Maintenance	EMS	$12,286.00	$13,326.00	$1,040.00	Moved 1040 from 112
8/5/2011	01-852-201	Land Maintenance	Tennis	$250.00	$0.00	-$250.00	Remove Land Maintenance
	01-852-302	Light & Power	Tennis	$5,400.00	$3,500.00	-$1,900.00	Reduce Light and Power
	01-852-306	Special Services	Tennis	$27,000.00	$22,500.00	-$4,500.00	Reduce Special Services for Tennis Pro
	01-860-101	Office Supplies	Engineering	$2,676.00	$2,000.00	-$676.00	Reduce Office Supplies
	01-860-204	Parts - City Garage	Engineering	$1,500.00	$1,000.00	-$500.00	Reduce Parts-City Garage
	01-854-107	Wearing Apparel	Parks Maint	$5,330.00	$4,700.00	-$630.00	Reduce Wearing Apparels

Proposed to Approved Budget Changes - General Fund 01

Date	Line Item #		Department	Original Amount	Amount after change	Amount Changed	Reason for Changed
8/5/2011	01-812-205	Office Equipment Maint	KSP	$900.00	$200.00	-$700.00	Reduce Office Equipment Maint
	01-840-101	Office Supplies	Planning	$1,800.00	$1,400.00	-$400.00	Reduce Office Supplies
	01-840-301	Telephone Service	Planning	$1,440.00	$720.00	-$720.00	Move one cell phone to Inspection
	01-842-101	Office Supplies	Inspection	$3,275.00	$2,275.00	-$1,000.00	Reduce Office Supplies
	01-842-107	Wearing Apparel	Inspection	$1,445.00	$1,200.00	-$245.00	Reduce Wearing Apparels
	01-842-301	Telephone Service	Inspection	$1,415.00	$2,135.00	$720.00	Move one cell phone from Planning
	01-853-302	Light & Power	Pool	$23,000.00	$18,000.00	-$5,000.00	Reduce Light and Power
8/8/2011	01-809-001	Salaries & Wages	Municipal Court	$152,215.00	$154,721.00	$2,506.00	Increase Municipal Court Admin Salary
	01-809-005	Social Security	Municipal Court	$11,644.00	$11,836.00	$192.00	Increase Municipal Court Admin Salary
	01-809-006	Retirement	Municipal Court	$13,547.00	$13,770.00	$223.00	Increase Municipal Court Admin Salary
8/16/2011	01-870-401	Certificates, Awards, Etc.	General Operations	$0.00	$5,000.00	$5,000.00	Christmas Breakfast
	01-870-306	Special Services	General Operations	$82,500.00	$77,500.00	-$5,000.00	Funding for Christmas Breakfast
8/20/2011	01-870-306	Special Services	General Operations	$77,500.00	$66,500.00	-$11,000.00	Correct Salary Number in Public Works
	01-870-318	Tax Services	General Operations	$230,000.00	$225,000.00	-$5,000.00	Correct Salary Number in Public Works
	01-861-001	Salaries & Wages	Public Works	$533,735.00	$546,179.00	$12,444.00	Correct Salary Number in Public Works
	01-861-005	Social Security	Public Works	$40,583.00	$42,226.00	$1,643.00	Correct Salary Number in Public Works
	01-861-006	Retirement	Public Works	$47,214.00	$49,127.00	$1,913.00	Correct Salary Number in Public Works
8/25/2011	01-856-003	Part-Time or Temporary	Recreation	$33,990.00	$21,990.00	-$12,000.00	Change in Obligation
	01-856-405	Other Charges	Recreation	$30,000.00	$0.00	-$30,000.00	Change in Obligation
	01-800-943	Airport	Non-Departmental	$175,000.00	$110,000.00	-$65,000.00	Hold for Airport Agreement
	01-870-410	Contingency	General Operations	$50,000.00	$157,000.00	$107,000.00	Moved from Recreation and Non-Dept. for Hold
9/2/2011	01-870-410	Contingency	General Operations	$157,000.00	$143,000.00	-$14,000.00	Increase Municipal Court Part Time Pay
	01-809-003	Part-Time/Temp	Municipal Court	$57,800.00	$71,800.00	$14,000.00	Increase Municipal Court Part Time Pay
			Net Change			-$198,444.20	

Proposed to Approved Budget Changes - Water and Sewer Fund 02

Date	Line Item #	Line Item Name	Department	Original Amount	Amount after change	Amount Changed	Reason for Changed
8/8/2011	02-875-101	Office Supplies	Water Records	$20,000.00	$15,000.00	-$5,000.00	Reduce Office Supplies
	02-875-102	Small Tools & Equipments	Water Records	$2,000.00	$1,500.00	-$500.00	Reduce Small Tools & Equipments
	02-875-103	Chemical & Medical Supplies	Water Records	$500.00	$300.00	-$200.00	Reduce Chemical & Medical Supplies
	02-875-107	Wearing Apparel	Water Records	$1,820.00	$1,500.00	-$320.00	Reduce Wearing Apparels
	02-875-108	Other Supplies	Water Records	$100.00	$0.00	-$100.00	Eliminate Other Supplies
	02-875-406	Bad Debt Expense	Water Records	$5,000.00	$0.00	-$5,000.00	Move Bad Debt Expense to Collection Exp
	02-875-409	Collection Expense	Water Records	$0.00	$5,000.00	$5,000.00	Moved from Bad Debt Expense
					$0.00		
8/8/2011	02-890-110	Postage	General Operations	$17,500.00	$10,000.00	-$7,500.00	Reduce Postage/UPS/FedEx Expenses
	02-890-202	Building & Structure Maint	General Operations	$1,500.00	$0.00	-$1,500.00	Eliminate Building & Struct Expenses
	02-890-205	Office Equipment Maint	General Operations	$500.00	$0.00	-$500.00	Eliminate Office Equip Maintenance
	02-890-312	Audit Fee	General Operations	$30,000.00	$28,500.00	-$1,500.00	Reduce Audit Fee
	02-890-405	Other Charges	General Operations	$10,000.00	$5,000.00	-$5,000.00	Reduce Other Charges
	02-890-410	Contingency	General Operations	$83,000.00	$50,000.00	-$33,000.00	Reduce Contingency
					$0.00		
8/8/2011	02-886-102	Small Tools & Equipments	Laboratory	$3,330.00	$5,180.00	$1,850.00	Moved from -505 and 506
	02-886-505	Office Equipment Capital	Laboratory	$350.00	$0.00	-$350.00	Move to Small Tools & Equipment
	02-886-506	Instrument & Appar Capital	Laboratory	$1,500.00	$0.00	-$1,500.00	Move to Small Tools & Equipment
					$0.00		
8/8/2011	02-883-103	Chemical & Medical Supplies	Utility Construction	$872.00	$500.00	-$372.00	Reduce Chemical & Medical Supplies
	02-883-104	Fuel & Oil Supplies	Utility Construction	$38,118.00	$30,000.00	-$8,118.00	Reduce Fuel & Oil Supplies
	02-883-105	Food Supplies	Utility Construction	$1,125.00	$1,300.00	$175.00	Increase Food Supplies
	02-883-107	Wearing Apparel	Utility Construction	$6,480.00	$6,000.00	-$480.00	Reduce Wearing Apparels
	02-883-109	Fuel - Not City Garage	Utility Construction	$433.00	$200.00	-$233.00	Reduce Fuel - Not City Garage
	02-883-212	Repairs - Not City Garage	Utility Construction	$5,430.00	$3,500.00	-$1,930.00	Reduce Repairs - Not City Garage
					$0.00		
8/8/2011	02-885-010	Travel & Training	Wastewater Treatment	$6,400.00	$6,000.00	-$400.00	Reduce Travel & Training
	02-885-101	Office Supplies	Wastewater Treatment	$2,731.00	$2,500.00	-$231.00	Reduce Office Supplies
	02-885-311	Network Services	Wastewater Treatment	$0.00	$5,400.00	$5,400.00	Add Fiber Network Service
	02-885-313	Hire of Equipment	Wastewater Treatment	$4,200.00	$3,000.00	-$1,200.00	Reduce Hire of Equipment
					$0.00		
8/8/2011	02-882-102	Small Tools & Equipments	Water Treatment	$2,945.00	$13,245.00	$10,300.00	Move from Instrum & Appar.
	02-882-207a	Street & Drainage Maint	Water Treatment	$5,000.00	$2,000.00	-$3,000.00	Reduce Street & Drainage Maint
	02-882-210	Water System Maintenance	Water Treatment	$124,000.00	$110,000.00	-$14,000.00	Reduce Water System Maint
	02-882-212	Wastewater System Maintena	Water Treatment	$5,640.00	$4,100.00	-$1,540.00	Reduce Repairs - Not City Garage
	02-882-303	Natural Gas	Water Treatment	$1,920.00	$1,500.00	-$420.00	Reduce Natural Gas
	02-882-311	Network Services	Water Treatment	$0.00	$5,400.00	$5,400.00	Add Fiber Network Service
	02-882-319	Drug & Alcohol Testing	Water Treatment	$600.00	$0.00	-$600.00	Reduce Drug & Alcohol Testing
	02-882-506	Instrument & Appar Capital	Water Treatment	$10,300.00	$0.00	-$10,300.00	Move to Small Tools & Equipment
					$0.00		
					$0.00		
					$0.00		
					$0.00		
			Net Change			-$76,669.00	

Proposed to Approved Budget Changes - All Other Funds

Date	Line Item #	Fund	Department	Original Amount	Amount after change	Amount Changed	Reason for Changed
8/8/2011	09-All Revenues	Flexible Spending Fund	Revenue	$30,000.00	$0.00	-$30,000.00	Eliminate Flexible Spending Fund
	09-800-007	Flexible Spending Fund	Non-Dept	$30,000.00	$12,000.00	-$18,000.00	Reduce for expected remaining balance
					$0.00		
					$0.00		
					$0.00		
					$0.00		
					$0.00		
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		Net Change				**-$48,000.00**	

"SCHEDULE A" - FY 2012	General	Police Special Program	Insurance Reserve	Main Street	General Asset Replace.	Landfill	Landfill Closure	Landfill Post-Closure	Hotel Tax	HOT Reserve	Parkland Dedication	History Center	Library Memorial	Grant Fund	General Debt
	General/Special Revenue Funds														
	General Fund								Special Revenue Funds						Debt Service Fund
Available Fund Balance -FY 10 CAFR	$2,639,253	$92,144	$144,687	$6,195	$150,292	$152,858	$701,620	$622,781	$107,728	$652,009	$21,974	$114,793	$414,494		$1,073,665
FY 11 Budgeted Use of Fund Balance	$0	$10,000	$51,771	$0	$0	$66,062	$5,514	$0	$0	$0	$0	$2,520	$414,494		$0
FY 12 Est. Beginning Available Fund Balance	$2,639,253	$82,144	$92,916	$5,196	$150,292	$86,796	$696,106	$522,781	$107,728	$652,009	$21,974	$112,273	$0	$0	$1,073,665
Revenues															
Property Tax	$7,500,000														$1,207,450
Sales Tax	$4,550,000														
Other Taxes	$1,551,600								$855,000						$15,000
Permits & Fees	$323,980										$19,000				
Intergovernmental	$1,173,000		$0	$0		$0									
Services	$2,571,246					$40,275						$1,475			
Grants	$26,500	$7,500				$0				$0			$0	$0	
Fines & Forfeitures	$483,310														
Interest & Miscellaneous	$217,770	$21,000	$50,000	$32,300	$300	$383,920	$39,402	$275,433	$215	$2,000	$500	$12,225	$37,000	$0	$2,147
Transfers In	$1,250,000		$0	$0	$300,000	$0	$0	$0	$55,000					$0	$82,135
Planned Use of Fund Balance		$10,000	$92,916			$15,794				$55,000	$0	$2,145			
Total Revenues	$20,452,405	$38,500	$142,916	$32,300	$300,300	$439,989	$39,402	$275,433	$910,215	$57,000	$19,500	$15,845	$37,000	$0	$1,306,732
Expenditures															
General Non-Departmental	$492,135														
City Council	$7,091														
City Secretary	$143,983														
City Attorney	$255,525														
City Administration	$353,224														
Human Resources	$287,876														
Finance	$339,750														
Information Technology	$599,235														
Municipal Court	$306,455														
KSP	$372,894														
Police	$4,728,580														
Fire	$3,662,993														
Fire Marshal	$101,305														
EMS	$2,494,302														
Planning	$237,702														
Building Inspections	$314,000														
Code Compliance	$185,029														
Business Programs	$175,356														
Tennis Center	$30,300														
Pool	$100,137														
Parks Maintenance	$733,277														
Recreation	$145,586														
Engineering	$355,493														
Public Works	$1,860,000														
Library	$653,144														
General Operations	$1,101,691														
Water/Sewer Non-Depart.															
Water Records															
Utility Administration															
Water Production															
Utility Construction															
Utility Information Sys															
Wastewater															
Utility Laboratory															
Water/Sewer Gen Ops.															
Garage - Non-Department.															
Garage															
Employee Benefit Trust Fund															
Police Special Programs		$30,225													
Parkland Dedication											$0				
Flexible Spending															
Kerrville-Schreiner Park															
Golf Course - Non-Dept.															
Golf Course - Maintenance															
Golf Course - Pro Shop															
Library Memorial													$37,000		
HOT Reserve										$55,000					
General Asset Replace.					$300,000										
Water/Sewer Asset Replace.															
Hotel Occupancy Tax									$910,000						
Landfill/Recycling						$439,989									
Landfill Closure							$5,000								
Landfill Post Closure								$0							
Economic Improvement															
Economic Improve. Debt															
Airport Terminal															
General Fund Debt															$1,259,197
Water and Sewer Debt															
433 Water Street															
History Center												$15,845			
General CIP															
Water and Sewer CIP															
Grant Fund														$0	
Insurance Reserve			$50,000												
Main Street				$4,300											
Main Street - Promotions				$27,500											
Total Expenditures	$20,052,133	$30,225	$50,000	$31,800	$300,000	$439,989	$5,000	$0	$910,000	$55,000	$0	$15,845	$37,000	$0	$1,259,197
Excess (Deficiency) of revs. vs. exps.	$400,273	$8,275	$92,916	$500	$300	$0	$34,402	$275,433	$215	$2,000	$19,500	$0	$0	$0	$47,535
FY 12 Est. Ending Balance	$3,039,525	$80,419	$92,916	$6,696	$150,592	$71,002	$730,508	$898,214	$107,944	$599,009	$41,474	$110,128	$0	$0	$1,121,200
FY 12 Fund Balance Reserve	$3,342,022	$5,033	$8,333	$5,300	$50,000	$73,332	$833	$0	$151,667	$9,167	$0	$2,641	$5,167	$0	$209,866
Fund Balance Over/(Under) Reserve of 2 months FY 12 Est. Inc/(Dec) in Fund Balance	-$302,497	$75,382	$84,583	$1,396	$100,592	-$2,329	$729,675	$898,214	-$43,723	$589,842	$41,474	$107,487	-$6,166	$0	$911,334

"SCHEDULE A" - FY 2012	Enterprise Funds – Water Fund – Water/Sewer	Enterprise Funds – Water Fund – Water/Sewer Asset Replace	Enterprise Funds – Water Fund – Water/ Sewer CIP	Enterprise Funds – Water Fund – Water and Sewer Debt	Enterprise Funds – Golf – Golf Course	Internal Service Funds – Garage	Internal Service Funds – Employee Benefit Trust Fund	Internal Service Funds – [redacted]	Capital Project Funds – Parkland Ded	Capital Project Funds – [redacted]	Capital Project Funds – General CIP	Total - All Funds	Component Unit – EIC	Component Unit – EIC Debt Service
Available Fund Balance - FY 10 CAFR	$3,136,313	$236,063	$0	$387,550	-$175,157	$51,774	$498,833	$12,270	$75,586	$60,414	$0	$11,178,141	$2,619,799	$411,596
FY 11 Budgeted Use of Fund Balance	$300,000	$0	$0	$0	$0	$0	$0	$0	$0	$60,000	$0	$910,361	$0	$0
FY 12 Est. Beginning Available Fund Balance	$2,836,313	$236,063	$0	$387,550	-$175,157	$51,774	$498,833	$12,270	$75,586	$414	$0	$10,267,780	$2,619,799	$411,596
Revenues														
Property Tax												$9,107,450		
Sales Tax												$4,550,000	$2,275,000	
Other Taxes												$2,821,600		
Permits & Fees									$19,000			$361,580		
Intergovernmental							$3,091,000	$0				$4,264,000		
Services	$8,649,018			$565,000		$355,000					$0	$12,582,014		
Grants											$0	$34,000		
Fines & Forfeitures												$488,310		
Interest & Miscellaneous	$237,226	$472	$6,297,400	$775	$884,500	-$90,000	$10,000	$0	$500	$0	$0	$8,415,085	$5,240	$0
Transfers In	$0	$100,000	$0	$1,800,000	$0						$0	$3,587,135	$0	$505,000
Planned Use of Fund Balance						$0	$0					$175,855		
Total Revenues	$8,886,244	$100,472	$6,297,400	$2,765,775	$884,500	$265,000	$3,101,000	$0	$19,500	$0	$0	$46,387,429	$2,280,240	$505,000
Expenditures														
General Non-Departmental												$492,135		
City Council												$7,091		
City Secretary												$143,983		
City Attorney												$255,525		
City Administration												$353,224		
Human Resources												$287,876		
Finance												$339,750		
Information Technology												$599,235		
Municipal Court												$306,495		
KSP												$372,894		
Police												$4,728,580		
Fire												$3,662,993		
Fire Marshal												$101,305		
EMS												$2,494,302		
Planning												$237,702		
Building Inspections												$314,000		
Code Compliance												$165,029		
Business Programs												$175,386		
Tennis Center												$30,300		
Pool												$100,137		
Parks Maintenance												$738,277		
Recreation												$145,586		
Engineering												$565,493		
Public Works												$1,860,000		
Library												$653,144		
General Operations												$1,101,691		
Water/Sewer Non-Depart.	$3,150,000											$3,150,000		
Water Records	$520,140											$520,140		
Utility Administration	$297,882											$297,882		
Water Production	$1,569,797											$1,569,797		
Utility Construction	$867,489											$867,489		
Utility Information Sys	$0											$0		
Wastewater	$1,808,985											$1,808,985		
Utility Laboratory	$274,568											$274,568		
Water/Sewer Gen Ops.	$320,600											$320,600		
Garage - Non-Department.						$0						$0		
Garage						$245,100						$245,100		
Employee Benefit Trust Fund							$3,091,000					$3,091,000		
Police Special Programs												$30,225		
Parkland Dedication									$0			$0		
Flexible Spending								$12,000				$12,000		
Kerrville-Schreiner Park												$0		
Golf Course - Non-Dept.					$6,900							$6,900		
Golf Course - Maintenance					$544,222							$544,222		
Golf Course - Pro Shop					$333,378							$333,378		
Library Memorial												$37,000		
HOT Reserve												$55,000		
General Asset Replace.												$500,000		
Water/Sewer Asset Replace.		$100,000										$100,000		
Hotel Occupancy Tax												$910,000		
Landfill/Recycling												$439,989		
Landfill Closure												$5,000		
Landfill Post Closure												$0		
Economic Improvement												$0	$2,275,000	
Economic Improve. Debt												$0		$500,066
Airport Terminal												$0		
General Fund Debt												$1,259,197		
Water and Sewer Debt				$2,285,833								$2,285,833		
433 Water Street										$0		$0		
History Center												$15,845		
General CIP											$0	$0		
Water and Sewer CIP			$6,297,400									$6,297,400		
Grant Fund												$0		
Insurance Reserve												$50,000		
Main Street												$4,300		
Main Street - Promotions												$27,500		
Total Expenditures	$8,809,460	$100,000	$6,297,400	$2,285,833	$884,500	$245,100	$3,091,000	$12,000	$0	$0	$0	$44,911,532	$2,275,000	$500,066
Excess (Deficiency) of revs. vs. exps.	$76,784	$472	$0	$479,892	$0	$19,900	$10,000	-$12,000	$19,500	$0	$0	$1,475,896	$5,240	$4,934
FY 12 Est. Ending Balance	$2,913,097	$236,535	$0	$867,443	-$175,157	$71,674	$508,833	$270	$95,086	$414	$0	$11,567,821	$2,625,039	$416,530
FY 12 Fund Balance Reserve	$2,202,365	$16,667	$1,049,557	$380,980	$147,417	$40,850	$515,167	$2,000	$0	$0	$0	$8,219,377	$379,167	$83,344
Fund Balance Over/(Under) Reserve of 2 months	$710,732	$219,869	-$1,049,557	$486,462	-$322,574	$30,824	-$6,334	$9,655	$95,086	$414	$0	$3,359,825	$2,245,872	$333,186
FY 12 Est. Inc/(Dec) in Fund Balance														

Schedule B

Fund 70

G/L Project Number	Project Line item Number	Project Name	Funding Sources: General Fund	EIC Fund	Other Funds	Grants	Bonds	Cash Funded To Date	Project Expense To Date	Cash Balance To Date	Bond Issuance Date	Unspent Bond Proceeds
G27	70-07067	River Trail Phase 1			25,000.00		500,000.00	525,000.00	73,154.42	451,845.58	2002	426,845.58
G65	70-07065	Facilities Master Plan	37,500.00		62,500.00			100,000.00	77,007.81	22,992.19		
G70	70-08001	Burleson St Drainage	55,000.00				300,000.00	355,000.00	53,427.10	301,572.90	2009	246,572.90
G74	70-09012	Lytle Park			20,000.00		100,000.00	149,374.07	126,501.27	22,872.80	2009	0.00
G74	70-09011	Carver Park			30,000.00		100,000.00	124,017.90	124,017.90	0.00		
G74	70-08005	Park Improvements			143,177.05			137,101.45	137,101.45	0.00		
G78	70-08008	Salvation Army Sitework						902,000.00	764,258.59	137,741.41		
G79	70-09001	Cops Tech Grant						350,632.93	350,632.93	0.00		
G80	70-09002	HSGP Grant-Communication				50,648.00		178,389.09	178,389.09	0.00		
G81	70-09003	HSGP Grant-Operations Ctr				23,782.00		23,041.47	23,041.47	0.00		
G82	70-09004	GIS Aerial Photo & Plain						120,000.00	89,944.71	30,055.29		
G83	70-09005	Oak Hollow Drainage					395,000.00	395,000.00	394,999.99	0.01	2009	0.01
G84	70-09006	Remedial Drainage Program					500,000.00	500,000.00	123,750.91	376,249.09	2009	376,249.09
G86	70-09008	Safe Routes to School - Easement	1,000.00			3,092,902.00		449,157.02	458,771.99	-9,614.97		
G86	70-11001	Safe Routes to School - Construction										
G87	70-09009	Rivertrail Phase 2 & 3						9,683.63	9,683.63	0.00		
G88	70-09010	Administrative Facilities - New City Hall			916,764.00		2,100,000.00	2,119,233.36	81,214.13	2,038,019.23	2009	2,018,785.87
G95	70-11001	Library Renovation			585,000.00	1,580,000.00		2,165,000.00	181,188.99	1,983,811.01		
G96	70-11002	Library Furniture			200,000.00			0.00				
								6,437,630.92	3,247,086.38	5,355,544.54		3,068,453.45

Fund 71

G/L Project Number	Project Line item Number	Project Name	Approved Project Budget	Funding Sources: W/S Fund	Funding Sources: EIC Fund	Funding Sources: Other Funds	Funding Sources: Grants	Funding Sources: TXDOT	Funding Sources: Bonds	Project Cash Funded To Date	Project Project Expense To Date	Project Cash Balance To Date	Bond Issuance Date	Unspent Bond Proceeds
W01	71-10010	ASR Well #3	1,347,908.00		44,908.00				1,303,000.00	1,347,908.00	457,719.98	890,188.02	2002	845,280.02
W27	71-11727	Hwy 16 Utility Relocation	1,968,858.78	200,000.00	716,016.05				1,113,258.10	2,045,100.00	1,797,584.09	247,515.91	2007	63,938.03
			(Amended 6/16/11 - $16,448.67 from W63; $63,938.03 from W53; $6,061.97 from W85; $133,065.68 from W91)										2010	133,065.85
W53	71-11753	High Service Pump-Clearwell	170,000.00	75,000.00					95,000.00	31,061.97	31,061.97	0.00		
			(Amended 6/16/11 - moved to W27)											
W61	71-07005	Replace Motor Control	603,213.00	150,000.00					266,000.00	603,213.00	535,005.37	68,207.63		
W63	71-07008	Belt Filter Replacment	655,700.00	10,000.00					595,700.00	639,251.33	639,251.33	0.00		
			(Completed 5/2011 - balance $16,448.67 move to W27)											
W65	71-07007	Water Supply Acquistion	180,665.00	95,665.00						130,665.00	84,036.47	46,628.53		
W67	71-08001	Meter Replacement	2,733,795.00	533,795.00					2,200,000.00	2,733,795.00	2,657,099.49	76,695.51	2010	-
W70	71-08005	High Service Pump-River Hill	380,000.00						380,000.00	380,000.00	88,671.01	291,328.99	2008	291,328.99
W74	71-09001	Lois St. Sewer Main	450,000.00	50,000.00					400,000.00	0.00		0.00		
			(Amended 9/28/10 - project closed)											
W75	71-09002	Birkdale Lift Station	730,000.00						730,000.00	730,000.00	463,597.12	266,402.88	2009	266,402.88
W76	71-09003	Equipment Storage	550,000.00	100,000.00					450,000.00	550,000.00	535,329.93	14,670.07	2009	-
W78	71-09005	I & I Construction 2009	1,400,000.00						654,604.28	654,604.28	653,710.18	894.10	2009	894.10
W78	71-10011	I & I Phase 2 Engineering 2010							700,000.00	700,000.00	0.00	700,000.00	2010	700,000.00
W78	71-11008	I & I 2011	700,000.00						700,000.00			700,000.00	2011	700,000.00
			(10/01/10 moved $45,395.72 to E31)											
W80	71-09007	WTP Improvements-Clearwell	414,000.00						214,000.00	214,000.00	179,470.80	34,529.20	2009	34,529.20
			(10/01/10 $50,000.00 to W76; $150,000.00 to E31)											
W82	71-09009	Production Well-Methodist Enc	757,057.00			417,057.00 see notes			215,000.00	1,300,057.00	103,942.56	1,196,114.44	2010	111,057.44
W83	71-10001	College Cove	100,000.00	100,000.00						196,999.00	196,999.00	0.00		
			(Completed)											
W85	71-10003	New Shop/UTC	215,000.00	215,000.00						15,565.00	15,565.00	0.00		
			(Amended 6/16/11 - close project - $39,127.82 - W93; $100,000.00 Reg. Water Planning Grant; $54,245.21 Reg WW Grant; $6,061.97 W27)											
W86	71-10004	Recon Road @ WWTP	20,000.00	20,000.00						20,000.00	20,000.00	0.00		
W90	71-10008	12" Water Line/Glen Rd	575,000.00						575,000.00	575,000.00	460,522.30	114,477.70	2010	114,477.70
W91	71-10009	SH 27 Fireflow Improvement	150,000.00						16,934.32	16,934.32		16,934.32	2010	16,934.32
			(Amended 6/16/11 - $133,065.68 W27)											
W92	71-11001	Jefferson Lift Station	100,000.00							100,000.00		100,000.00		
W93	71-11002	Ridgewood Tranmission Line	100,000.00							100,000.00	9,772.06	90,227.94		
			(Amended 6/16/11 $39,127.82 from W85; $16,934.15 from W91; $43,938.03 fund balance 71)											
W94	71-11003	Regional Water Plan Grant	100,000.00							100,000.00		100,000.00		
W95	71-11004	Regional Wastewater Grant	100,000.00							100,000.00		100,000.00		
W96	71-11005	Birkdale Lift Station/Force Main	4,866,000.00						4,866,000.00	4,866,000.00		4,866,000.00	2011	4,866,000.00
W97	71-11006	Force Main CoOmingle	305,000.00						305,000.00	305,000.00		305,000.00	2011	305,000.00
W98	71-11007	G Street Interceptor	308,000.00						308,000.00	308,000.00	2,514.35	305,485.65		305,485.65
			19,980,196.78							18,763,153.90	8,919,566.60	10,531,300.89		3,277,908.53

Fund 75

G/L Project Number	Project Line item Number	Project Name	Funding Sources: EIC Fund	General Fund	W/S Fund	Other Funds	TXDOT	Bonds	Cash Funded To Date	Project Expense To Date	Cash Balance To Date	Bond Issurance Date	Unspent Bond Proceeds
E26	75-07001	HCSC Olympic Air Hall	800,000.00						800,000.00	800,005.11	-5.11		
E26	75-10003	HCSC 2010 Air Hall Improv.	494,838.00						494,838.00	322,265.22	172,572.78		
E31	75-07002	Harper Rd Utility Ext	2,850,000.00					302,395.82	3,152,395.82	2,726,383.93	426,011.89	2009	0
E40	75-08002	Salvation Army Center	500,000.00						500,000.00	448,000.09	51,999.91		
E44	75-09001	KEDF - USDA	525,000.00						210,627.18	210,627.18	0.00		
E46	75-09003	Workforce Solutions	109,887.24						109,887.24	108,393.61	1,493.63		
E48	75-10001	Hill Country Home Oppor	150,000.00						150,000.00	58,392.83	91,607.17		
E49	75-10002	Commercial Impro Pilot	150,000.00						150,000.00	20,000.00	130,000.00		
E50		Kerr Eco Dev. Foundation	25,000.00										
									5,567,748.24	4,694,067.97	873,680.27		

Schedule C

Five Year Capital Improvement Plan FY 2012-2016

Projects By Funding Source

Funding Source: General Fund

	FY2012	FY2013	FY2014	FY2015	FY2016	Future Funding	TOTAL
TOTAL	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Funding Source: Water/Sewer

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Future Funding	TOTAL
G Street Lift Station Decommission	$0	$70,000	$0	$0	$0	$0	**$70,000**
Trihalomethane Reduction	$45,000	$0	$0	$0	$0	$0	**$45,000**
Water Supply Acquisition	$50,000	$50,000	$50,000	$50,000	$0	$0	**$200,000**
Water System Leak Detection Program	$0	$50,000	$50,000	$50,000	$0	$0	**$150,000**
ESRI Support for GIS	$15,000	$0	$0	$0	$0	$0	**$15,000**
Guadalupe Plaza Lift Station Elimination	$0	$0		$0	$0	$145,000	**$145,000**
Jefferson Basin 12" and 15" Interceptor	$0	$0		$0	$0	$979,000	**$979,000**
Leslie Drive Water Main Loop around Benson	$0	$0		$0	$0	$600,000	**$600,000**
Lois Pump Station Expansion	$0	$0		$0	$0	$345,000	**$345,000**
New Legion Basin 24" Interceptor	$0	$0		$0	$899,500	$0	**$899,500**
Quinlan Basin 15" Interceptor	$0	$0		$0	$0	$1,163,000	**$1,163,000**
Reconstruction of Road Surface at Wastewater Treatment Plant	$0	$0		$0	$0	$150,000	**$150,000**
Redirect Broadway Force Main	$0	$0		$365,000	$0	$0	**$365,000**
SH 173 Force Main Extension	$0	$0		$0	$0	$352,000	**$352,000**
Spur 98 Water Line (WTP to Spur 98 Bridge)	$0	$0		$0	$0	$788,000	**$788,000**
Stadium Pump Station Expansion	$0	$0		$555,000	$0	$0	**$555,000**
Water Production Maintenance Building	$0	$0		$0	$0	$700,000	**$700,000**
TOTAL	**$110,000**	**$170,000**	**$100,000**	**$1,020,000**	**$899,500**	**$5,222,000**	**$7,521,500**

4b - EIC

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Future Funding	TOTAL
Harper Road (RM 783) Water & Sewer Loop	$1,000,000	$0	$0	$0	$0	$0	**$1,000,000**
Louise Hays Park	$2,000,000	$0	$0	$0	$0	$0	**$2,000,000**
River Trail Phases II & III	$6,000,000	$0	$0	$0	$0	$0	**$6,000,000**
TOTAL	**$9,000,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$9,000,000**

Funding Source: General Fund Debt

	FY2012	FY2013	FY2014	FY2015	FY2016	Future Funding	TOTAL
Aerial Platform Ladder Truck Replacement	$0	$1,300,000	$0	$0	$0	$0	**$1,300,000**
Arcadia Loop Cut-Off	$0	$0	$325,000	$0	$0	$0	**$325,000**
Fire Station #5	$0	$0	$0	$0	$0	$2,121,000	**$2,121,000**
G-Street Bridge over Quinlan Creek	$0	$0	$0	$0	$0	$2,245,000	**$2,245,000**
Olympic Pool Complex Renovation	$0	$0	$0	$0	$0	$500,000	**$500,000**
Relocate Central Fire Station/Admin Offices	$0	$0	$4,205,000	$0	$0	$0	**$4,205,000**
Remedial Drainage Program	$0	$650,000	$750,000	$0	$0	$0	**$1,400,000**
TOTAL	**$0**	**$1,950,000**	**$5,280,000**	**$0**	**$0**	**$4,866,000**	**$12,096,000**

Funding Source: Water/Sewer Debt

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Future Funding	TOTAL
12 Inch Line Crossing Guadalupe River	$0	$0	$841,000	$0	$0	$0	**$841,000**
12" Water Line from Meadowview Well	$0	$0	$828,000	$0	$0	$0	**$828,000**
G Street 24"/27" Interceptor	$2,052,900	$0	$0	$0	$0	$0	**$2,052,900**
I / I Evaluation, Rehabilitation and Replacement Construction	$600,000	$0	$0	$0	$0	$0	**$600,000**
Knapp Lift Station Expansion	$0	$0	$2,673,000	$0	$0	$0	**$2,673,000**
New Jefferson Lift Station & New Force Main to G Street Interceptors	$644,500	$4,290,000	$0	$0	$0	$0	**$4,934,500**
Water Reclamation Aquifier Replenishment	$0	$0	$0	$0	$0	$6,800,000	**$6,800,000**
Water Plant Addition Phase II (IMGD)	$0	$0	$0	$0	$0	$2,395,000	**$2,395,000**
WTP Clearwell Improvements	$0	$2,706,000	$0	$0	$0	$0	**$2,706,000**
Riverhill/Ridgewood Storage Tank Transmission Water Line	$3,000,000	$0	$0	$0	$0	$0	**$3,000,000**
TOTAL	**$6,297,400**	**$6,996,000**	**$4,342,000**	**$0**	**$0**	**$9,195,000**	**$26,830,400**

Other

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Future Funding	TOTAL
IH-10 Interchange Between FM 783 & SH 16	$0	$0	$0	$0	$0	$30,000,000	**$30,000,000**
Loop 534 Bridge Improvements	$0	$0	$0	$0	$0	$1,500,000	**$1,500,000**
SH16 to SH173 - Spur 100 Extension	$0	$0	$0	$0	$0	$10,000,000	**$10,000,000**
SH 27 Airport Road Intersection Improvements	$0	$0	$0	$0	$0	$500,000	**$500,000**
Widen FM 1341	$0	$0	$0	$0	$0	$5,500,000	**$5,500,000**
TOTAL	**$0**	**$0**	**$0**	**$0**	**$0**	**$47,500,000**	**$47,500,000**

Purpose.

The City of Kerrville, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies were developed within the parameters established by applicable provisions of the Texas Local Government Code and the City of Kerrville City Charter. The policies are intended to assist the City Council and city staff in evaluating current activities and proposals for future programs. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

Annual budget.

The fiscal year of the City of Kerrville shall begin on October 1 of each calendar year and will end on September 30 of the following calendar year. The fiscal year will also be established as the accounting and budget year.

The City Manager shall prepare each year a budget to cover all proposed expenditures of the government of the City for the succeeding year. Such budget shall be carefully itemized so as to make as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes for the preceding year. The budget shall also show as definitely as possible each of the various projects for which appropriations are set up in the budget, and the estimated amount of money carried in the budget for each of these projects. The budget shall also contain a complete financial statement of the City showing all outstanding obligations of the City, the cash on hand to the credit of each and every fund, the funds received from all sources during the previous year, the funds available from all sources during the ensuing year, the estimated revenue available to cover the proposed budget, and the estimated rate of tax which will be required.

On or before the 31st day of July of each year, the City Manager shall submit to the City Council and City Secretary a budget for the ensuing fiscal year and an accompanying budget message. The full text of the proposed budget and message shall be made available for public review in the office of the City Secretary, at the City's library, and prominently linked on the City's website.

The fiscal year of the City government shall begin on the first day of October each year and shall end on the last day of September the following year. Such year shall constitute the budget year of the City government.

The City Manager's budget message shall explain the budget both in fiscal terms and in terms of the work programs, linking those programs to organizational goals and community priorities. It shall outline the proposed financial policies of the City for the ensuing fiscal year and the impact of those policies on future years. It shall describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the City's debt position, including factors affecting the ability to raise resources through debt issues, and include such other material as the City Manager deems desirable.

City Council Action on Budget.

Notice and Hearing. The City Council shall publish the general summary of the budget and a notice stating:

1. The times and places where copies of the message and budget are available for inspection by the public, and
2. The time and place, not less than two weeks after such publication, for a public hearing(s) on the budget.

Amendment before Adoption. After the public hearing, the City Council may adopt the budget with or without amendment. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for an estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than total estimated income.

Adoption. The City Council shall adopt the budget on or before the 30th day of September of the fiscal year currently ending. If it fails to adopt the budget by this date, the budget proposed by the City Manager shall go into effect.

"Publish" defined. As used in this section, the term "publish" means to print in the contemporary means of information sharing, which includes, a newspaper of general circulation which is published in the City, and on the City's website. In addition, the budget shall be made available in the office of the City Secretary and in the City's library.

Budget.

The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the City Council may require for effective management and an understanding of the relationship between the budget and the City's strategic goals. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, indicating the proposed property tax levy; and all proposed expenditures, including the amount of salary or compensation of officers and employees and debt service for the ensuing fiscal year; and shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. It shall indicate in separate sections:

1. The proposed goals and expenditures for current operations during the ensuing fiscal year, detailed for each fund by department or by other organization unit, and program, purpose or activity, method of financing such expenditures, and methods to measure outcomes and performance related to the goals;
2. Proposed longer-term goals and capital expenditures during the ensuing fiscal year, detailed for each fund by department or by other organization unit when practicable, the proposed method

of financing each such capital expenditure, and methods to measure outcomes and performance related to the goals; and

3. The proposed goals, anticipated income and expense, profit and loss for the ensuing year for each utility or other enterprise fund or internal service fund operated by the City, and methods to measure outcomes and performance related to the goals. For any fund, the total of proposed expenditures shall not exceed the total of estimated income plus carried forward fund balance exclusive of reserves.

Appropriation and Revenue Ordinances.

To implement the adopted budget, the City Council shall adopt, prior to the beginning of the fiscal year.

1. An appropriation ordinance making appropriations by department, fund, or other organizational unit and authorizing an allocation for each program or activity; and
2. A tax levy ordinance authorizing the property tax levy or levies and setting the tax rate or rates.

Amendments after Adoption.

Supplemental Appropriations. If during or before the fiscal year the City Manager certifies that there are available for appropriation revenues in excess of those estimated in the budget, the City Council by ordinance may make supplemental appropriations for the year up to the amount of such excess.

Emergency Appropriations. To address a public emergency affecting life, health, property, or the public peace, the City Council may make emergency appropriations. Such appropriations may be made by emergency ordinance in accordance with the provisions of Section 3.06 above. To the extent that there are no available un-appropriated revenues or a sufficient fund balance to meet such appropriations, the Council may by such emergency ordinance authorize the issuance of emergency notes, which may be renewed from time to time, but the emergency notes and renewals of any fiscal year shall be paid or refinanced as long-term debt not later than the last day of the fiscal year next succeeding that in which the emergency appropriation was made.

Reduction of Appropriations. If at any time during the fiscal year it appears probable to the City Manager that the revenues or fund balances available will be insufficient to finance the expenditures for which appropriations have been authorized, the manager shall report to the City Council without delay, indicating the estimated amount of the deficit, any remedial action taken by the manager and recommendations as to any other steps to be taken. The Council shall then take such further action as it deems necessary to prevent or reduce any deficit and for that purpose it may by ordinance reduce or eliminate one or more appropriations.

Transfer of Appropriations. At any time during or before the fiscal year, the City Council may by resolution transfer part or all of the unencumbered appropriation balance from one department, fund, or organizational unit to the appropriation for other departments or organizational units or a new appropriation. The manager may transfer funds among programs within a department, fund, or organizational unit and shall report such transfers to the Council in writing in a timely manner,

Limitation; Effective Date. No appropriation for debt service may be reduced or transferred, except to the extent that the debt is refinanced and less debt service is required, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance thereof. The supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this section may be made effective immediately upon adoption.

Independent Audit.

As soon as practicable after the close of each fiscal year, an independent audit shall be made of all accounts of the City government by certified public accountants, to be selected by the Council, who have no personal interest directly or indirectly in the financial affairs of the City government. The results of this audit shall be published immediately upon its completion.

Basis of accounting and budgeting.

The City's finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).

1. The accounts of the City are organized and operated on the basis of funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. Governmental funds are used to account for the government's general government activities and include the General, Special Revenue, Debt Service and Capital Project Funds.
2. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, hotel, franchise and tax revenues recorded in the General Fund and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and

interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.

3. The City utilizes encumbrance accounting for its governmental fund types, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.
4. The City's proprietary fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

The City's annual budgets shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds except the capital projects funds, which adopt project-length budgets. Also, depreciation of fixed assets is not recognized in proprietary fund budgets. All annual appropriations lapse at fiscal year-end. Under the City's budgetary process, outstanding encumbrances are reported as restricted fund balances and do not constitute expenditures or liabilities since the commitments will be reappropriated and honored the subsequent fiscal year.

The issuance of Statement 34 by GASB has influenced the creation and reporting of individual funds. GASB 34 essentially mandates dual accounting systems: one for government-wide (i.e. the government as a single entity) reporting and another for individual fund reporting. Under GASB 34 for individual funds, the City will continue utilizing the accounting and budgeting processes as described in paragraphs (1) and (2) of this section. However, because GASB 34 mandates the flow of economic resources measurement focus and accrual basis of accounting for the government-wide reporting, extensive reconciliation must be performed to present aggregated fund information in the government-wide reporting model. Therefore, individual operating funds will be created with the objective of reducing fund to government-wide reconciliation as much as possible. When appropriate, individual funds will be examined as to whether it will be appropriate to account for them as proprietary fund types.

Budget administration.

All expenses of the City shall be made in accordance with the adopted annual budget. The fund or department level is the legal level of control enacted by the City Charter. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors.

The following represents the City's budget amendment policy delineating responsibility and authority for the amendment process. Transfers between expenditure accounts in one department may occur with the approval of the City Manager. Transfers between funds or transfers between departments that change a department's total budget must be accomplished by budget amendment approved by the City Council. Budget amendments calling for new fund appropriations must also be approved by the City Council.

Financial reporting.

Following the conclusion of the fiscal year, the City's Director of Finance shall cause to be prepared a Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting and financial reporting principles established by GASB. The document shall also satisfy all criteria of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program.

The CAFR shall show the status of the City's finances on the basis of GAAP. The CAFR shall show fund revenues and expenditures on both a GAAP basis and budget basis for comparison purposes. In all but two cases this reporting conforms to the way the City prepares its budget. Compensated absences (accrued but unused sick leave) are not reflected in the budget but are accounted for in the CAFR's long-term debt account group. Depreciation expense is not shown in the budget's proprietary funds, although the full purchase price of equipment and capital improvements is reflected as uses of working capital.

Included as part of the CAFR shall be the results of the annual audit prepared by independent certified public accountants designated by the City Council.

The Director of Finance shall issue reports to the City Council reflecting the City's financial condition as requested, but not less than once a quarter.

Revenues.

To protect the City's financial integrity, the City will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the City will attempt to reduce its dependence on sales tax revenue.

For every annual budget, the City shall levy two property tax rates: operation/maintenance and interest and sinking. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the City's outstanding general obligation debt for that budget year. The interest and sinking levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operation and maintenance levy shall be accounted for in the General Fund. The operation and maintenance levy will be established within the eight percent rollback rate as defined by the State of Texas Property Tax Code. City Council will consider exceeding the rollback rate only after options have been presented by staff to avoid the rollback by increasing revenue from other sources or reducing expenditures.

The City will maintain a policy of levying the lowest tax rate on the broadest tax base. The City may consider providing tax abatements or other incentives to encourage development.

The City will establish user charges and fees at a level that attempts to recover the full cost of providing the service.

1. User fees, particularly utility rates, should identify the relative costs of serving different classes of customers.
2. Where possible, utility rates should be designed to reduce peak (hour and day) demands on the utility systems.
3. The City will make every reasonable attempt to ensure accurate measurement of variables impacting taxes and fees (e.g. verification of business sales tax payments, verification of appraisal district property values, and accuracy of water meters).

The City will attempt to maximize the application of its financial resources by obtaining supplementary funding through agreements with other public and private agencies for the provision of public services or the construction of capital improvements.

The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.

When developing the annual budget, the City Manager shall project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, while taking into account known circumstances which will impact revenues for the new fiscal year. The revenue projections for each fund should be made conservatively so that total actual fund revenues exceed budgeted projections.

Operating expenditures.

Expenditures shall be accounted, reported, and budgeted for in the following major categories:

1. Personnel
2. Supplies
3. Maintenance
4. Services
5. Other Expenses
6. Capital Outlay

The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e., status quo) quality and scope of city services.

The City will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.

Personal service expenditures will reflect the minimum staffing needed to provide established quality and scope of city services. To attract and retain employees necessary for providing high-quality service, the City shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.

Supply expenditures shall be sufficient for ensuring the optimal productivity of City employees.

Maintenance expenditures shall be sufficient for addressing the deterioration of the City's capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.

The City will utilize contracted labor for the provision of city services whenever private contractors can perform the established level of service at less expense to the City. The City will regularly evaluate its agreements with private contractors to ensure the established levels of service are performed at the least expense to the City.

Capital equipment is defined as equipment that exceeds $5,000.00 and has a useful life of at least one year. Existing capital equipment shall be replaced when needed to ensure the optimal productivity of City employees.

Expenditures for additional capital equipment shall be made only to enhance employee productivity, improve quality of service, or expand scope of service.

To assist in controlling the growth of operating expenditures, operating departments will submit their annual budgets to the City Manager within a ceiling calculated by the City Manager. Projected expenditures that exceed the ceiling must be submitted as separate budget adjustment requests. The City Manager will recommend the adjustment requests to the City Council, which will vote on the requests.

Fund balance.

The annual budget shall be presented to City Council with the General Fund and the Water & Sewer Fund's reflecting an ending fund balance which is 15 to 25 percent of that fund's annual operating expenditures. To satisfy the particular needs of individual funds, ending fund balances may be established which exceed the 25 percent minimum.

Fund balance that exceeds the minimum level established for each fund may be appropriated for non-recurring capital projects or debt.

The City will exercise diligence in avoiding the appropriation of fund balance for recurring operating expenditures. In the event fund balance is appropriated for recurring operating expenditures to meet the needs of the Kerrville community, the budget document shall include an explanation of the circumstances requiring the appropriation and the methods to be used to arrest the future use of fund balance for operating expenditures.

Fund transfers.

Transfer may occur when one fund provides goods or services to another fund. Fund transfers may occur when surplus fund balances are used to support nonrecurring capital expenses or when needed to satisfy debt service obligations. Transfers are permitted between funds to support economic development programs.

Debt expenditures.

The City will issue debt only to fund capital projects that cannot be supported by current, annual revenues.

To minimize interest payments on issued debt, the City will seek to maintain a rapid debt retirement policy by issuing debt with maximum maturities not exceeding 20 years, except in instances when the capital improvements will significantly benefit the community beyond the 20-year period. Retirement of debt principal will be structured to ensure consistent annual debt payments.

The City will attempt to maintain base bond ratings (prior to insurance) of AA- or better (Standard & Poor's) on its general obligation debt.

When needed to minimize annual debt payments, the City will obtain insurance for new debt issues.

Capital project expenditures.

The City will develop a multi-year plan for capital projects, which identifies all projects likely to be constructed within a five-year horizon. The multi-year plan will reflect for each project the likely source of funding and attempt to quantify the project's impact to future operating expenditures.

Capital projects will be constructed to:

1. Protect or improve the community's quality of life.
2. Protect or enhance the community's economic vitality.
3. Support and service new development.

To minimize the issuance of debt, the City will attempt to support capital projects with appropriations from operating revenues or excess fund balances (i.e., "pay-as-you-go").

Utility capital expenditures.

The City will design utility rates sufficient for both current and long term obligations.

Long-term financial plans.

The City will adopt every annual budget in context of a long-term financial plan for the General Fund and Water & Sewer Fund. Financial plans for other funds may be developed as needed.

The General Fund long-term plan will establish assumptions for revenues, expenditures and changes to fund balance over a five-year horizon. The assumptions will be evaluated each year as part of the budget development process.

Facility construction; best value methods for entering into contract.

For purposes of this section, the term "facility" means buildings the design and construction of which are governed by accepted building codes; such term does not include (i) highways, roads, streets, bridges, utilities, water supply projects, water plants, wastewater plants, water and wastewater distribution or conveyance facilities, wharves, docks, airport runways and taxiways, drainage projects, or related types of projects associated with civil engineering construction, or (ii) buildings or structures that are incidental to projects that are primarily civil engineering construction projects

In entering into and awarding a contract for the construction, rehabilitation, alteration, or repair of a facility, the city shall use one of the following methods that provides the best value for the city (such methods being those set forth in Section 271.113(a) of the Texas Local Government Code):

1. Competitive bidding;
2. Competitive sealed proposals for construction services;
3. A design-build contract;
4. A contract to construct, rehabilitate, alter, or repair facilities that involve using a construction manager; or
5. A job order contract for the minor repair, rehabilitation, or alteration of a facility.

The use or implementation of any of such methods shall comply in all respects with Chapter 271, Subchapter H of the Texas Local Government Code and any other applicable law.

The determination of which of the best value methods set forth in subparagraph (b) shall be used shall be made before advertising as required by law. The authority of the city council to make such determination is hereby delegated to the city manager (or the city manager's designee), and the city manager (and any designee of the city manager) is hereby authorized to make such determination.

Reserved.

Agenda Item:
(Staff)

5A. Resolution amending the Employee Benefits Trust

TO BE CONSIDERED BY THE TRUSTEES OF THE EMPLOYEE BENEFIT TRUST
CITY OF KERRVILLE, TEXAS

SUBJECT: Approval of Resolution to Amend the Employee Benefit Trust

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED:** September 15, 2011

SUBMITTED BY: Kimberly Meismer, Director of General Operations **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

Chapter 222.002 of the Texas Insurance Code creates an annual tax that is imposed on insurers for gross premiums received from their policyholders. Gross premiums paid by a municipality, county, or hospital district are **exempt** from the tax being collected by their insurer, if the municipality, county, or hospital district establishes either a single entity benefit trust or establishes or participates in a Chapter 172 risk pool.

The Comptroller's Office has exerted their administrative authority and issued guidance regarding single entity Employee Benefit Trusts. The guidance made parts of the existing Trust non-compliant with Chapter 222.002 of the Texas Insurance Code.

The recommended changes to the current Trust document are:

Article I – No changes
Article II – No changes
Article III – No changes
Article IV – Compensation – Added "Any approved reimbursement(s) will be made by the City of Kerrville"

Article V – Rights, Powers . . .
Item 2 – deleted the word "leases"
Item 5 – added the word "and"; deleted "and any other services that the Trustees shall deem expedient for the proper operation of the Trust"
Item 7 – deleted the word "Trustees" and changed/inserted the word "City of Kerrville". Deleted the word "out of the Trust funds"
Item 12 – deleted this entire item.

Article VI – No changes

Article VII – Item 1 – inserted the words "as defined to be those allowed under Section 222.002 (c)(5)(A) [Texas Insurance Code] and or permitted by the State Comptroller of the State of Texas in its role as the administrator of this legislation.
Item 2 – inserted the words "allowed under Section 222.002(c)(5)(A)[Texas Insurance Code]
Item 5 – deleted this item
Item 6 – deleted this item
Item 7 – deleted this item

Article VIII – Part(s) (a) and (b) Deleted the word "Trust" – inserted the words "City of Kerrville"

Article IX – No changes

Article X – No changes

Article XI – Inserted the paragraph:
IN WITNESS WHEREOF, the undersigned parties declare that no funds since the inception of said Employee Benefits Trust, were used or diverted for any purpose than those allowed by Section 222.002 of the Texas Insurance Code.

The Comptroller's Office has accepted and approved the changes to the Trust

RECOMMENDATION

Staff recommends approval of the resolution to amend the Declaration of Trust document of the Employee Benefit Trust to meet the recommendations made by the Comptroller's office.

CITY OF KERRVILLE, TEXAS
RESOLUTION NO.___-2011

A RESOLUTION AMENDING THE EMPLOYEE BENEFITS TRUST

WHEREAS, the City provides or offers various employee benefits to its employees, including health and dental insurance, life insurance, and disability benefits; and

WHEREAS, state law (Chapter 222, Texas Insurance Code) imposes a tax upon the City's receipt of gross premiums and revenues associated with such benefits; and

WHEREAS, state law also authorizes the City to exempt the premiums and revenues from state tax provided that the City establishes and maintains the funds under the ownership and control of a single, nonprofit trust; and

WHEREAS, the City Council, pursuant to Resolution No. 61-2008, created an Employee Benefits Trust (the "Trust") for the administration of employee benefits; and

WHEREAS, the Texas Comptroller's Office has recently issued guidance regarding the City's maintenance and operation of the Trust, which has made parts of the City's existing Trust non-compliant with Section 222.002 of the Texas Insurance Code; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to amend the Employee Benefits Trust for the reason provided above;

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

The City Council amends the Employee Benefits Trust as indicated within the Declaration of Trust, which is attached as **Exhibit A.**

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

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EXHIBIT "A"

DECLARATION OF TRUST

I.
CREATION OF TRUST

The City of Kerrville ("City"), as settlor or creator of the trust, designates the members of the City of Kerrville City Council to be Trustees and declares that the City holds in trust the funds described in **Schedule A** attached hereto and incorporated herein by reference, which is the property of the City, and all substitutions and additions to such funds, for the purpose of providing or offering, whether now or possibly in the future, life, disability, sick, accident, and other health benefits to the City's officers, employees, and qualified retirees and their dependents.

II.
PURPOSE

This is a nonprofit trust created for the purpose of providing or offering, whether now or possibly in the future, City officers, employees, and qualified retirees and their dependents with life, disability, sickness, accident, and other health benefits either directly or through the purchase of insurance and to perform operations in furtherance thereof.

III.
DURATION

The Trust shall continue until terminated by operation of law or by majority vote of the Trustees.

IV.
TRUSTEES: COMPOSITION, OFFICERS, COMPENSATION, AND MEETINGS

A. COMPOSITION. The Trustees are the members of the City Council, and the term of each Trustee is cotemporaneous with his or her term of office as a Member of the City Council.

Whenever a Trustee ceases to be a member of the City Council, the person succeeding him or her in office will automatically be appointed to serve as a successor Trustee of the Trust.

B. OFFICERS. The Mayor shall serve as Chairman and shall preside at meetings of the Trustees and shall have all such other powers as are conferred herein or by majority vote of the Trustees at a duly called meeting at which a quorum is present. The Mayor Pro Tem shall serve as Vice Chairman and shall preside at meetings of the Trustees whenever the Chairman is absent. The Secretary shall rotate, coinciding with the City's Fiscal Year, between the Councilmembers based upon their designated places, skipping the Mayor Pro Tem and beginning with the Councilmember for Place 1. The Secretary will oversee the preparation of meeting agendas, giving notice of meetings to the Trustees, and the minutes of the meetings of the Trustees.

C. COMPENSATION. The Trustees shall be reimbursed for all reasonable and necessary expenses incurred by them in the performance of their duties and will otherwise receive no compensation for their service as Trustees. Any approved reimbursement(s) will be made by the City of Kerrville.

D. MEETINGS. A meeting of the Trustees may be called by the Chairman or on written request to the Chairman by two or more Trustees. Trustees shall have at least three days written notice of any meeting. For purposes of this section, electronic mail notice is written notice.

V.
RIGHTS, POWERS, AND DUTIES OF TRUSTEES; QUORUM AND VOTING

A. RIGHTS, POWERS, AND DUTIES. In addition to all other powers and duties conferred on them by this Trust document and imposed or authorized by law, the Trustees shall have the following powers and duties:

1. The Trustees shall carry out all of the duties necessary for the proper operation and administration of the Trust on behalf of the covered persons and

shall have all the powers necessary and desirable for the effective administration of the affairs of the Trust.

2. The Trustees have the general power to make and enter into all contracts~~,~~ ~~leases,~~ and agreements necessary or convenient to carry out any of the powers granted by this Trust document or by law or to effectuate the purpose of the Trust. All such contracts, leases, and agreements or any other legal documents herein authorized shall be approved by the Trustees by majority vote at a duly called meeting at which a quorum is present and signed by the Chairman on behalf of the Trust. The Trustees may also designate another Trustee to sign such documents.

3. The Trustees shall use the Trust's funds to accomplish the purpose of the Trust, as described in Paragraph II herein, and to operate and administer the Trust solely in the interest of the covered City officers, employees, and qualified retirees and dependents thereof and for the exclusive purpose of providing or offering benefits to such persons and defraying the reasonable expenses of administration of the Trust. To this end, the Trustees may purchase life, disability, or accident and health insurance to provide or offer coverage for participating City officers, employees, and qualified retirees and their dependents. The Trustees may also adopt a health benefits plan that covers eligible City officers, employees, and qualified retirees, and their dependents.

4. The Trustees may accept contributions to the Trust funds from any source including contributions from covered persons receiving benefits from the Trust.

5. The Trustees shall be authorized to contract with any qualified organization to perform any of the functions necessary for providing or offering life, disability, sick, accident, and other health benefits, including but not limited to excess loss insurance, stop loss insurance, claims administration~~,~~ and administrative services.~~, and any other services that the Trustees shall deem expedient for the proper operation of the Trust.~~ When required by law or desired by the Trustees, the Trustees shall seek sealed competitive bids or sealed competitive proposals with respect to contracts required to carry out the operations of the Trust and to effect the purpose of the Trust.

6. The Trustees shall arrange for the investing of the funds of the Trust so as to keep the same invested according to law and at the best interest rates obtainable for the benefit of the covered persons. The Trustees may hire money managers and shall adopt an investment policy for its own use and that of its agents in making investments. The Trustees shall select a depository for the Trust's funds and provide for the proper security of any and all investments. The Trustees shall designate signatories for the Trust's depository accounts.

7. The ~~Trustees~~ City of Kerrville may purchase ~~, out of the Trust funds,~~ insurance for the Trustees and any other fiduciaries appointed by the Trustees and for the Trust itself to cover liability or losses occurring by reason of the

act or omission of any one or more of the Trustees or any other fiduciary appointed by them. Any insurance purchased by the Trustees must give the insurer recourse against the Trustees or other fiduciaries concerned for breach of any fiduciary obligation or fiduciary duty owed to the Trust.

8. The Trustees shall arrange for proper accounting and reporting procedures for the Trust's funds and shall also provide for an annual audit of the Trust's financial affairs by a certified public accountant.

9. The Trustees may retain legal counsel to represent the Trust and the Trustees in all legal proceedings as well as to advise the Trust and the Trustees on all matters pertaining to the operation and administration of the Trust.

10. The Trustees have the authority to terminate the Trust at any time.

11. Upon termination of the Trust, the Trustees shall provide for the payment of Trust obligations, debts, losses, and other liabilities and shall provide for the disposition of the remaining Trust funds in accordance with Paragraph IX herein.

~~12. The Trustees shall have the power to acquire, by purchase or otherwise; retain, invest, reinvest, and manage, temporarily or permanently; any interest (including an undivided interest) in any realty or personalty; to alter, improve, repair, replace, abandon, and demolish assets; to sell, exchange, encumber, lease for any period, or otherwise dispose of any asset of the Trust, publicly or privately, with or without notice, wholly or partly for cash or credit, without appraisal, and to give options for those purposes; to abandon, compromise, contest, and arbitrate claims; to hold title in the name of a nominee; to adopt policies and regulations~~

~~for the efficient operation of the Trust; to determine all matters of trust accounting as established by controlling law or customary practices; to set up and maintain reasonable reserves for taxes, assessments, insurance premiums, repairs, improvements, depreciation, depletion, amortization, obsolescence, general maintenance of buildings or other property, and any other purpose; to employ agents, accountants, brokers, attorneys-in-fact, attorneys-at-law, tax specialists, realtors, investment counsel, and other assistants and advisers; and to delegate powers and duties to other persons, partnerships, corporations, and financial or business organizations.~~

B. QUORUM AND VOTING. A majority of the Trustees shall constitute a quorum for the transaction of business at any meeting of the Trustees and the vote of a majority of the Trustees present shall be required for approval of any action at such meeting. The vote of such majority of the Trustees at such meeting shall constitute action of the Trustees as a group.

VI.
BENEFICIARIES

The beneficiaries of the Trust are the City officers, employees, and qualified retirees and their dependents who are covered by a life, disability, sick, accident, or other health benefits plan purchased or adopted by the Trust (also called "covered persons" herein). Beneficiaries may make contributions to the Trust for use by the Trustees in fulfilling the purposes of the Trust. No beneficiary shall have any claim against the funds or any other property of the Trust. The rights and interests of the beneficiaries are limited to the insurance or health benefits specified in any policy purchased or plan adopted by the Trustees.

VII.
TRUST FUNDS

The Trust funds consist of the funds described in **Schedule A** hereto as provided by the Settlor to institute this Trust, future contributions by the Settlor, beneficiary contributions, investment income, and any other money or property which shall come into the hands of the Trustees in connection with the administration of the Trust. The Trustees may use the Trust's funds as follows:

1. to pay all expenses which the Trustees consider necessary in establishing the Trust and in administering the Trust and all reasonable expenses incurred by the Trustees in the performance of their duties, as defined to be those allowed under Section 222.002 (c)(5)(A) [Texas Insurance Code] and or permitted by the State Comptroller of the State of Texas in its role as the administrator of this legislation;
2. to pay premiums on any insurance policies purchased by the Trust as allowed under Section 222.002 (c)(5)(A) [Texas Insurance Code];
3. to make authorized investments;
4. to pay claims under any health benefits plan adopted by the Trustees;
5. ~~to pay for all necessary professional services, property, and equipment required for the proper operation of the Trust;~~
6. ~~to pay all legal obligations of the Trust; and~~
7. ~~to pay any judgment entered against the Trust or to compromise and settle litigation in which the Trust is a party.~~

VIII.
LIABILITY OF TRUSTEES AND OFFICERS

The Trustees shall use ordinary care and reasonable diligence in the exercise of their powers and the performance of their duties hereunder; and they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through investment of the Trust funds or failure to invest. No Trustee shall be liable for any action taken or omitted by any other Trustee. No Trustee shall be required to give a bond or other security to guarantee the faithful performance of his or her duties hereunder. To the fullest extent permitted by law: (a) the ~~Trust~~ City of Kerrville shall indemnify each Trustee who was, is, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding ("Proceeding"), any appeal therein, or any inquiry or investigation preliminary thereto, by reason of the fact that the Trustee is or was a Trustee; (b) the City of Kerrville~~Trust~~ shall pay or reimburse a Trustee for expenses incurred (i) in advance of the final disposition of a Proceeding to which such Trustee was, is or is threatened to be made a party, and (ii) in connection with such Trustee's appearance as a witness or other participation in any Proceeding.

IX.
AMENDMENT, REVOCATION AND TERMINATION

This Declaration of Trust and the Trust created herein shall terminate when and if required by operation of law. The Trustees shall have the power to amend, modify, terminate or revoke, in whole or in part, this Declaration of Trust and the Trust created herein by majority vote at a duly called meeting at which a quorum is present. Notwithstanding the foregoing, the Trustees shall have no power to amend Paragraph II of this Declaration of Trust. Beneficiaries of the Trust shall have no right to amend this Declaration of Trust, and their approval shall not be a condition or requirement for an authorized amendment by the Trustees.

Upon termination of the Trust, the Trustees shall pay all obligations, debts, losses, and other liabilities of the Trust. Thereafter, the Trustees shall first use the remaining trust funds to pay covered claims of persons covered under the City's health benefits plan that may be in effect at the time of termination of the Trust and, then, either apply any remaining balance of the funds for the benefit of those covered persons in such manner as the Trustees determine shall best carry out to purposes of this Trust or pay such balance over to such covered persons on a per capita basis. Notwithstanding the foregoing, the Trustees, upon termination of the Trust and payment of all Trust obligations may, by vote of a majority of the Trustees, transfer the remaining funds or any portion thereof to the trustees of any trust or trusts established by the City for a substantially similar purpose to be applied for uses substantially similar to those set forth in Paragraph II herein.

X.
GOVERNING LAW

This Declaration of Trust and the Trust created herein shall be construed and governed by the laws of the State of Texas in force from time to time.

XI.
MISCELLANEOUS

Whenever the context so admits and such treatment is necessary to interpret this Declaration of Trust in accordance with its apparent intent, the use herein of the singular shall include the plural, and vice versa, and the use of the feminine, masculine, or neuter gender shall be deemed to include the other genders.

The captions or headings above the various Paragraphs of this Declaration of Trust have been included only to facilitate the location of the subjects covered by each Paragraph but shall not be used in construing this Declaration of Trust.

If any clause or provision of this Declaration of Trust proves to be or is adjudged invalid or void for any reason, such invalid or void clause, provision, or portion shall not affect the whole, but the balance of the provisions hereof shall remain operative and shall be carried into effect insofar as is legally possible.

IN WITNESS WHEREOF, the undersigned parties have executed this Declaration of Trust, consisting of twelve (12) pages and **Schedule A** attached hereto, on the dates of their respective acknowledgments below. By joining in the execution of this Declaration of Trust, the Trustees acknowledge receipt of the property described in **Schedule A**, signify acceptance of the Trust created hereunder, and covenant that the Trust will be executed with all due fidelity. This Trust is effective as of the last date of signature below.

IN WITNESS WHEREOF, the undersigned parties declare that no funds since the inception of said Employee Benefits Trust ,we used or diverted for any purpose than those allowed by Section 222.02 of the Texas Insurance Code

Mayor ~~Todd A. Bock~~David Wampler, Settlor

~~Todd A. Bock~~David Wampler, Trustee

T. Scott Gross, Trustee

~~R. B. Motheral~~Carson Conklin, Trustee

~~MacK Hamilton~~Stacie Keeble, Trustee

~~Chuck Coleman~~Gene Allen, Trustee

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on September 27, 2011~~July 22, 2011~~, by ~~Todd A. Bock~~David Wampler, Mayor of the City of Kerrville on behalf of Settlor.

____
Notary Public, State of Texas
Print Name: Brenda Craig
My Commission Expires: ____________________

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on September 27, 2011~~July 22, 2011~~, by ~~Todd A. Bock~~David Wampler, Trustee.

____
Notary Public, State of Texas
Print Name: Brenda Craig
My Commission Expires: ____________________

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on September 27, 2011~~July 22, 2011~~, by T. Scott Gross, Trustee.

____
Notary Public, State of Texas
Print Name: Brenda Craig
My Commission Expires: ____________________

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on September 27, 2011~~July 22, 2011~~, by ~~R. B. Motheral~~Carson Conklin, Trustee.

____
Notary Public, State of Texas
Print Name: Brenda Craig
My Commission Expires: ____________________

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on September 27, 2011~~July 22, 2011~~, by ~~MacK Hamilton~~Stacie Keeble, Trustee.

____
Notary Public, State of Texas
Print Name: Brenda Craig
My Commission Expires: ____________________

THE STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on September 27, 2011~~July 22, 2011~~, by ~~Chuck Coleman~~Gene Allen, Trustee.

____
Notary Public, State of Texas
Print Name: Brenda Craig
My Commission Expires: ____________________

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SCHEDULE A

The following is a list of the assets initially transferred by the City of Kerrville, Settlor, to the Trust:

City of Kerrville's first month (October 2008) contributions for Employee, and Dependent Medical/Pharmacy Benefits, Dental Benefits, Life Insurance Benefits, and Long Term Disability Benefits.

City of Kerrville Employee and Dependents first month (October 2008) of Plan Year's payroll deductions or contributions for Medical/Pharmacy Benefits, Dental Benefits, Life Insurance Benefits, and Long Term Disability Insurance Benefits.

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Agenda Item:
(Staff)

6A. A resolution authorizing publication of notice of intention to issue certificates of obligation in the amount not to exceed $3,500,000 for the purpose of parks and trail system improvements.

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

SUBJECT: Resolution Authorizing Publication of Notice of Intent to Issue Certificates of Obligation

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED**: September 20, 2011

SUBMITTED BY: Mike Erwin
Director of Finance

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Resolution; Notice of Intent to Issue Certificates of Obligation

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

The FY 12 budget includes CIP projects funded by Certificates of Obligation (COs). While COs are backed by the full faith and credit of the City, the City expects to enter into an agreement with the City of Kerrville Economic Improvement Corporation (the "EIC") pursuant to which the EIC is expected to agree to provide funds to the City in an amount sufficient to pay all debt service on the Certificates of Obligation.. The debt will be used to acquire, construct and equip renovations and improvements to the City's parks and trails system and for paying professional services related thereto.

The aggregate amount of certificates of obligation will not exceed $3,500,000. Because the total issued by the City in calendar year 2011 is less than $10,000,000, this issue will be bank qualified which should make it more attractive to banks because of the tax benefits associated with this type of issue.

A second issuance of $3,500,000 is planned for the first part of calendar year 2012 to provide a total funding of $7,000,000 for the parks and trails system.

RECOMMENDED ACTION

Approve resolution authorizing publication of notice of intent to issue certificates of obligation.

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. ___-2011

A RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION IN THE AMOUNT NOT TO EXCEED $3,500,000 FOR THE PURPOSE OF PARKS AND TRAIL SYSTEM IMPROVEMENTS

WHEREAS, the City Council of the City of Kerrville, Texas (the "City") hereby determines that it is necessary and desirable to acquire, construct, and equip renovations and improvements to the City's parks and trails system (the "Projects"); and

WHEREAS, the City Council of the City intends to finance the Projects from proceeds derived from the sale of a series of Combination Tax and Revenue Certificates of Obligation issued by the City pursuant to Sections 271.041 - 271.063, Texas Local Government Code, as amended; and

WHEREAS, pursuant to Section 271.049, Texas Local Government Code, the City Council deems it advisable to give notice of intention to issue certificates of obligation in an amount not to exceed an aggregate of $3,500,000 for the purpose of paying, in whole or in part, the Projects, to pay all or a portion of the legal, fiscal, and engineering fees in connection with the Projects, and to pay the costs of issuance related to the certificates of obligation; and

WHEREAS, it is hereby officially found and determined that the meeting at which this resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

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

SECTION ONE. Approval of Notice of Intention. Attached hereto is a form of the "Notice of Intention to Issue Combination Tax and Revenue Certificates of Obligation," the form and substance of which is hereby adopted and approved.

SECTION TWO. Authorization to Publish Notice of Intention. The City Secretary shall cause said notice to be published in substantially the form attached hereto in a newspaper, as defined in Section 2051.044, Texas Government Code, that is of general circulation in the area of the City, on the same day in each of two consecutive weeks, the date of the first publication thereof to be at least 31 days before the date tentatively set for the passage of the ordinance authorizing the issuance of such certificates of obligation as shown in said notice. The City Manager and the Finance Director are each authorized to make changes to said Notice as necessary prior to its publication.

SECTION THREE. Incorporation of Recitals. The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City Council hereby incorporates such recitals as a part of this Resolution.

SECTION FOUR. Effective Date. This Resolution shall become effective immediately upon passage.

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

CITY OF KERRVILLE, TEXAS
NOTICE OF INTENTION TO ISSUE
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION

The City Council of the City of Kerrville, Texas (the "City") does hereby give notice of intention to issue one or more series of *City of Kerrville, Texas Combination Tax and Revenue Certificates of Obligation* in the maximum aggregate principal amount not to exceed *$3,500,000* for the purpose of paying, in whole or in part, contractual obligations to acquire, construct and equip renovations and improvements to the City's parks and trails system (the "Projects") and for paying professional services related thereto. The City proposes to provide for the payment of such Certificates of Obligation from the levy and collection of ad valorem taxes in the City as provided by law and from a lien on and pledge of "Surplus Revenues", if any, received by the City from the ownership and operation of the City's waterworks and sewer system. (The City expects to enter into an agreement with the City of Kerrville, Texas Economic Improvement Corporation (the "EIC") pursuant to which the EIC is expected to agree to provide funds to the City in an amount sufficient to pay all debt service on the Certificates of Obligation.) The City Council proposes to authorize the issuance of such Certificates of Obligation at 6:00 p.m. on Tuesday, December 13, 2011, at a Regular Meeting, at the City Hall, Kerrville, Texas.

City Secretary,
City of Kerrville, Texas

CERTIFICATE FOR RESOLUTION

STATE OF TEXAS
COUNTY OF KERR
CITY OF KERRVILLE

I, the undersigned City Secretary of the **City of Kerrville, Texas** (the "*City*"), hereby certify as follows:

1. The City Council of the City convened in REGULAR MEETING ON THE 27^{TH} DAY OF SEPTEMBER, 2011, at the designated meeting place, and the roll was called of the duly constituted officers and members of said City Council, to-wit:

David Wampler, Mayor
Carson Conklin, Councilmember, Place One
Stacie Keeble, Councilmember, Place Two
T. Scott Gross, Councilmember, Place Three
Gene Allen, Councilmember, Place Four

and all of said persons were present, except the following absentees: ______________________________, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

was duly read. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: ___ NOES: ___ ABSTENTIONS: ___

2. A true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in said City Council's minutes of said Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from said City Council's minutes of said Meeting pertaining to the adoption of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said City Council as indicated therein; each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting; and said Meeting was open to the public, and public notice of the time, place, and purpose of said Meeting was given, all as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED the 27th day of September, 2011.

City Secretary, City of Kerrville, Texas

(SEAL)

September

S	M	T	W	T	F	S
				1	2	3
4	**5**	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	**27**	28	29	30	

October

S	M	T	W	T	F	S
						1
2	3	4	**5**	6	7	8
9	**10**	11	**12**	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

November

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	**11**	12
13	**14**	15	16	**17**	18	19
20	21	22	23	**24**	25	26
27	28	29	**30**			

December

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	**13**	14	15	16	17
18	19	**20**	21	22	23	24
25	26	27	28	29	30	31

☐ = Key Dates ☐ = Holidays

CITY OF KERRVILLE, TEXAS
$3,500,000*
COMBINATION TAX & REVENUE CERTIFICATES OF OBLIGATION
SERIES 2011A

PROPOSED TIMETABLE OF EVENTS
Dated September 21, 2011

DATE		EVENT
Tuesday,	September 27, 2011	Regular meeting of the City Council to consider a Resolution authorizing Notice of Intent to Issue Certificates of Obligation.
Monday,	October 03, 2011	Publication due to newspaper prior to 12:00 noon to include request for two publications, Wednesday, October 5th and Wednesday, October 12th.
Tuesday,	October 04, 2011	Distribute First Draft of the Preliminary Official Statement ("POS") to working group for comments.
Wednesday,	October 05, 2011	First publication of Notice of Intent to Issue Certificates of Obligation.
Wednesday,	October 12, 2011	Second publication of Notice of Intent to Issue Certificates of Obligation.
Monday,	October 24, 2011	Comments on first draft of POS due from working group.
Monday,	October 31, 2011	Send POS and related documents to Standard & Poor's ("S&P").
Wednesday,	November 02, 2011	Distribute second draft of POS to working group for comments.
Week of	November 14, 2011	Coordinate meetings/conference calls with S&P.
Wednesday,	November 16, 2011	Comments on second draft of POS due from working group.
Thursday,	November 17, 2011	Pre-file documents with Attorney General's office.
Wednesday,	November 30, 2011	Receive rating.
		POS goes to i-Deal web site for posting.
Tuesday,	December 13, 2011	Pricing.
		Regular meeting to conduct sale of Certificates of Obligation. Consider the adoption of the Ordinance Authorizing Issuance of Certificates of Obligation and approving and authorizing the execution of the Bond Purchase Agreement.
Thursday,	December 22, 2011	Closing Date; City delivers the Certificates of Obligation to Purchaser/Underwriter and receives funds.

*Preliminary, subject to change.

Agenda Item:
(Staff)

6B. Interlocal agreement between the City of Kerrville and Kerr County regarding airport operations and supporting airport budget.

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

SUBJECT: Interlocal agreement between the City of Kerrville and Kerr County regarding airport operations and a supporting airport budget.

FOR AGENDA OF: Sept. 27, 2011 **DATE SUBMITTED:** Sept. 23, 2011

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES: NA

EXHIBITS: Draft Airport Interlocal Agreement
Draft Airport Budget

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

On Tuesday, September 20, 2011, representatives of the city and county met to discuss an interlocal agreement for airport operations. Both sides came to concurrence on the terms for a new agreement. The basic components for the agreement are as follows:

1. Term – 1-year initial term with limited extension options;
2. Oversite:
    a. Retain the existing Joint Airport Board (JAB);
    b. Retain the Airport Manager who reports to the JAB;
    c. Requires the Airport Manager to be evaluated annually on the basis of written performance criteria, goals and benchmarks;
    d. Create an Airport Planning Committee:
        i. representatives of the city, county and JAB;
        ii. meets Quarterly;
        iii. draws on other local agencies and officials on an ad-hoc basis (i.e. KEDC, Chamber of Commerce);
        iv. establishes Priorities and Performance Benchmarks; and
        v. provides recommendations for financial matters;
3. Finance and Budget:
    a. Accepts the modifications to the budget and financial procedures

discussed in earlier meetings and outlined in previous reports;

b. JAB budget proposal is to include documentation of the performance criteria, goals and benchmarks established for the fiscal year; and
c. direct cash contributions by the city and county limited to $110,000 each.

It is anticipated that the first meeting of the planning committee will include a review of the airport management and operational structure. Any changes recommended by the planning committee will be submitted to both the city and the county for action. The committee's recommendations would also include any appropriate budget adjustments.

Also attached to this agenda bill is an airport budget for FY2012. This budget reflects the final draft interlocal agreement and reflects the cash contribution from the city in the amount of $110,000.

<u>RECOMMENDED ACTION</u>

City staff recommends that the City Council approve the interlocal agreement and approve the supporting airport budget.

Kerr County will consider the agreement and supporting budget at its meeting on Monday, September 26, 2011, and staff will provide an update to the City Council regarding the county's action at this meeting.

DRAFT 9/23/11

INTERLOCAL AGREEMENT FOR THE CONTINUED EXISTENCE OF A JOINT AIRPORT BOARD TO PROVIDE MANAGEMENT OF KERRVILLE/KERR COUNTY AIRPORT

This Joint Action Agreement ("Agreement"), pursuant to Chapter 22 of the Texas Transportation Code, is entered into between Kerr County, Texas ("County") and the City of Kerrville, Texas ("City"), also referred to individually as "Party", or collectively as "Parties", on the _____ day of _______________, 2011.

WHEREAS, County and City jointly own the real property upon which is located the Kerrville/Kerr County Airport, sometimes referred to as Louis Schreiner Field ("Airport"); and,

WHEREAS, County and City have previously, by their actions, jointly managed said Airport under Tex. Rev. Civ. Stat. Ann. Art. 46d, Municipal Airport Act, the statutory predecessor to Chapter 22 of the Texas Transportation Code ("Code"); and

WHEREAS, County and City find that it is in the best interests of the citizens of County and City for the Airport to continue to be managed by a Joint Airport Board pursuant to the Code; and

WHEREAS, County and City are desirous of the continuous operation of the Airport in an effective manner; and

WHEREAS, County and City now reconstitute and reorganize the Joint Airport Board to reflect the terms of this Agreement;

NOW, THEREFORE, in consideration of these promises, covenants, and agreements, the Parties agree as follows:

1. **Duration of Agreement**: This Agreement shall be effective as of October 1, 2011, and remain in effect through September 30, 2012. However, prior to termination, this Agreement shall automatically renew for an additional one-year term, limited to four such one-year renewals, unless terminated as provided for below.

2. **Proportionate Interest in Airport Property**: Each Party owns an equal, undivided interest in the real property and assets located within the bounds of the Airport, more particularly described in **Exhibit A**, and as that property description may be expanded or developed, and in the buildings, improvements, and other fixtures located on the property. Title to all Airport property shall remain jointly vested in the County and City.

3. **Joint Airport Board**: The Parties affirm the creation and continued existence of the Joint Airport Board ("Board"). The Board shall consist and operate as follows:

   (a) Membership. The Board shall be comprised of five members. The approval by each Party is required to constitute an appointment to the Board. The current Board members as of September 30, 2011, are hereby reappointed by the Parties to serve the remainder of their Term of Office left as of September 30, 2011.

(b) Term of Office. Each Board member shall be appointed for a two year term and shall continue to serve in this capacity until their successor is appointed and is duly qualified. Upon the death of any member or should any member resign or for any reason become unable to serve, a replacement shall be appointed in the same manner as provided below to fill the vacancy for the unexpired term.

(c) Oath and Bond. Following appointment, each Board member shall qualify for office by taking the required oath of office before the County Judge.

(d) Appointment. The process for appointment by action of each Party shall be as designated below:

1) The Board shall recommend persons to the County and City for consideration of appointment. The Board shall submit the names of such persons to each Party at least 60 days prior to the end of the particular place's term. In the event that a candidate recommended by the Board is not appointed by either Party, the Board shall recommend an alternative candidate. In the event that this second candidate is not appointed by either Party, the Board shall select another candidate who will be automatically appointed to the Board without the approval of the Parties.

2) It is deemed desirable that all Board members possess and will contribute a balance of expertise in business, financial, aviation, or management training and experience. Appointments shall be made on or before June 1 of each year.

3) Replacement of members shall be in the same manner and under the same qualification as described above with such replacement being appointed to fulfill only that portion of the remaining term.

4) Any Board member may be removed by a majority vote of each Party, for any reason. In addition, the Board may recommend to the County and City that a Board member be removed.

5) Board members shall be eligible for reappointment, but Board members are prohibited from serving more than 3 consecutive, 2-year terms. Only reappointments made after October 1, 2011, shall count towards this limitation.

(e) Officers: The Board shall appoint a President and Vice President who shall be selected from the Board's membership. If the Board appoints a Treasurer, the Treasurer shall execute a bond in an amount determined by the Board, with a corporate surety authorized to do business in the State of Texas and conditioned upon the faithful performance of the treasurer's duties. In addition, the Board shall appoint a secretary who shall record the minutes of the Board meetings. The term for each position shall be for two years.

(f) Compensation: Service on the Board is without compensation. However, each Board member is entitled to reimbursement for necessary expenses incurred in the performance of his/her duties as a Board member, subject to the Board Budget and a written Board policy regarding the reimbursement of expenses, which has been approved by each Party.

(g) Authority, Powers and Duties: The Board shall have the following authority, powers and duties:

1) The Board may exercise on behalf of the Parties any power possessed by either Party and those specifically provided by the Code, including the power to lease property and facilities, and to buy and sell goods as an incident to the operation of the Airport. However, the Board is not authorized to impose a property tax, sell bonds, or otherwise enter into other debt instruments, dispose of Airport property, or exercise the power of eminent domain without the prior written consent of each Party.

2) The Board, following the prior written consent of each Party, has the authority to apply for and to execute grant funding agreements.

3) The Board may improve, equip, maintain, operate, manage, regulate, protect, and police the Airport.

4) The Board may realign, alter, acquire, abandon, or close a portion of a roadway or alleyway without a showing of paramount importance if the portions to be realigned, altered, abandoned, or closed are in the geographical boundaries of the Airport at the time of or after the realignment, alteration, acquisition, abandonment, or closing.

5) The Board shall have the responsibility and be in charge of the property, improvements, and other assets of the Airport and shall be in charge of the disbursement of Airport funds for Airport purposes, and pursuant to the approved Board Budget. The Board shall also cause records to be kept of any and all revenues and disbursements.

6) The Board shall maintain a fund for the purpose of depositing all revenues of the Airport, including each Party's share of the operating costs. This fund shall be kept and managed by the Board and shall be established at a bank with a branch in Kerr County. Federal, state, or other contributions or loans and the revenue obtained from the operation of the Airport shall be deposited to the credit of the joint fund.

7) The Board shall have an audit of the financial affairs of the Board and its operation of the Airport conducted each year by an independent accountant and shall furnish the audit to each Party no later than February 28 of each year.

8) The Board shall ensure that all records regarding the operation of the Airport are maintained, retained, and made available for public review in accordance with the Texas Public Information Act. All records shall be maintained at the Airport.

9) The Board shall hire and employ an Airport Manager ("Manager") and such other employees as are necessary for the operation of the Airport. The Board shall develop a written job description for the Manager and shall include written performance criteria, goals, and benchmarks that the Manager is required to meet each year. The Board shall include such documents as part of the Board Budget which is subject to yearly approval by each Party.

10) The Board, through its Manager and any other employees, shall be responsible for the day-to-day management of the Airport. Toward that end, the Board is authorized to enter into service contracts with other public or private entities, but where such a contract exceeds $25,000.00; both Parties must approve the contract.

11) The Board may adopt resolutions, rules, and orders for the operation of the Airport.

12) The Board may lease Airport property and may adopt fees and rental rates with respect to the use of Airport services or use of Airport property. Such fees and rates shall be included within the Board Budget, which may be amended by the approval of both Parties.

13) The Parties acknowledge that the Airport property is within the City's limits and is subject to the City's regulations and that land adjacent to the Airport but outside the City limits is subject to the adoption, administration, and enforcement by either a County or Joint Airport Zoning Board of airport hazard area and compatible land use zoning. However, the Board shall monitor and consider appropriate zoning for the Airport and the immediately surrounding areas whose use may impact Airport operations.

14) The Board shall adopt policies and procedures for the purchase of goods and services and for the accounting of the Airport's finances, each in accordance with state law.

15) The Board may insure itself, its contractors and subcontractors against liability arising from the operation of the Airport for damages to the person or property of others, workers' compensation, and officers' and employees' liability. The insurance may consist of self-insurance and/or purchased insurance.

16) The Board is prohibited from giving, leasing, or otherwise allowing the use of any part of the Airport for no value, without first having received approval from both Parties.

17) The Board shall comply with the Code and other state laws and local laws in all respects.

(h) Meetings: The Board shall meet on dates and times as agreed upon by the Board, which schedule may be changed from time to time; however in no event shall the Board meet less frequently than once per calendar quarter. The President of the Board or any two Board members shall have the authority to call a meeting. All such meetings of the Board shall be held in accordance with the Texas Open Meetings Act and three members of the Board shall constitute a quorum of the Board. The Board shall make its own rules of order, by-laws, set the time and place for regular meetings, and shall keep minutes of its meetings.

(i) Fiscal year. The Board shall observe a fiscal year that begins each October 1 and ends September 30.

(j) Reporting. The Board through its Manager shall provide quarterly written reports to each Party (1) regarding the operations of the Airport and its finances; and (2) encompassing the information required by ¶6(d).

(k) Litigation. The Board shall not enter into litigation of any kind without prior approval from both Parties. However, the Board may provide an appropriate response to a lawsuit or claim filed against it in an effort to protect its rights and defenses prior to any approval from both Parties.

4. **Board Budget**: The Board is responsible for the operations and needs of the Airport and shall develop a budget for Airport operations ("Board Budget") to be approved by both Parties. The Board Budget shall consist of the following parts: 1) maintenance and operations; and 2) capital improvements. In addition, the Board shall include as an addendum to the Board Budget a description and discussion of, at a minimum, proposed capital improvements looking forward 5 years. For purposes of this Agreement, "capital improvements" are defined as a project that will result in a physical object with a value of $5,000.00 or more. The Board shall submit and present the Board Budget to the County and the City for approval. Should either Party not approve the Board Budget, the previous year's Board Budget shall be automatically adopted for the upcoming year.

(a) Submission Required. The Board shall submit the Board Budget to both Parties not later than June 1st of each year for Parties' consideration no later than September 30 of each year.

(b) Content and Format. The Board Budget shall substantially conform to the format and line item content as specified and depicted in **Exhibit B.**

(c) Excess Spending. The Board shall not spend nor incur obligations which at any time will exceed the Board Budget approved and adopted by the County and City for that current fiscal year, except for an emergency expenditure, which is declared by the Board President. An "emergency expenditure" is defined as an expenditure necessary for the immediate preservation of the public peace, property, health, or safety. Prior to or immediately following such expenditure, the Board President shall notify the County Judge and Mayor in writing of the declared emergency expenditure.

(d) Movement between Funds. The Board is authorized to move funds between line items concerning maintenance and operating expenses, but in no event shall the funds being moved over a fiscal year period exceed 5% of the Board Budget for that year.

(e) Airport Revenues. The Board shall only use revenues generated by operation of the Airport for Airport purposes.

(f) Board Budget Calculation. The Board shall create a draft Board Budget as follows:

(1) Total of all revenues, not including contributions from the Parties, less total expenses, which shall include all grant matches.

(2) Where a negative sum occurs, the Board shall seek contributions from the Parties as provided below.

(3) In no case shall contingency funds exceed 5% of the amount budgeted for annual maintenance and operating expenses.

5. **County and City Funding**: To assure the objective of the continuation of efficient Airport operations, each Party is obligated to the other Party to contribute funds as follows:

(a) Maintenance and Operations. The County and City shall each fund one-half (1/2) of all the costs related to the maintenance and operations part of the Board Budget or the County and City shall each fund $110,000.00, whichever is less.

(b) Capital Improvements. The County and City shall be equally responsible for expenses directly resulting from the part of the Board Budget regarding capital improvements. On an annual basis as part of the draft Board Budget review process, both Parties must review proposed capital improvement projects. Only those projects approved as part of the Board Budget shall be submitted for bidding, where applicable, and construction.

(c) Schedule of Payments. Pursuant to the Board Budget and the amount of each Party's contributions, each Party shall forward 12 equal monthly payments to the Board in the amount of 1/12th of their total contribution on or before the 15th day of each month.

6. Airport Planning Committee. The Parties hereby create an Airport Planning Committee ("Committee") as follows:

(a) Membership. The Committee shall consist of the following persons:

(1) County Appointees. The Commissioners Court shall appoint 3 representatives to the Committee, which shall consist of no more than 2 members of the Commissioners Court.

(2) City Appointees. The City Council shall appoint 3 representatives to the Committee, which shall consist of no more than 2 Councilmembers.

(3) Board Appointee. The Board shall appoint 2 representatives to the Committee.

(b) Meetings. The Committee shall meet no less than once per calendar quarter.

(c) Purpose. The purpose of the Committee is to (1) receive and discuss in detail from the Board information regarding the operations of the Airport and its finances; (2) discuss short and long term planning for the operation, management, and economic development of the Airport; and (3) formulate recommendations to be presented to each Party regarding the short and long term goals for the Airport.

(d) Reports. Following its meetings, the Manager shall provide quarterly written reports to each Party regarding the information presented during the meeting and recommendations of the Committee.

7. Amendment: This Agreement may only be amended by written agreement of the Parties.

8. Termination of Agreement Prior to Expiration: Either party may terminate the Agreement for any reason upon the terminating Party giving the nonterminating Party no less than one-hundred eighty (180) days written notice thereof.

9. Notices: Any notice required or permitted to be given pursuant to this Agreement 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
800 Junction Highway
Kerrville, TX 78028

County: Kerr County, Texas
Attention: County Judge
Kerr County Courthouse
700 Main Street
Kerrville, TX 78028

Board: Joint Airport Board
Attention: Airport Manager
Kerrville/Kerr County Airport
1875 Airport Loop Road
Kerrville, TX 78028

10. 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.

11. 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 was not included.

12. Captions: Section headings are inserted herein only as a matter of convenience and for reference, and in no way defines, limits, or describes the scope or intent to any provision.

13. 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.

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

15. Multiple Counterparts: 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 __________________, 2011.

CITY OF KERRVILLE	COUNTY OF KERR, TEXAS
By:____________________ David Wampler, Mayor	By:____________________ Pat Tinley, County Judge
ATTEST:	ATTEST:
____________________ Brenda G. Craig, City Secretary APPROVED AS TO FORM:	____________________ Jannett Pieper, County Clerk APPROVED AS TO FORM:
________________________ Michael C. Hayes, City Attorney	________________________ Robert Henneke, County Attorney

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD - 09/22/2011 - MGT. CONTRACT

BUDGET COMPARISON

FOR 2006 - 2012

9/23/2011 1

Revenues		2006	2007	2008	2009	2010	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed
47-AIRPORT									
INTERGOVERNMENTAL REVENUE									
47-300-602	KERR COUNTY	258,400	195,249	188,334	262,000	601,850	306,497	158,524	110,000
47-300-603	KERRVILLE	274,012	195,249	188,334	262,000	391,732		250	110,000
47-300-604	GRANTS	0	0	0	0	0	0	0	0
47-300-606	TX DOT REIMBURSEMENT	33,643	3,991	0	0	0	0	0	0
TOTAL INTERGOVERNMENTAL REVENUE		**566,055**	**394,489**	**376,668**	**524,000**	**993,582**	**306,497**	**158,774**	**220,000**
LEASE/RENTAL INCOME									
47-325-301	AIRPORT LAND LEASES	106,895	110,592	103,503	94,940	102,318	128,050	74,619	108,884
47-325-602	TERMINAL LEASES	0	7,144	14,141	14,354	12,206	13,145	9,515	15,361
47-325-603	T-HANGAR LEASES	48,900	43,600	48,250	44,438	43,644	44,000	35,250	52,400
47-325-604	VEHICLE RENTAL SURCHARGE	3,525	3,808	3,951	3,187	3,165	3,500	2,327	3,528
47-325-605	T-HANGAR STORAGE FACILITY LEASES	1,975	1,321	1,320	1,320	2,737	1,300	0	1,320
TOTAL LEASE/RENTAL INCOME		**161,294**	**166,465**	**171,164**	**158,239**	**164,070**	**189,995**	**121,711**	**181,493**
REIMBURSEMENT									
47-350-601	FUEL FLOW FEES	27,835	38,712	39,427	32,969	30,132	36,000	21,505	35,310
47-350-602	OTHER	0	0	0	0	0	0	86	0
TOTAL REIMBURSEMENT		**27,835**	**38,712**	**39,427**	**32,969**	**30,132**	**36,000**	**21,591**	**35,310**
INTEREST INCOME									
47-380-601	INTEREST INCOME	14,631	7,425	6,404	2,639	2,661	100	96	100
TOTAL INTEREST INCOME		**14,631**	**7,425**	**6,404**	**2,639**	**2,661**	**100**	**96**	**100**
TRANSFER IN .									
47-390-601		0	378,000	0	0	0	0	0	0
47-390-610	TRANSFER IN	0	50,000	0	0	95,249	0	0	0
TOTAL TRANSFER IN		**0**	**428,000**	**0**	**0**	**95,249**	**0**	**0**	**0**
***** TOTAL REVENUES *****		**769,815**	**1,035,091**	**593,664**	**717,847**	**1,285,693**	**532,592**	**302,173**	**436,903**

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
BUDGET COMPARISON
FOR 2006 - 2012

9/23/2011-2

Expenses		2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved*	2011 YTD Actual Thru 5/31/11	2012 Proposed
SALARIES & BENEFITS									
47-700-101	AIRPORT MANAGER	0	0	0	71,000	76,000	80,000	53,333	80,000
47-700-102	OFFICE PERSONNEL PART TIME	0	0	0	20,908	23,494	25,054	16,792	25,054
47-700-104	AIRPORT MAINTENANCE STAFF	0	0	0	0	0	0 *	0	
47-700-205	OVERTIME	0	0	0	0	0	0	0	
800-003	TEMPORARY EMPLOYEE	0	0	0	0	0	0	0	
800-004	LONGEVITY	0	0	0	0	0	0	0	0
47-700-201	FICA	0	0	0	7,003	7,611	8,037 *	5,349	8,037
800-005	SOCIAL SECURITY	0	0	0	0	0	0	0	0
47-700-203	RETIREMENT	0	0	0	9,296	10,954	11,566 *	7,690	11,566
47-700-202	GROUP INSURANCE	0	0	0	7,996	8,063	15,720 *	5,240	7,860
47-700-204	WORKMAN'S COMP	0	0	0	0	0	7,594	1,638	2,599
TOTAL SALARIES & BENEFITS		**0**	**0**	**0**	**116,203**	**126,122**	**147,971**	**90,043**	**135,116**
AIRPORT									
47-800-008	PROFESSIONAL DEVELOPMENT	0	0	0	5,957	5,070	10,000	2,971	6,000
47-800-009	LOCAL MEETING EXPENSE	0	0	0	67	235	600	221	0
47-800-010	PROFESSIONAL SERVICES	9,403	50,063	17,314	5,513	0	30,000	8,149	10,000
47-800-101	OFFICE SUPPLIES	604	1,140	3,840	2,894	2,180	2,000	654	2,000
47-800-102	SMALL TOOLS AND EQUIPMENT	528	156	1,741	401	523	1,000	4,453	5,000
47-800-103	CHEMICAL AND MEDICAL SUPPLIES	6,586	4,992	6,901	2,516	3,919	4,000	33	4,000
47-800-104	FUEL AND OIL SUPPLIES	0	0	0	490	514	1,340	2,204	4,000
47-800-105	FOOD SUPPLIES	0	43	585	-217	903	600	42	0
47-800-106	JANITORIAL SUPPLIES	0	708	1,253	1,984	2,318	2,400	1,161	2,400
800-107	WEARING APPAREL	0	0	0	0	0		0	0
47-800-107	POSTAGE	586	536	273	205	451	750	37	300
47-800-108	UPS/FED-EX	0	0	0	0	0	0	0	0
800-111	COMPUTER UPGRADE	1,062	3,648	1,800	0	0		0	0
47-800-109	COMPUTER SOFTWARE	4,404	167	0	0	0	0	0	0
47-800-110	SOD, SEED, PLANTING	0	0	349	0	0	0	0	0
47-800-111	VEHICLE PARTS	0	0	0	0	0	0	0	0
47-800-201	LAND	23,478	28,835	25,923	22,992	29,864	47,500	13,632	35,000
47-800-202	BUILDINGS AND STRUCTURES	14,632	29,205	9,676	20,555	33,339	36,000	5,437	10,000
47-800-203	VEHICLE MAINTENANCE	0	200	0	0	667	0	0	0
800-204	PARTS @ CITY GARAGE	0	0	0	654	102		0	0
47-800-204	OFFICE EQUIPMENT	0	488	1,680	1,522	1,820	2,000	1,192	2,000
47-800-205	INSTRUMENTS AND APPARATUS	17,024	7,073	917	8,326	7,492	17,000	3,128	5,000
47-800-206	STREETS & ASPHALT REPAIR	0	354	0	0	0	0	0	0
47-800-207	TRAFFICE CONTROL DEVICES	0	159	142	-659	-331	1,000	367	1,000
47-800-208	TAXIWAYS/RUNWAYS	0	0	0	0	0	0	0	0

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

BUDGET COMPARISON

~~9/23/2011 3~~

FOR 2006 - 2012

Expenses		2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed
47-800-209	REPAIRS-GENERAL	0	0	186	286	0	1,000	429	1,000
800-214	RAMP GRANT MATCH	0	0	0	0	0		0	0
47-800-301	CONTRACT SERVICES	0	0	0	0	0	0	0	0
47-800-302	PROPERTY INSURANCE	0	0	0	0	0	0	0	0
47-800-303	LIABILITY INSURANCE	8,657	10,372	10,745	0	0	0	0	0
47-800-304	SPECIAL SERVICES	0	0	0	0	24,440	0	0	0
47-800-305	EQUIPMENT RENTAL	0	20	72	1,219	276	3,100	1,786	2,500
47-800-306	ADVERTISING	0	794	0	0	0	300	111	300
47-800-307	MANAGEMENT CONTRACT	225,206	223,134	343,545	268,318	251,000	158,524 *	158,524	158,524
47-800-308	REIMBURSE COUNTY EMPLOYEE	0	0	0	96,165	126,122 *	0	0	0
47-800-309	OUTSOURCED SERVICES	0	95,151	0	0	0	0	0	0
47-800-310	CONTINGENCY	0	0	0	0	0	0	0	0
47-800-311	LEGAL SERVICES	0	0	0	0	0	10,000	5,242	10,000
47-800-401	PHONE SERVICE	1,183	3,027	261	624	973	2,700	878	2,400
47-800-402	CELL PHONE SERVICE	0	0	0	0	0	0	0	0
47-800-406	LIGHT AND POWER	8,501	13,082	9,472	6,310	10,598	10,200	7,125	12,000
47-800-403	NATURAL GAS/PROPANE	0	0	0	1,628	0	0	0	0
47-800-404	WATER & SEWER	133	427	336	661	937	750	491	1,000
47-800-405	INTERNET PROVIDER	0	0	0	0	0	1300	0	0
47-800-501	CERTIFICATES, AWARDS, ETC	0	0	0	586	0	0	0	0
47-800-503	DUES AND SUBSCRIPTIONS	0	0	525	851	327	1,185	1,181	1,500
800-503	MOTOR VEHICLE	0	0	19,941	0	0		0	0
47-800-505	OTHER CHARGES	100	4,789	2,540	2,709	2,516	4,800	1,636	0
47-800-507	CONTINGENCY	0	0	10,500	0	16,004	15,000	6,800	5,000
47-800-509	DEPRECIATION EXPENSE	0	0	0	0	0	0	0	
800-510	WATER SYSTEM IMPROVEMENTS	0	666	0	0	0	0	0	0
47-800-511	OTHER EXPENSE	0	0	0	0	0	0	0	0
47-800-513	RESERVE FOR CAPITAL	0	0	0	0	0	0	0	0
47-800-901	TRANSFER OUT - GENERAL	656,407	445,116	50,289	275,350	696,916	0	0	0
47-800-902	TRANSFER OUT - MAINTENANCE	0	0	0	0	0	0	0	0
47-800-903	TRANSFER OUT - ROAD & BR	0	0	0	0	0	0	0	0
TOTAL AIRPORT		**978,494**	**924,345**	**520,804**	**727,907**	**1,219,175**	**365,049**	**227,884**	**280,924**

~~9/23/2011 4~~

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
BUDGET COMPARISON
FOR 2006 - 2012

Expenses		2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed
TERMINAL									
47-801-101	SUPPLIES	0	0	0	0	0	0	0	0
47-801-300	PHONE SERVICES	0	0	1,131	572	575	420	181	420
47-801-301	LIGHT & POWER	0	0	11,851	7,828	10,454	9,600	4,922	11,000
47-801-302	PROPANE GAS	0	0	3,871	825	4,407	5,500	2,863	5,500
47-801-303	WATER & SEWER	0	0	2,510	3,008	2,263	2,500	1,344	3,000
TOTAL 01-TERMINAL		**0**	**0**	**19,362**	**12,234**	**17,699**	**18,020**	**9,310**	**19,920**
***** TOTAL EXPENSES *****		**978,494**	**924,345**	**540,166**	**740,140**	**1,236,875**	**531,040**	**327,237**	**435,960**
REVENUE OVER/(UNDER) EXPENDITURES		**(208,679)**	**110,746**	**53,498**	**(22,293)**	**48,818**	**1,552**	**(25,064)**	**943**
M&O EXPENDITURES		**322,087**	**479,229**	**489,877**	**464,790**	**539,959**	**531,040**	**327,237**	**435,960**
Note:	**Changes approved by Board**								

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
BUDGET COMPARISON
FOR 2006 - 2012

Revenues		2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed
48 - AIRPORT CAPITAL									
Reimbursement									
	CAPITAL GRANTS - TXDOT	0	0	0	0	7,196,490	0	0	0
48-350-100	REIMBURSEMENT FM TX DOT	27,456	1,170	29,046	54,543	54,543	50,000	0	50,000
TOTAL Reimbursement		**27,456**	**1,170**	**29,046**	**54,543**	**7,251,033**	**50,000**	**0**	**50,000**
Intergovernmental									
48-351-100	KERR COUNTY RAMP GRANT M	0	0	0	0	0	25,000	0	25,000
48-351-101	CITY OF KVILLE RAMP GRANT	0	0	0	0	0	25,000	25,000	25,000
48-351-102	KERR COUNTY PROJECT MATCH	0	0	0	0	0	0	0	0
48-351-103	CITY OF KERRVILLE PROJECT MATCH	0	0	0	0	0	0	0	0
TOTAL Intergovernmental		**0**	**0**	**0**	**0**	**0**	**50,000**	**25,000**	**50,000**
Transfers In									
48-500-100	TRANSFER IN - GENERAL	406,807	218,310	0	0	0	6,072	6,072	0
48-500-110	TRANSFER IN - AIRPORT	444,667	50,000	275,000	621,916	376,364	0	0	0
48-500-115	TRANSFER IN	0	0	0	0	0	0	0	0
TOTAL Transfers In		**851,474**	**268,310**	**275,000**	**621,916**	**376,364**	**6,072**	**6,072**	**0**
TOTAL REVENUES		**878,930**	**269,480**	**304,046**	**676,459**	**7,627,397**	**106,072**	**31,072**	**100,000**

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

BUDGET COMPARISON

FOR 2006 - 2012

Expenses		2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed
CAPITAL OUTLAY									
800-201	LAND MAINTENANCE	0	0	49,678	0	0	0	0	0
800-202	BUILDING & STRUCTURE MAINT	0	0	0	0	0	0	0	0
800-405	OTHER CHARGES	0	0	0	150,304	0	0	0	0
48-600-101	LAND	0	0	0	0	0	0	0	0
48-600-102	BUILDINGS AND STRUCTURES	0	18,524	122,390	112,429	112,429	0	0	0
800-507	STREET IMPROVEMENTS	0	94,402	0	0	0	0	0	0
48-600-103	WATER SYSTEM IMPROVEMENTS	0	0	15,798	319,138	296,876	294,480	267,792	0
800-500	CAPITAL OUTLAY	0	0	0	0	7,196,490	0	0	0
48-600-104	GRANT MATCH	0	0	0	0	0	100,000	39,124	100,000
48-600-105	DRAINAGE IMPROVEMENTS	0	0	0	0	0	0	0	0
48-600-106	GRANT MATCH T-HANGAR 2001	0	0	0	0	0	0	0	0
48-600-107	TXDOT REIMBURSE 2000-2001	0	0	0	0	0	0	0	0
48-600-108	RELOCATE 12/30 PARALLEL	0	0	0	0	0	132,852	0	0
48-600-109	ENGINEERING SVCS/DESIGN	0	0	0	0	0	0	0	0
48-600-110	MASTER PLAN	0	0	0	0	0	0	0	0
48-600-111	SURVEYING	0	0	0	0	0	0	0	0
48-600-112	CONTRACT SERVICES	0	14,770	0	19,950	19,950	0	0	0
48-600-113	INSTRUMENTS AND APPARATUS	0	0	0	0	0	0	0	0
48-600-114	REHAB AIRPORT RUNWAY	0	0	0	0	0	0	0	0
48-600-115	SITE PREP FUTURE HANGAR	0	0	0	0	0	0	0	0
800-517	CITY T-HANGAR 2001	0	0	0	0	0	0	0	0
800-518	KERR COUNTY T-HANGAR 2001	0	0	0	0	0	0	0	0
800-519	GRANT MATCH LIGHTING IMPROVE	0	0	0	0	0	0	0	0
800-520	TXDOT REIMBURSEMENT LIGHTING	0	0	0	0	0	0	0	0
800-948	TRANSFER OUT	105,829	2,248	6,374	95,249	0	0	0	0
TOTAL CAPITAL OUTLAY		105,829	129,945	194,240	697,070	7,625,745	527,332	306,916	100,000
TOTAL EXPENDITURES		105,829	129,945	194,240	697,070	7,625,745	533,404	312,988	100,000
REVENUE OVER/(UNDER) EXPENDITURES		773,101	139,536	109,806	(20,610)	1,652	(433,404)	(287,988)	-

Agenda Item:
(Staff)

7A. Water resources report.

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

SUBJECT: Water resources report.

FOR AGENDA OF: Sept. 27, 2011 **DATE SUBMITTED:** Sept. 23, 2011

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES: NA

EXHIBITS:

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

City staff will provide an update to the City Council regarding the status of the city's water supply and production capacity.

RECOMMENDED ACTION

This will be a report for informational purposes only and no action will be required.

Agenda Item:

7B. Budget and economic update.

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

SUBJECT: Kerrville Budget/Economic Update

FOR AGENDA OF: September 27, 2011 **DATE SUBMITTED**: September 15, 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 SEPTEMBER 21, 2011

	Current Month	Previous Month	1 Year Ago	Trend	Current Month
National					
Unemployment	9.10%	9.10%	9.60%	↔	August
Consumer Confidence	44.5	59.2	53.2	↓	August
1 year T-Bills	0.09%	0.09%	0.25%	↓	9/21/11
State					
Monthly Unemployment	8.50%	8.70%	8.30%	↔	August
Monthly Sales Tax	$1,976.8m	$1,859.8m	$1,766.7m	↑	August
Local					
Monthly Unemployment (Kerr Co.)	6.70%	7.00%	6.30%	↔	August
Median Listing Price	$220,000	$220,000	$219,000	↔	9/1/11
Monthly Sales Tax	$358,320	$477,039	$371,074	↓	September
Monthly EIC Tax	$179,133	$238,491	$185,537	↓	September
Monthly HOT	$94,652	$111,096	$98,775	↓	August

	FY11 Budget	FY11 as of 08/31/2011	FY11 % Received	FY10 as of 08/31/2010	FY10 % Received
General Fund					
Tax Revenue	$14,647,100	$14,166,256	96.72%	$13,741,515	91.27%
Property Tax	$8,240,000	$8,248,019	100.10%	$8,151,188	96.25%
Sales Tax	$4,500,000	$4,351,151	96.69%	$4,115,677	89.01%
Permits & Fees	$402,450	$312,809	77.73%	$285,082	76.89%
Intergovernmental	$707,013	$691,154	97.76%	$626,271	90.09%
Service Revenues	$2,578,260	$2,300,916	89.24%	$2,857,796	86.31%
Grant Revenue	$22,571	$27,515	121.90%	$10,525	105.25%
Fines & Forfeitures	$477,710	$522,718	109.42%	$467,412	92.65%
Interest & Misc.	$235,372	$311,548	132.36%	$503,482	109.40%
Transfers In	$1,000,000	$983,075	98.31%	$1,106,910	87.79%
Total General Fund	$20,070,476	$19,315,992	96.24%	$19,598,992	90.45%
Total General Fund Expenditures	$20,070,476	$17,444,474	86.92%	$19,160,615	85.34%
Water/Sewer Fund					
Water Sales	$4,400,000	$4,742,778	107.79%	$3,863,451	6.29%
Sewer Sales	$3,760,000	$3,343,139	88.91%	$3,376,178	7.17%
Other Revenue	$782,124	$899,899	115.06%	$764,207	114.15%
Total Water & Sewer Fund	$8,942,124	$8,985,817	100.49%	$8,003,836	83.12%
Total W&S Fund Expenditures	$9,242,124	$7,857,683	85.02%	$7,573,585	79.93%