AGENDA FOR REGULAR MEETING

KERRVILLE CITY COUNCIL

TUESDAY, SEPTEMBER 25, 2012, 6:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

KERRVILLE CITY COUNCIL AGENDA
REGULAR MEETING, TUESDAY, SEPTEMBER 25, 2012, 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION offered by Reverend Patty Edwards of the Unity Church of the Hill Country.

PLEDGE OF ALLEGIANCE TO THE FLAG led by Cadet Captain Katrina Hisey of the Tivy Air Force Junior Reserve Officer Training Corps.

Those in attendance may stand if they wish.

1. VISITORS/CITIZENS FORUM:
Any citizen with business not scheduled on the agenda may speak to the Council. Prior to speaking, each speaker must fill out the speaker request form and give it to the City Secretary. Council may not discuss or take any action on an item but may place the issue on a future agenda. The number of speakers will be limited to the first ten speakers and each speaker is limited to four minutes.

2. PRESENTATIONS AND RECOGNITIONS:
2A. Proclamation proclaiming the month of October as Crime Prevention Month. (Mayor Pratt)

2B. Proclamation proclaiming October 27 as Halloween Safety Night. (Mayor Pratt)

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 take all actions necessary for each approval:

3A. Minutes of the Kerrville City Council regular meetings held August 14, 2012, and August 28, 2012, and the special joint meeting of the Kerrville City Council and the Kerrville Public Utility Board held on August 20, 2012. (staff)

3B. 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, 2013, or the construction of ten homes, whichever occurs first. (staff)

3C. 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, 2013, or the construction of nine homes, whichever occurs first. (staff)

END OF CONSENT AGENDA

4. ORDINANCES, SECOND AND FINAL READING:

4A. An ordinance adopting the annual budget for the fiscal year 2013; providing appropriations for each department and fund; containing a cumulative clause; and containing a savings and severability clause. (staff)

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 2013; 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)

4C. An ordinance amending in part Ordinance No. 99-18, as amended by Ordinance No. 2000-23, by adopting revised rate schedules for residential services, miscellaneous service charges, and outdoor area lighting for electric service administered by the Kerrville Public Utility Board; containing a cumulative clause; containing a savings and severability clause; and establishing an effective date. (Tracy McCuan, General Manager/CEO, KPUB)

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Opposition to the Aqua Texas, Inc. utility rate increases implemented on February 21, 2012. (Mayor Pratt)

6. ITEMS FOR FUTURE AGENDAS

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 830-258-1117 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 21, 2012 at 10:00 a.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Brenda Craig

City Secretary, City of Kerrville, Texas

7. 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.

8. EXECUTIVE SESSION:

The city council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above 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.

9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

10. 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 830-258-1117 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 21, 2012 at 10:00 a.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Brenda Craig
City Secretary, City of Kerrville, Texas

Agenda Item:

2A. Proclamation proclaiming the month of October as Crime Prevention Month. (Mayor Pratt)

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

SUBJECT: Proclamation – Crime Prevention Month

FOR AGENDA OF: September 25, 2012 **DATE SUBMITTED**: September 12, 2012

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

EXHIBITS: Proclamation

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

Crime and fear of crime destroy our trust in others and in civic institutions, threatening the community's health, prosperity, and quality of life. The vitality of Kerrville, Kerr County, Texas, depends on how safe we keep our homes, neighborhoods, schools, workplaces, and communities. Effective crime prevention programs succeed because of partnerships with law enforcement, other government agencies, civic groups, schools, faith communities, businesses, and individuals as they help to nurture communal responsibility and instill pride. This month provides us an opportunity to work together to make Kerrville, Kerr County, Texas, a safer, stronger, more caring community.

RECOMMENDED ACTION

The Chief of Police recommends that this proclamation be read at the City Council meeting on September 25, 2012.

CITY OF KERRVILLE

MAYOR AND CITY COUNCIL

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

PROCLAMATION

WHEREAS, The vitality of Kerrville, Kerr County, Texas, depends on how safe we keep our homes, neighborhoods, schools, workplaces, and communities; and

WHEREAS, Crime and fear of crime destroy our trust in others and in civic institutions, threatening the community's health, prosperity, and quality of life; and

WHEREAS, People of all ages must be made aware of what they can do to prevent themselves and their families, neighbors, and co-workers from being harmed by crime; and

WHEREAS, People of all ages must be made aware of the dangers of crime and how they can protect themselves from becoming victims; and

WHEREAS, The personal injury, financial loss, and community deterioration resulting from crime are intolerable and require investment from the whole community; and

WHEREAS, Crime prevention initiatives must include self-protection and security, but they must go beyond these to promote collaborative efforts to make neighborhoods safer for all ages and to develop positive opportunities for young people, and

WHEREAS, Adults must invest time, resources, and policy support in effective prevention and intervention strategies for youth, and adults must make sure to engage teens in programs to drive crime from their communities; and

WHEREAS, Effective crime prevention programs succeed because of partnerships with law enforcement, other government agencies, civic groups, schools, faith communities, businesses, and individuals as they help to nurture communal responsibility and instill pride;

NOW, THEREFORE, I, Jack Pratt, Mayor of the City of Kerrville, Texas, do hereby proclaim October 2012 as

"CRIME PREVENTION MONTH"

And announce that the 29TH Annual National Night Out will take place in the City of Kerrville, Texas October 2, 2012, and urge all citizens, government agencies, public and private institutions, and businesses to invest in the power of prevention and work together to make Kerrville, Kerr County, Texas, a safer, stronger, more caring community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Kerrville to be affixed hereto, the ____ day of ____________, 2012.

____

Jack Pratt, Jr., Mayor

Agenda Item:

2B. Proclamation to establish "Halloween Safety Night" between the hours of 6 p.m. to 8 p.m. on Saturday, October 27, 2012. (Mayor Pratt)

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

SUBJECT: Proclamation to establish "Halloween Safety Night" between the hours of 6 p.m. to 8 p.m. on Saturday, October 27, 2012

FOR AGENDA OF: 9/25/2012 **DATE SUBMITTED**: 9/19/2012

SUBMITTED BY: Jack Pratt
Mayor

CLEARANCES:

EXHIBITS: Proclamation

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 DEPARTMENT:

SUMMARY STATEMENT

Halloween falls on Wednesday this year. The traditional activities relating to this holiday center on the youth of our community. In consideration of the safety and wellbeing of or our youth and their families, I would like to proclaim "Halloween Safety Night."

Through this proclamation I call on all citizens to schedule their traditional, youth-oriented activities between the hours of 6 p.m. to 8 p.m. on Saturday, October 27. This will allow the community to fully celebrate Halloween and to ensure that all our little ones may fully enjoy all the excitement and activities of the holiday.

RECOMMENDED ACTION

I recommend proclaiming the hours of 6 p.m. to 8 p.m. on Saturday, October 27, 2012, as "Halloween Safety Night" and request the full support and participation of the entire community.

CITY OF KERRVILLE

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

PROCLAMATION

WHEREAS, October 31, 2012 falls on Wednesday, and if public events are any indication, many area Halloween celebrations take place Saturday night and many area haunted houses and hay mazes will end their seasons that night; and

WHEREAS, Halloween is a fun time of year that offers amusement, joy and good cheer when young and old visit, entertain and become creative throughout the community, and miniature ghosts, goblins, witches and Kerrville's many other bewitching and mysterious creatures emerge each year for Halloween; and

WHEREAS, The City of Kerrville acknowledges the custom, of all manner, of these delightful costumed precious ones to go from house to house on their annual pilgrimage for candy and other treats, heralding their arrival with a jesting "Trick or Treat"; and

WHEREAS, This excitement, on a school day, has the potential to cause unproductive disruptions in our precious ones learning environments, and our children need their undisturbed rest in the evenings and into their school day night, and the safety of these small creatures should be assured by accompanying adults; and

WHEREAS, Kerrville's Public Safety Departments will have fire, ambulance, rescue and police vehicles to be readily available for assistance in case of an emergency, and

WHEREAS Parents are encouraged to accompany children and inspect treats before they are eaten, making sure that all treats are properly protected and homeowners are asked to turn on their porch lights during these hours to assist costumed youth; and

WHEREAS Trick or treaters should remain in familiar neighborhoods, skip houses that do not have porch lights on, wear clothes that are bright in color and not flammable, and use available sidewalks when venturing between houses;

NOW, THEREFORE, I, Jack Pratt, Jr., Mayor of the City of Kerrville, Texas, do hereby condone the rights of these mysterious little pumpkins to ply their trade, perform their little GOBLIN WALKS and proclaim Saturday, October 27, 2012, between the hours of 6:00 p.m. and 8:00 p.m. to be

"HALLOWEEN SAFETY NIGHT"

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Kerrville to be affixed hereto, the ____ day of ________________, 2012.

____
Jack Pratt, Jr., Mayor

Agenda Item:

3A. Minutes of the Kerrville City Council regular meetings held August 14, 2012, and August 28, 2012, and the special joint meeting of the Kerrville City Council and the Kerrville Public Utility Board held on August 20, 2012. (staff)

CITY COUNCIL MINUTES | KERRVILLE, TEXAS
REGULAR MEETING | AUGUST 14, 2012

On August 14, 2012, the Kerrville City Council meeting was called to order by Mayor Pratt at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Heather Mitchell, Minister of Music at First Baptist Church, followed by the Pledge of Allegiance led by Ron Hackett of the Military Officers Association of America.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Carson Conklin	Councilmember
Justin MacDonald	Councilmember

COUNCILMEMBER ABSENT:

Gene Allen	Councilmember

CITY EXECUTIVE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Brenda G. Craig	City Secretary
Kristine Ondrias	Assistant City Manager
Charvy Tork	Interim Director of Information Technology Systems
Mike Erwin	Director of Finance
Robert Ojeda	Fire Chief
David Knight	Police Captain
Kim Meismer	Director of General Operations
Jason Lutz	City Planner

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

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

2. **PRESENTATIONS AND RECOGNITIONS:**

2A. Upper Guadalupe River Authority acknowledgement of the City of Kerrville's contribution to the success of the 9th annual river clean up.
Ray Buck and Tara Bushnoe thanked the city for participating in the river clean up event; 11,000 pounds of trash and recyclables were gathered and disposed of.

3. **CONSENT AGENDA**:

Mr. MacDonald moved for approval of items 3A and 3E; Mr. Conklin seconded the motion and it passed 4-0:
3A. Minutes of the Kerrville City Council meetings held July 3, July 10, and July 19, 2012; and minutes of the City of Kerrville Employee Benefits Trust meeting held July 24, 2012.

3B. Authorize issuance of a junkyard license at 504/506 Peterson.
3C. Resolution No. 26-2012 authorizing the city to participate in Texas CLASS, a local government investment pool, and designating authorized representatives.
3D. Extension of the existing contract with Maxey Energy for bulk fuel and card services through September 30, 2013.
3E. Appoint Guy Bason to the Kerrville Citizen Police Academy Alumni Association Board of Directors.
END OF CONSENT AGENDA

4. ORDINANCE, FIRST READING:
4A. An ordinance annexing an approximate 9.83 acre tract of land out of the F. Rodriguez Survey No. 72, Abstract No. 280, within Kerr County, Texas; said property being located adjacent to the corporate limits of the City of Kerrville, Texas, and being more particularly described as 5623 Highway 27; describing the territory to be annexed; adopting a service plan for the territory annexed; and establishing the zoning for the area annexed. Mayor Pratt read the ordinance by title only.

Mr. Lutz noted the applicant requested annexation and a zoning district that would allow for the manufacturing of production equipment in the oil and gas industry, i.e. storage tanks. City council conducted a public hearing on July 10, and no one spoke. Second reading was scheduled for August 28, 2012.

Mr. Conklin moved for approval of the ordinance on first reading; Mr. MacDonald seconded the motion and it passed 4-0.

5. CONSIDERATION AND POSSIBLE ACTION:
5A. Resolution No. 27-2012 setting forth the ad valorem tax rate to be considered for adoption for the 2012 tax year; and calling a public hearing as required by both the city's charter and state law prior to the adoption of the fiscal year 2013 budget. Mr. Erwin noted the resolution would set the tax rate for FY2013 at $0.5625, the same rate as FY2012, which was below the effective tax rate of $0.5669 by 0.78%. The resolution also calls for a public hearing on the FY2013 budget on September 11.

Mr. Conklin moved for approval of Resolution No. 27-2012; Ms. Keeble seconded the motion and it passed 4-0 on roll call vote as follows:

Aye: Jack Pratt, Stacie Keeble, Carson Conklin, and Justin MacDonald.
Nay: No one.
Absent: Gene Allen.

5B. Allied Waste proposed solid waste rate adjustments for residential collection and landfill/transfer station services.
Mr. Hastings noted that Allied Waste (AW) submitted a notice of intent to adjust solid waste fees based on the consumer price index and the cost of diesel fuel from 2010-2012 in accordance with their contracts with the city; this rate would result in an increase in residential rates of 6.81% and landfill rate of 9.18%. He

recommended approval of the solid waste fee increase and noted the fee schedule to be considered in Item 5C included this increase.

Mr. Hastings noted that AW also requested an extraordinary adjustment of $1.25 per ton based on the Texas Commission on Environmental Quality municipal solid waste reporting and disposal fee. He recommended council deny the extraordinary adjustment as it did not meet the definition and requirements in the agreement. Mr. Hastings noted that AW requested that only the solid waste fee be considered at this time, and AW would make formal presentation of their request for the extraordinary adjustment at a future meeting. He noted that this extraordinary adjustment was not included in the fee schedule in Item 5C.

Rudy Rodriguez, representative of Allied Waste, stated that the November 2006 contract allowed for increases in the solid waste fee based on CPI and fuel adjustments. AW requested an increase that included the CPI and fuel adjustment back to 2010 because AW did not submit their request in 2011 prior to the deadline stated in the November 2006 contract with the city. He requested the extraordinary adjustment be tabled to a future council meeting.

Mr. Hayes noted AW did meet the notice requirements of the contract.

Council questioned whether the cost of diesel fuel was included in the CPI increase. Mr. Rodriguez noted the CPI was not set by industry standard. Recent contracts used the garbage index in the Department of Labor as the industry standard. The fuel charge increased when the transfer station opened due to the cost of fuel to transport trash to San Antonio.

The following person spoke:
1. Jimmie Spradling stated he sorted his recyclables before putting them out for curbside collection, and sometimes AW picked up recyclables in a regular trash collection compactor vehicle instead of the recycle truck where they were sorted. He also questioned if the city received any money for the recyclables.

AW responded that sometimes the recyclables truck was not available and AW had to use the trash collection vehicles, but AW sorted those recyclable materials at the landfill.

Mr. Hastings noted the city received benefit from recycling as the proceeds from curbside collection were split with AW and used to keep the rates down and pay the cost of the service; however, the greatest benefit was in extending the life of the landfill. The recycling center provided some revenue, especially in recycling electronics, but it did not generate a large profit.

Ms. Keeble moved to approve the fees related to CPI and fuel in accordance with the contract, and to table the requested rate increase of $1.25 per ton for extraordinary adjustment; Mr. Conklin seconded the motion and it passed 4-0.

5C. Resolution No. 28-2012 amending the City of Kerrville fee schedule by revising fees charged for various services and uses provided or offered by the city. Mr. Erwin presented the proposed FY2013 fee schedule, and discussed particular items: 1) 40¢ per 1,000 gallons water rate increase; 2) 80¢ per 1,000 gallons sewer rate increase; 3) electronic device deposit—required credit card authorization with valid card to be kept on file; 4) 6.81% increase in residential garbage collection; and 5) 9.18% increase in municipal solid waste rate.

Mr. MacDonald moved for approval of Resolution No. 28-2012 as presented; Mr. Conklin seconded the motion and it passed 4-0.

5D. Construction of new parking lot at the Kerrville-Kerr County Airport. Stephen King, President of the Kerrville-Kerr County Airport Board, requested approval of the construction of a new 48-space parking lot and expansion of the existing parking lot at the airport. He described the project and estimated the cost at $70,500, using funds from the RAMP grant and reserve fund. The airport board would pay for materials, the county would build the parking lot, and the city would pave the new parking lot. The airport board would charge a monthly parking fee, and revenue projections indicated the parking lot would be revenue neutral after the first few years, then the airport board proposed to provide covered parking; thereafter it would provide $17,000-20,000 annual income. The Federal Aviation Administration agreed to the project and geotechnical had been completed.

Ms. Keeble moved for approval of the construction of the new parking lot at the airport as presented; Mr. Conklin seconded the motion and it passed 4-0.

5E. Resolution No. 29-2012, Emergency Services District No. 3 (ESD3) as proposed by petition submitted to Kerr County and which includes the city's limits and its extraterritorial jurisdiction (ETJ).
Mr. Parton presented the resolution and noted the process had been initiated as the result of a citizens' petition to the Kerr County Commissioners' Court (KCCC). KCCC notified the city, and the city had 60 days to respond, August 14, whether to opt the city and/or the ETJ out of the ESD3 election. The proposed resolution provided for the exclusion of the city limits and the inclusion of the ETJ in the ESD3 election.

Mr. Conklin moved to approve Resolution No. 29-2012 withholding the city council's consent to include the city limits within the ESD No. 3. Ms. Keeble seconded the motion and it passed 4-0.

The consensus of the council was to defer action on the consideration of the inclusion or exclusion of the ETJ area to executive session.

5F. Amendments to the golf course advisory board (GCAB).
Mr. Parton proposed that the resolution establishing the GCAB be amended to allow one of the seven members to reside outside the city limits.

Mr. Hayes noted that the City Charter did not prohibit persons outside city limits from serving on city boards.

Mr. Conklin moved to direct staff to prepare a resolution for council's consideration at a future meeting to amend Resolution 037-2009 to allow one person outside the city limits to serve on the GCAB. Mr. MacDonald seconded the motion and it passed 4-0.

6. INFORMATION AND DISCUSSION:

6A. Status of fiscal year 2013 medical plan design offerings for employees and dependents.
Ms. Meismer presented the final medical plans as negotiated with United Health Care. She reviewed the specifics of each plan and noted under the two budget plans (PPO/HRA) there would not be any rate increase to employees; the buy up plan reflected the current plan with a slight increase to employees. She noted that under the Affordable Care Act insurance companies must use at least 85% of health care premiums on services, and no more than 15% of premiums could be used for administrative costs, i.e. salaries, sales, and/or advertising by a company. The city received a small rebate of the premiums paid to Humana in FY2011, and she reviewed ways that the city could distribute those rebates: 1) reduce premium for the upcoming year, or 2) provide individual cash rebates to all employees that were covered by the insurance on which the rebate was given. The rebate was applied toward the FY2013 insurance premium.

6B. Water resources report.
Mr. Hastings noted according to the US Drought Monitor, Kerrville continued to be in severe drought. Kerrville received a total of 3.47 inches of rain June-August and needed 9-12 inches to get out of the drought. The average river flow was 145 cfs and the city was currently below 20 cfs. As a result of the city's new production well coming on line, the city was able to remain in Stage 1; however, without more rainfall, Stage 2 was expected. The ASR was currently at 700 mgd. With the current supply, the city could provide 2 mgd, which was the average daily use in winter months, for one-half year. Long range forecasters predicted September to be 20% above normal rainfall and increased rainfall in the winter.

6C. Budget and economic update.
Mr. Erwin reported a significant increase in hotel occupancy tax from June to July, but 2012 was more than 10% below 2011; sales tax continued to increase monthly, 2012 exceeded 2011 by over 10%; and local unemployment also increased. Revenue exceeded expenditures in both the general fund and the water and sewer fund. Water and sewer fund revenue continued to lag behind due to water restrictions.

7. ITEMS FOR FUTURE AGENDAS: None.

8. ANNOUNCEMENTS OF COMMUNITY INTEREST:

• Mayor Pratt and Mr. Parton advised of a meeting with Lower Colorado River Authority regarding the electric transmission line being constructed on I-10 and efforts to stop or delay the line until the issue of federal tax credits was resolved.

- Mayor Pratt requested citizens beautify Kerrville by removing grass growing in sidewalks, curbs, and asphalt; the city planned to repave streets about every 10 years and grass caused deterioration.
- Carolyn Lipscomb asked that in killing grass people consider using alternative means instead of chemicals because chemicals could end up in the river.
- Mayor Pratt requested that persons who had fences falling down should repair or remove them.
- Mayor Pratt asked that citizens respect the river and our natural resources and not dump trash along the river.
- Mr. Hastings noted TxDOT had completed the resurfacing of Hwy. 173 and it had been restriped to a two lane highway with a continuous left turn lane and bike lane.
- Ms. Keeble noted efforts to keep the VA Hospital in Kerrville were a long term project for the community.
- The city pool would be open August 18 from 2-4 p.m. for dogs and their owners to swim.
- Thanked the police and fire department for helping with Kerrfest August 11-12.

9. EXECUTIVE SESSION:
Mr. MacDonald moved for the city council to go into executive closed session under Section 551.071 of the Texas Government Code; the motion was seconded by Mr. Conklin and passed 4-0 to discuss the following matter:
Section 551.071:

- Emergency Services District No. 3 as proposed by petition submitted to Kerr County and which includes the city's limits and its extraterritorial jurisdiction.

At 7:03 p.m. the regular meeting recessed and council went into executive closed session at 7:07 p.m. At 7:20 the executive closed session recessed and council returned to open session at 7:20 p.m. The mayor announced that no action had been taken in executive session.

10. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:
5E. Resolution No. 29-2012, Emergency Services District No. 3 (ESD3) as proposed by petition submitted to Kerr County and which includes the city's limits and its extraterritorial jurisdiction (ETJ).
Mr. Conklin moved to approve Resolution No. 29-2012 as presented to consent to the inclusion of the city's ETJ within the ESD3; Mr. MacDonald seconded the motion and it passed 4-0.

11. ADJOURNMENT. The meeting adjourned at 7:21 p.m.

APPROVED: ____________ ____________________
Jack Pratt, Jr., Mayor

ATTEST:

____
Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES KERRVILLE, TEXAS
REGULAR MEETING AUGUST 28, 2012

On August 28, 2012, the Kerrville City Council meeting was called to order by Mayor Pratt at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Fern Lancaster, Minister at the Assembly of God Church, followed by the Pledge of Allegiance led by Jimmy Abbatiello, Eagle Scout, Kerrville Troop 311.

COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Gene Allen	Councilmember
Carson Conklin	Councilmember
Justin MacDonald	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
Charvy Tork	Interim Director of Information Technology Systems
Mike Erwin	Director of Finance
Robert Ojeda	Fire Chief
John Young	Police Chief
Kim Meismer	Director of General Operations
Mindy Wendele	Director of Business Programs
Charlie Hastings	Director of Public Works
Malcolm Matthews	Director of Parks and Recreation
Jason Lutz	City Planner

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

1. VISITORS/CITIZENS FORUM

1A. Ruth Spradling expressed concern about halfway houses being established in single family residential neighborhoods and asked council to address regulations, zoning, and permitting.

2. PRESENTATIONS AND RECOGNITIONS:

2A. Proclamation proclaiming the month of September 2012 as National Preparedness Month.

Mayor Pratt presented the proclamation to Fire Chief Ojeda, Fire Captain Dane Gourley, and Police Chief John Young.

3. <u>CONSENT AGENDA</u>:

Mayor Pratt requested item 3B be removed from the consent agenda.

Mr. Conklin moved for approval of items 3A and 3C through 3G ; Mr. MacDonald seconded the motion and it passed 5-0:

3A. Minutes of the regular city council meeting held July 24, 2012.

3C. Resolution No. 30-2012 amending the Golf Course Advisory Board to authorize the appointment of a non-city resident to the board.

3D. Agreement between the City of Kerrville, Texas and the Kerrville Convention & Visitors Bureau, Inc. for use of hotel occupancy tax funds for promoting the Arts Advertising Committee.

3E. Resolution No. 31-2012 authorizing the closure of a portion of State Highway 27 during certain hours for the Kerrville Triathlon Festival 2012.

3F. Contract through TMAS for general office furniture with HON, National, Allsteel, Global and Gateway Furniture for the new city hall in an amount not to exceed $65,000.00.

3G. Resolution No. 32-2012 approving the interlocal cooperation contract with the Texas Department of Public Safety to allow for the city to participate in the failure to appear program.

<u>END OF CONSENT AGENDA</u>

3B. <u>Economic development grant agreement between Nature Blinds, LLC and the City of Kerrville, Texas Economic Improvement Corporation</u>.

Mr. Parton noted that Nature Blinds proposed a business expansion project that would increase their workforce by 73 employees, and expand to a larger building at 2800 Blacksmith Lane. EIC approved the funding agreement to an amount equal to half of the sales tax revenue generated by Nature Blinds for the previous year, not to exceed $100,000 per year for up to seven years, with a total maximum of $500,000. EIC would not make any payment until after performance had been met so there was no risk to EIC. Nature Blinds would also be required to meet city building and fire code requirements at the new location.

Mr. Conklin moved for approval of the agreement; Mr. MacDonald seconded the motion and it passed 5-0.

4. <u>ORDINANCE, SECOND AND FINAL READING</u>:

4A. <u>Ordinance No. 2012- 08 annexing an approximate 9.83 acre tract of land out of the F. Rodriguez Survey No. 72, Abstract No. 280, within Kerr County, Texas; said property being located adjacent to the corporate limits of the City of Kerrville, Texas, and being more particularly described as 5623 Highway 27; describing the territory to be annexed; adopting a service plan for the territory annexed; and establishing the zoning for the area annexed</u>. Mayor Pratt read the ordinance by title only.

Mr. Lutz noted the applicant requested annexation and the planning and zoning commission designated the zoning district of 26-E to allow for the manufacturing of production equipment for the oil and gas industry, i.e. storage tanks and other industrial uses. There had been no changes since council approved the ordinance on first reading on August 14, 2012.

Mr. Conklin moved for approval of Ordinance No. 2012-08 on second and final reading; Mr. Allen seconded the motion and it passed 5-0.

5. CONSIDERATION AND POSSIBLE ACTION:

5A. History center renovation program proposal to the Claribel Deering Charitable Income Trust.
Mr. Parton noted that in 2001 the city accepted the donation of the building and land at 425 Water Street from HEB, and the donation of $125,000 funds from the Claribel Deering Charitable Income Trust to establish and operate a history center. The initial seed money ($125,000) could be used for the building, equipment, and general operation of the center; however, the trust must first approve the expenditure. In addition to the original seed money, the trust also provides $12,000 annually for operation of the center; these funds do not require prior approval of the trust. Mr. Parton suggested submitting a proposal to the trust to use the balance of the original seed money, now at $97,000, for building maintenance and furnishing projects, e.g. elevator installation, furniture repair, and building renovation. The annual meeting of the trust was scheduled for September 21. He noted that the city would also apply for additional local grant funding to complete the project.

Mr. MacDonald moved to authorize staff to present the request to the Claribel Deering Charitable Income Trust; Mr. Allen seconded the motion and it passed 5-0.

5B. Resolution No. 33-2012 to suspend further development of the McCamey-Kendall-Gillespie 345K transmission line under construction by the Lower Colorado River Authority Transmission Services Corporation to place electrical transmission lines relating to the Competitive Renewable Energy Zones (CREZ) project along the Interstate 10 corridor within or adjacent to the city's limits.
Mr. Parton noted that State Representative Harvey Hilderbran submitted a letter to the Texas Public Utility Commission to suspend construction of the CREZ line due in part to US Congress' failure to extend the wind energy tax credit due to expire the end of 2012. Without the wind tax credit, the construction of wind energy may not be economically viable, and the line would be underutilized as current infrastructures were operating at only 55% capacity. The proposed resolution mirrored the resolution the city previously submitted to PUC. He proposed contacting neighboring communities to encourage their support to suspend construction of the line.

Mr. Allen moved to approve Resolution No. 33-2012; Mr. Conklin seconded the motion and it passed 5-0.

5C. Request For Proposals (RFP) and process for the sale of the Kerrville City Hall located at 800 Junction Highway, Kerrville, Texas, and direction to city staff regarding the sale or lease of the business programs building located at 715

Water Street, Kerrville, Texas.
Mr. Parton noted the city had anticipated completing the move to the new city hall at 701 Main Street by the end of September; however the schedule had been moved to mid-October. The city council previously approved a time line that would initiate the request for proposals process in September and consideration of proposals in February 2013 for the sale of the existing city hall property at 800 Junction Highway. He proposed that the RFP process be delayed to allow city council to consider proposals in February 2013.

Mr. Parton also requested direction regarding the city's building at 715 Water Street. He noted in 2010 the city solicited proposals for the purchase of the building; however, no bids were received. He also noted that the owners of the Arcadia Theater had the right of first refusal. The city recently received notice from the Kerr Economic Development Corporation expressing interest in leasing the building.

The following person spoke:
1. Jonas Titus, executive director of KEDC, noted they were in the process of developing their budget for 2013 and would like to have the opportunity to discuss what the terms for the building might be.

The consensus of the council was: 1) Extend the start of the RFP process for the sale of the 800 Junction Highway property for two months with consideration of proposals received by the end of February; 2) Authorize staff to contact the owners of the Arcadia Theater to determine their interest in purchasing the 715 Water Street property; and 3) Authorize staff to explore lease options for the 715 Water Street property.

5D. Applications to the City of Kerrville, Texas Economic Improvement Corporation (EIC) to request funding for improvements to the Kerrville Schreiner Golf Course, downtown wireless system installation, and soccer field improvements. Mr. Parton noted on July 24 the city council deferred action on these three applications and instructed staff to prepare a cash flow analysis and economic impact on the EIC budget. Staff completed the analysis, and he recommended EIC fund the golf course improvements and downtown wireless in FY 2013, and fund the soccer improvements in FY2014; this funding schedule would allow EIC to retain adequate funds for other economic development projects and opportunities that may arise.

Council reviewed EIC's current projects and budget and noted that EIC requested to have two meetings a year with city council.

Ms. Keeble moved that city council direct staff to submit funding requests for the golf course improvements and downtown wireless project for FY2013, plan to submit a funding request for the soccer improvements for FY2014, and schedule routine workshops to identify and prioritize matters of mutual interest. Mr. Conklin seconded the motion and it passed 5-0.

6. <u>INFORMATION AND DISCUSSION</u>:

6A. Report on KEDC activities. Mr. Conklin reported on the following:

- Fox Tank Company: possible expansion of their new facility to construct fiberglass tanks, potential of creating15 new positions.
- Culligan Water Company: possible expansion of facility; looking at incentives.
- Kerrville State Hospital: retention; working to maintain existing facility and jobs, 536 employees, with total wages of $1.5 million monthly; look at ways the city and community can support KSH.

6B. River trail update.
Mr. Matthews reported the construction of the concrete trail between Riverside Nature Center and Tranquility Island in Louise Hays Park was 50% complete. Metes and bounds for the trail easements from LHP to Kerrville Schreiner Park were being prepared for about 12 properties and should be complete in about three weeks. Staff was looking at ways to connect the river trail to KSP and still maintain security for KSP. Staff anticipated the dedication of the first part of the river trail in early November. Council requested that staff include dates on future printed reports.

6C. Budget and economic update.
Mr. Erwin noted sales tax for August 2012 had risen over 13% above August 2011; hotel occupancy tax continued to fall; revenue exceeded expenditures in both the general fund and the water and sewer fund.

7. BOARD APPOINTMENTS:

7A. Appointment to the library advisory board.
Mr. MacDonald moved to appoint T. Scott Gross with term to expire November 22, 2013; the motion was seconded by Mr. Allen and passed 5-0.

7B. Appointments to the Kerrville-Kerr County Joint Airport Board.
The council noted that Mr. Moser was currently running unopposed for county commissioner on the November 6 ballot, and upon taking his oath, he would be resigning from the airport board; however, he wished to be reappointed to the airport board until that time.

Mr. Conklin moved to reappoint Tom Moser and Roger "Corey" Walters, and to appoint William "Bill" Wood, all with terms to expire June 1, 2014. Mr. MacDonald seconded the motion and it passed 5-0.

8. ITEMS FOR FUTURE AGENDAS: None.

9. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Drive safely during the holiday; city hall would be closed on Labor Day.
- Condolences to the family of Scott Belt, a local flight instructor, and the family of Bobby Luker, Jr., student pilot, who died in a plane crash on August 26.

10. <u>EXECUTIVE SESSION</u>: None. Although a personnel issue had been posted for executive session, the consensus of the council was not to go into executive session to hear an appeal on a personnel matter as personnel issues were the responsibility of the city manager pursuant to the City Charter.

11. <u>ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION</u>: None.

12. <u>ADJOURNMENT</u>. The meeting adjourned at 7:07 p.m.

APPROVED: ____________

____
Jack Pratt, Jr., Mayor

ATTEST:

____
Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES OF A JOINT MEETING WITH KERRVILLE PUBLIC UTILITY BOARD

KERRVILLE, TEXAS
AUGUST 20, 2012

On Monday, August 20, 2012, at 11:30 a.m. the Kerrville City Council meeting was called to order by Mayor Jack Pratt, and the KPUB meeting was called to order by Chairman John Sample, at the Kerrville Public Utility Board Conference Room, 2250 Memorial Blvd., Kerrville, Texas.

CITY COUNCILMEMBERS PRESENT:

Jack Pratt	Mayor
Stacie Keeble	Mayor Pro Tem
Gene Allen	Councilperson
Carson Conklin	Councilperson
Justin MacDonald	Councilperson

CITY COUNCILMEMBERS ABSENT: None

KPUB TRUSTEES PRESENT:

John Sample	Chairman
Fred Gamble	Vice Chairman
Stephen Fine	Secretary
Philip Stacy	Treasurer
Jack Pratt	

KPUB TRUSTEES ABSENT: None

CITY STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Brenda G. Craig	City Secretary

KPUB STAFF PRESENT:

Tracy McCuan	Interim General Manager
Lidia Goldthorn	Executive Assistant
Scott McGough	Chief Financial Officer
Mike Wittler	Chief Operating Officer
Gerald Bryla	Controller
Dwaine Machann	Legal Counsel
Gaines Griffin	Legal Counsel
Mark Beauchamp	Utility Financial Consultant

MOTION TO RECESS THE PUBLIC MEETING AND RECONVENE IN AN EXECUTIVE CLOSED SESSION FOR CONSULTATION WITH ATTORNEY

At 11:40 a.m. Ms. Keeble moved for the city council to go into executive closed session under Section 551.071 (consultation with attorney) of Chapter 551 of the Texas

Government Code; the motion was seconded by Mr. Allen and passed 5-0 to discuss the following matter:

- Litigation between the Lower Colorado River Authority (LCRA) and the City of Kerrville acting by and through the Kerrville Public Utility Board—Cause No. D-1-GN-12-002156 in the 261st Judicial District, Travis County, Texas, styled 'Lower Colorado River Authority v. City of Georgetown, Texas et al.'

At 11:40 a.m. Mr. Fine moved for the KPUB board to go into executive closed session under Section 551.071 (consultation with attorney) of Chapter 551 of the Texas Government Code; the motion was seconded by Mr. Stacy and passed 5-0 to discuss the above listed mater.

At 11:41 a.m., the regular meeting recessed and Council and KPUB went into executive closed session. At 1:16 p.m., the executive closed session ended and Council and KPUB returned to open session at 1:16 p.m. The mayor and chairman announced that no action had been taken in executive session.

ADJOURNMENT: The meeting adjourned at 1:16 p.m.

APPROVED: ___________________

____
Jack Pratt, Mayor

____
Brenda G. Craig, City Secretary

Agenda Item:

3B. 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, 2013, or the construction of ten homes, whichever occurs first. (staff)

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. 25, 2012 **DATE SUBMITTED**: Sept. 19, 2012

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES:

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

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 DIRECTOR OR FINANCE:

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 significant savings estimated at up to $20,000.00 for the year. The resolution presented replaces a similar resolution passed in September, 2011.

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, 2013, or through the construction of twelve 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.

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. ____-2012

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, 2013, 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, 2013, 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., 2012.

Jack Pratt, Jr., Mayor

ATTEST:

Brenda G. Craig, City Clerk

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

L:\LEGAL\DEVELOPMENT SERVICES (PLANNING)\RESO\ICHOC FEE WAIVER 092512.DOC

Hill Country Home Opportunity Council Inc.

September 19, 2012

City Council – City of Kerrville
800 Junction Highway
Kerrville, TX 78028
RE: Waiver of Fees

Dear City Council, City of Kerrville, TX:

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 homes 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 the low-income and moderate-income people in Kerrville, Texas. With purchase of our new property on Pinto Trail, for the use of affordable housing, 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 twelve homes built between October 1, 2012 and September 30, 2013. Thank you for your time and consideration.

Sincerely,

Teresa Offutt

Teresa Offutt
Executive Director
Hill Country Home Opportunity Council, Inc.
550 Earl Garrett Street, Suite 111
Kerrville, TX 78028

Agenda Item:

3C. 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, 2013, or the construction of nine homes, whichever occurs first. (staff)

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

SUBJECT: **Resolution, Waiver of Development Fees Request** – Consider a resolution to waive property development fees for the Habitat for Humanity Kerr County Affiliate, Inc.

FOR AGENDA OF: Sept. 25, 2012 **DATE SUBMITTED**: Sept. 20, 2012

SUBMITTED BY: Jason Lutz **CLEARANCES:** Kristine Ondrias

EXHIBITS: Letter of request from Habitat for Humanity Kerr County Affiliate, Inc.

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 DIRECTOR OF FINANCE:

SUMMARY STATEMENT

Habitat for Humanity Kerr County Affiliate, Inc. has requested that the City of Kerrville waive the payment of various fees related to the development of property through their program. This resolution presented replaces a similar resolution passed in September, 2011.

The resolution presented allows for:

- A general exemption of development fees, including planning/platting fees, building permit fees, and parkland dedication fees, and
- Allows this exception to run through September 30, 2013.

The resolution presented does not:

- Waive any fee related to utility service or connection, nor release Habitat for Humanity Kerr County Affiliate, Inc., 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 the resolution as presented.

Habitat for Humanity®
Kerr County Texas

Building houses, building hope

September 20, 2012

City Council-City of Kerrville
800 Junction Hwy
Kerrville, TX 78028

RE: Waivers of Fees

Habitat for Humanity Kerr County has had a long and satisfying relationship with the City of Kerrville during our 23 years of existence. The City has been kind enough to waive permit fees related to the construction of affordable homes in this community for low-income families. Instead of taking city staff and Council time to consider a waiver for each individual single family home construction, it has been more efficient to request a waiver for the amount of lots intended for construction in a given year. Therefore, we are requesting the 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 9/30/2013.

Thank you for your consideration of this request.

Karen Quanstrom

Karen Quanstrom
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. ____-2012

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, 2013, OR THE CONSTRUCTION OF NINE 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 nine 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, 2013, or with the construction of nine 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 nine 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., 2012.

____
Jack Pratt, Jr., 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 092512.DOC

Agenda Item:

4A. An ordinance adopting the annual budget for the fiscal year 2013; providing appropriations for each department and fund; containing a cumulative clause; and containing a savings and severability clause. (staff)

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

SUBJECT: Second and Final Reading of Ordinance to Adopt Budget for FY13

FOR AGENDA OF: September 25, 2012 **DATE SUBMITTED**: September 13, 2012

SUBMITTED BY: Mike Erwin
Director of Finance

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Ordinance, Schedules A, B and C, Proposed to Adopted Changes Spreadsheet

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 FY13 proposed budget was presented to the City Council in a series of budget workshops beginning on July 24, 2012 and ending August 14, 2012.

The FY13 proposed budget totals \$52,033,032 in revenues and \$50,043,664 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 approval of the ordinance on second and final reading to adopt the budget for FY13 as illustrated in Schedules A, B and C.

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2012-_____

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2013; 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 24, 2012, a proposed budget for the City of Kerrville, Texas, for the fiscal year beginning October 1, 2012, and ending September 30, 2013; 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 11, 2012, 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 2013, 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, 2012, 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 2013, 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 11th **day of** September**, A.D., 2012.**

PASSED AND APPROVED ON SECOND AND FINAL READING, this the ______ day of ________________, A.D., 2012.

____
Jack Pratt, Jr., Mayor

ATTEST:

____
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

____
Michael C. Hayes, City Attorney

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FY2013 Proposed to Approved Budget Changes - EIC							
Date	Line Item #	Line Item Name	Department	Original Amount	Amount after change	Amount Changed	Reason for Changed
8/27/2012	40-975-01	Category I - Business Development	NonDepartment	$0.00	$200,000.00	$200,000.00	Add new revolving Loan Fund
8/28/2012	40-975-01	Category I - Business Development	NonDepartment	$0.00	$500,000.00	$500,000.00	Add new ED Set Aside
8/29/2012	40-975-01	Category I - Business Development	NonDepartment	$338,000.00	$378,961.00	$40,961.00	Increase Unspecified
8/29/2012	40-975-02	Category II - Quality of Life	NonDepartment	$477,000.00	$0.00	-$477,000.00	Eliminate Soccer Complex Improvement Project
8/29/2012	40-975-03	Category III - Public Infrastructure	NonDepartment	$338,000.00	$500,000.00	$162,000.00	Increase Unspecified
8/29/2012	40-975-03	Category IV - Contingency	NonDepartment	$500,000.00	$0.00	-$500,000.00	Eliminate contingency
					Net Total Change	-$74,039.00	

FY2013 Proposed to Approved Budget Changes - Capital Project							
Date	Fund	Project Name	Funding Source	FY13 Original Amount	FY13 Amount after change	Amount Changed	Reason for Changed
8/28/2012	71	Knapp Lift Station Expansion	W/S Operation	$0.00	$0.00	$0.00	Move from FY14 to FY17
8/28/2012	71	New Legion Basin 24" Interceptor	W/S Operation	$0.00	$0.00	$0.00	Move from FY16 to Future Funding
8/28/2012	71	Quinlan Basin 15" Interceptor	W/S Operation	$0.00	$0.00	$0.00	Move from FY17 to Future Funding
8/28/2012	71	Clearwell at WTP	W/S Debt	$2,706,000.00	$0.00	-$2,706,000.00	Move from FY13 to Future Funding to be paid through W/S Operation funding source.
8/28/2012	71	Reconstruction of Road Surface at Wastewater Treatment Plant	W/S Operation	$0.00	$0.00	$0.00	Eliminate future funding.
8/28/2012	71	Redirect Broadway Force Main	W/S Operation	$0.00	$0.00	$0.00	Move from FY15 to Future Funding
8/28/2012	71	Stadium Pump Station Expansion	W/S Operation	$0.00	$0.00	$0.00	Reduce from $1,110,000 to $555,000 and move from FY15-16 to Future Funding.
8/28/2012	71	12" Water Line from Meadowview Well	W/S Operation	$0.00	$0.00	$0.00	Move from FY14 to FY15 and from W/S Debt funding source to W/S operation funding source.
8/28/2012	71	Oxidation ditch rehab - WWTP	W/S Operation	$0.00	$0.00	$0.00	New project added for FY14
8/28/2012	75	Soccer Complex Improvement Project	EIC Sales Tax	$477,000.00	$0.00	-$477,000.00	Eliminate project
8/28/2012	71	Additional Clarifier at WWTP	W/S Debt	$0.00	$2,218,000.00	$2,218,000.00	New Project added for FY13
8/28/2012	71	Rehab Clarifier 3 at WWTP	W/S Debt	$0.00	$492,000.00	$492,000.00	New Project added for FY13
8/28/2012	71	Upgrade Electrical System at WWTP	W/S Debt	$0.00	$1,413,000.00	$1,413,000.00	New Project added for FY13
8/28/2012	71	Project Contingency	W/S Debt	$0.00	$1,587,000.00	$1,587,000.00	New Project added for FY13
8/28/2012		Library Phase 2 - Basement	Donations	$0.00	$300,000.00	$300,000.00	New Project added for FY13
8/28/2012		History Center - Library Phase 3	Donations	$0.00	$97,000.00	$97,000.00	New Project added for FY13
8/28/2012	71	New Jefferson Lift Station & New Force Main to G Street Interceptors	W/S Debt	$4,290,000.00	$2,790,000.00	-$1,500,000.00	Transfer $1,500,000 funding to Riverhill/Ridgewood storage tank transmission water line.
8/28/2012	71	Riverhill/Ridgewood Storage Tank Transmission Water Line	W/S Debt	$0.00	$1,500,000.00	$1,500,000.00	Increase funding from Water/Sewer Debt.
					Net Total Change	$2,924,000.00	

Budget Amendments - Capital Projects							
Date	Fund	Project Name	Funding Source	Original Amount	Amount after change	Amount Changed	Reason for Changed
8/28/2012	71	New Jefferson Lift Station & New Force Main to G Street Interceptors	W/S Debt	$644,500.00	$2,144,500.00	$1,500,000.00	Increase funding - 1) $1,500,000 (bond portion) moved from Riverhill/Ridgewood Storage Tank Transmission Water Line project
8/29/2012	71	Riverhill/Ridgewood Storage Tank Transmission Water Line	W/S Debt	$3,000,000.00	$1,500,000.00	-$1,500,000.00	Decrease funding - Move $1,500,000 bond portion to New Jefferson Lift Station & New Force Main project
					Net Total Change	$0.00	

Schedule A

"SCHEDULE A" - FY 2013	General/Special Revenue Funds											
	General Fund						Special Revenue Funds					Debt Service Fund
	General	Police Special Program	Insurance Reserve	General Asset Replace.	Landfill	Landfill Closure	Hotel Tax	HOT Reserve	History Center	Library Memorial	Grant Fund	General Debt
Available Fund Balance -FY 11 CAFR	$3,753,915	$92,144	$144,687	$150,292	$152,658	$1,324,401	$107,728	$652,009	$114,793	$414,494		$1,147,533
FY 12 Budgeted Use of Fund Balance	-$400,000	$10,000	$51,771	$0	$66,062	$5,514	$0	$0	$2,520	$414,494		$0
FY 13 Est. Beginning Available Fund Balance	$4,153,915	$82,144	$92,916	$150,292	$86,735	$1,318,887	$107,728	$652,009	$112,273	$0	$0	$1,147,533
Revenues												
Property Tax	$8,050,000											$1,200,000
Sales Tax	$4,650,000											
Other Taxes	$2,039,900						$835,000					$15,000
Permits & Fees	$324,975											
Intergovernmental	$1,191,000		$0		$0							
Services	$2,411,850				$42,200				$300			
Grants	$29,500	$0			$0			$0		$0	$150,000	
Fines & Forfeitures	$506,618											
Interest & Miscellaneous	$240,650	$7,000	$50,000	$700	$360,000	$320,635	$100	$2,000	$12,250	$37,000	$0	$3,000
Transfers In	$1,250,000		$0	$300,000	$0		$0				$0	$252,135
Planned Use of Fund Balance		$29,000	$92,916		$0			$0	$0			
Total Revenues	$20,894,703	$36,000	$142,916	$300,700	$402,200	$320,635	$835,100	$2,000	$12,550	$37,000	$150,000	$1,470,135
Expenditures												
General Non-Departmental	$382,135											
City Council	$7,006											
City Secretary	$145,455											
City Attorney	$261,474											
City Administration	$337,612											
Human Resources	$298,022											
Finance	$351,280											
Information Technology	$663,234											
Municipal Court	$556,514											
KSP	$370,215											
Police	$4,813,182											
Fire	$3,743,916											
Fire Marshal	$164,201											
EMS	$2,556,953											
Planning	$133,711											
Building Inspections	$336,125											
Code Compliance	$120,207											
Business Programs	$190,618											
Tennis Center	$30,300											
Pool	$102,176											
Parks Maintenance	$782,842											
Recreation	$132,437											
Engineering	$355,460											
Public Works	$2,054,602											
Library	$571,574											
General Operations	$1,104,633											
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		$35,450										
Parkland Dedication												
Flexible Spending												
Kerrville-Schreiner Park												
Golf Course - Non-Dept.												
Golf Course - Maintenance												
Golf Course - Pro Shop												
Library Memorial										$30,000		
HOT Reserve								$0				
General Asset Replace.				$300,000								
Water/Sewer Asset Replace.												
Hotel Occupancy Tax							$835,000					
Landfill/Recycling					$340,727							
Landfill Closure												
Landfill Post Closure												
Economic Improvement												
Economic Improve. Debt												
Airport Terminal												
General Fund Debt												$1,426,124
Water and Sewer Debt												
433 Water Street												
History Center									$12,550			
General CIP												
Water and Sewer CIP												
EIC CIP												
Grant Fund											$150,000	
Insurance Reserve			$50,000									
Main Street	$28,800											
Main Street - Promotions												
Total Expenditures	$20,594,703	$35,450	$50,000	$300,000	$340,727	$0	$835,000	$0	$12,550	$30,000	$150,000	$1,426,124
Excess (Deficiency) of revs. vs. exps.	$300,000	$550	$92,916	$700	$61,473	$320,635	$100	$2,000	$1	$7,000	$0	$44,011
FY 13 Est. Ending Balance	$4,453,915	$53,694	$97,916	$150,992	$148,269	$1,639,522	$107,828	$654,009	$112,274	$7,000	$0	$1,191,544
FY 13 Fund Balance Reserve Target	$5,148,676	$8,863	$12,500	$75,000	$85,182	$0	$208,750	$0	$3,137	$7,500	$37,500	$1,426,124
Fund Balance Over/(Under) Reserve	-$694,760	$44,832	$50,416	$75,992	$63,087	$1,639,522	-$100,922	$654,009	$109,136	-$500	-$37,500	-$234,581

"SCHEDULE A" - FY 2012	Enterprise Funds												
	Water Fund				Golf	Internal Service Funds		Capital Project Funds			Component Unit		
	Water/Sewer	Water/Sewer Asset Replace	Water/Sewer CIP	Water and Sewer Debt	Golf Course	Garage	Employee Benefit Trust Fund	Parkland Ded	General CIP	Total - All Funds '	EIC	EIC Debt Service	EIC CIP
Available Fund Balance -FY 11 CAFR	$3,135,313	$236,063	$0	$1,364,303	-$175,157	$51,774	$458,833	$75,556	$0	$13,242,570	$1,761,102	$411,596	
FY 12 Budgeted Use of Fund Balance	$1,676,426	$0	$0	-$750,000	$0	$0	$0	$0	$0	$1,076,787	$0	$0	
FY 13 Est. Beginning Available Fund Balance	$1,459,887	$236,063	$0	$2,114,303	-$175,157	$51,774	$458,833	$75,556	$0	$12,165,783	$1,761,102	$411,596	
Revenues													
Property Tax										$9,250,000			
Sales Tax										$4,850,000	$2,425,000		
Other Taxes										$2,889,900			
Permits & Fees								$0		$324,975			
Intergovernmental							$3,200,000			$4,391,000			
Services	$8,836,000			$1,805,000		$341,093			$0	$13,436,453			
Grants									$0	$179,500			
Fines & Forfeitures										$506,616			
Interest & Miscellaneous	$189,500	$1,000	$10,000,000	$5,000	$536,500	-$90,000	$0	$0	$0	$12,035,535	$5,000	$0	
Transfers In	$0	$100,000	$220,000	$1,800,000	$0				$0	$3,922,135	$0	$505,000	$1,008,141
Planned Use of Fund Balance						$0	$125,000			$245,916	$1,261,102		
Total Revenues	$9,025,500	$101,000	$10,220,000	$3,610,000	$536,500	$251,093	$3,325,000	$0	$0	$52,033,032	$3,691,102	$505,000	$1,008,141
Expenditures													
General Non-Departmental										$397,135			
City Council										$7,005			
City Secretary										$145,455			
City Attorney										$261,474			
City Administration										$397,612			
Human Resources										$293,022			
Finance										$351,260			
Information Technology										$653,234			
Municipal Court										$356,514			
KSP										$370,215			
Police										$4,833,182			
Fire										$3,743,916			
Fire Marshal										$164,201			
EMS										$2,556,563			
Planning										$133,711			
Building Inspections										$335,125			
Code Compliance										$120,207			
Business Programs										$190,618			
Tennis Center										$30,300			
Pool										$102,176			
Parks Maintenance										$782,842			
Recreation										$132,437			
Engineering										$365,460			
Public Works										$2,064,602			
Library										$671,574			
General Operations										$1,104,633			
Water/Sewer Non-Depart.	$3,370,000									$3,370,000			
Water Records	$513,095									$513,095			
Utility Administration	$351,002									$351,002			
Water Production	$1,460,528									$1,460,528			
Utility Construction	$810,716									$810,716			
Utility Information Sys	$0									$0			
Wastewater	$1,728,577									$1,728,577			
Utility Laboratory	$267,121									$267,121			
Water/Sewer Gen Ops.	$330,200									$330,200			
Garage - Non-Department.						$0				$0			
Garage						$249,999				$249,999			
Employee Benefit Trust Fund							$3,313,000			$3,313,000			
Police Special Programs										$35,450			
Parkland Dedication								$0		$0			
Flexible Spending										$0			
Kerrville-Schreiner Park										$0			
Golf Course - Non-Dept.					$5,500					$5,900			
Golf Course - Maintenance					$534,689					$534,689			
Golf Course - Pro Shop					$336,018					$336,018			
Library Memorial										$30,000			
HOT Reserve										$0			
General Asset Replace.										$300,000			
Water/Sewer Asset Replace.		$100,000								$100,000			
Hotel Occupancy Tax										$835,000			
Landfill/Recycling										$340,727			
Landfill Closure										$0			
Landfill Post Closure										$0			
Economic Improvement										$0	$3,691,102		
Economic Improve. Debt										$0		$499,248	
Airport Terminal										$0			
General Fund Debt										$1,426,124			
Water and Sewer Debt				$2,657,263						$2,657,263			
433 Water Street										$0			
History Center										$12,550			
General CIP									$0	$0			
Water and Sewer CIP			$10,220,000							$10,220,000			
EIC CIP													$1,008,141
Grant Fund										$150,000			
Insurance Reserve										$50,000			
Main Street										$23,600			
Main Street - Promotions										$0			
Total Expenditures	$8,851,239	$100,000	$10,220,000	$2,657,263	$877,608	$249,999	$3,313,000	$0	$0	$50,043,664	$3,691,102	$459,248	$1,008,141
Excess (Deficiency) of revs. vs. exps.	$174,261	$1,000	$0	$952,737	$18,892	$1,094	$12,000	$0	$0	$1,989,368	$0	$5,753	$0
FY 13 Est. Ending Balance	$1,634,148	$237,063	$0	$3,067,040	-$156,265	$52,868	$385,833	$75,556	$0	$13,908,235	$500,000	$417,349	$0
FY 13 Fund Balance Reserve Target	$2,212,810	$25,000	$0	$2,657,263	$219,402	$62,500	$828,250	$0	$0	$13,018,457	$500,000	$124,812	
Fund Balance Over/(Under) Reserve	-$578,662	$212,063	$0	$409,776	-$375,667	-$9,632	-$442,417	$75,556	$0	$889,778	$0	$292,537	

Schedule B

General Capital Improvement Projects - Fund 70

G/L Project Number	Project Name	Funding Sources: General Fund	WS Fund	EIC Fund	Other Funds	Grants	Bonds	Cash Deposited To Date	Project Expense To Date	Cash Balance To Date	Bond Issuance Date	Unspent Bond Proceeds
B03	Art in Public Places				98,553.22			98,553.22	97,241.12	1,312.10		
B04	Louise Hays/Lehman & Monroe Park			2,000,000.00			2,000,000.00	2,000,000.00		2,000,000.00	2012	2,000,000.00
B05	River Trail A-F						5,250,000.00	5,250,000.00	9,408.00	5,240,592.00	2011A/2012	5,240,592.00
B07	Wayfinding Sign Project				20,000.00			20,000.00		20,000.00		
G27	River Trail Phase 1				25,000.00		500,000.00	525,000.00	273,227.79	251,772.21	2002	226,772.21
G65	Facilities Master Plan	37,500.00			62,500.00			100,000.00	77,007.81	22,992.19		
G74	Park Improvements				193,177.05		200,000.00	410,493.42	392,570.62	17,922.80		
G82	GIS Aerial Photo & Plan							120,000.00	114,944.71	5,055.29		
G84	Remedial Drainage Program						500,000.00	500,000.00	188,983.70	311,016.30	2009	311,016.30
G87	Rivertrail Phase 2 & 3				9,683.63			9,683.63	9,683.63	0.00		
G88	New City Hall		1,000,000.00		19,233.36		2,100,000.00	3,119,233.36	2,107,081.95	1,012,151.41	2009	0.00
G95	Library Renovation				585,360.83	1,777,157.00		2,362,517.83	2,218,825.69	143,692.14		
G96	Library Furniture	26,500.00			200,000.00			226,500.00	227,880.71	-1,380.71		
								14,741,981.46	5,716,855.73	**9,025,125.73**		**7,778,380.51**
							G/L Cash Balance	8/24/2012		8,814,258.04		

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Water and Sewer Capital Improvement Projects - Fund 71

G/L Project Number	Project Line item Number	Project Name	Approved Project Budget	W/S Fund	EIC Fund	Other Funds	Grants	TXDOT	Bonds	Project Cash Deposited To Date	Project Project Expense To Date	Project Cash Balance To Date	Bond Issuance Date	Unspent Bond Proceeds
				Funding Sources										
W01	71-10010	ASR Well #3	1,347,908.00		44,908.00				1,303,000.00	1,347,908.00	528,965.84	818,942.16	2002	774,034.16
W65	71-07007	Water Supply Acquisition	130,665.00	95,665.00						130,665.00	103,898.97	26,766.03		
W67	71-08001	Meter Replacement	2,733,795.00	533,795.00					2,200,000.00	2,733,795.00	2,722,829.08	10,965.92	2010	-
W70	71-08005	High Service Pump-River Hill	380,000.00						380,000.00	380,000.00	356,023.71	23,976.29	2008	23,976.29
W75	71-09002	Birkdale Lift Station	730,000.00						730,000.00	730,000.00	615,972.80	114,027.20	2009	114,027.20
W78	71-09005	I & I Construction 2009	1,125,604.28						1,825,604.28	1,825,604.28	1,681,507.73	144,096.55	2012	144,096.55
W80	71-09007	WTP Improvements-Clearwell	214,000.00						214,000.00	214,000.00	179,470.80	34,529.20	2009	34,529.20
W82	71-09009	Production Well-Methodist Enc	1,300,057.00			417,057.00 see notes			215,000.00	1,300,057.00	1,011,039.59	289,017.41	2010	
W92	71-11001	Jefferson Lift Station	2,244,500.00	100,000.00					2,144,500.00	744,500.00	108,855.31	635,644.69	2012	2,035,644.69
W93	71-11002	Ridgewood Transmission Line	1,600,000.00	100,000.00					1,500,000.00	3,100,000.00	131,245.12	2,968,754.88	2012	1,368,754.88
W94	71-11003	W/WW Master Plan	200,000.00						200,000.00	200,000.00	113,574.24	86,425.76	2010	
W96	71-11005	Birkdale Lift Station/Force Main	6,300,000.00						6,300,000.00	6,300,000.00	401.50	6,299,598.50	2011	6,299,598.50
W98	71-11007	G Street Interceptor	2,360,900.00						2,360,900.00	2,360,900.00	179,372.00	2,181,528.00	2011	2,181,528.00
												0.00		
			20,667,429.28							21,367,429.28	7,733,156.69	13,634,272.59		12,976,189.47
								G/L Cash Balance Fund 71 on: 8/24/2012				13,657,678.32		

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EIC Capital Improvement Projects - 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 Issuance Date	Unspent Bond Proceeds
E26	75-10003	Hill Country Shooting Center	1,294,838.00						1,294,838.00	1,295,585.43	-747.43		
E48	75-10001	Hill Country Home Oppor	250,000.00						250,000.00	236,534.89	13,465.11		
E49	75-10002	Commercial Impro Pilot	200,000.00						200,000.00	20,000.00	180,000.00		
E50	75-12001	Harper Rd Utility Ext - Phase 2	1,000,000.00						1,000,000.00	20,457.86	979,542.14		
									2,744,838.00	1,572,578.18	1,172,259.82		
							G/L Cash Balance Fund 75 on: 8/24/2012				1,172,259.82		
									Unallocated cash available		0.00		

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Schedule C

Five Year Capital Improver‾ ıt Plan FY 2013-2017 - Final

Projects By Funding Source

Funding Source: General Fund

	Prior Funding	FY2013	FY2014	FY2015	FY2016	FY2017	Future Funding	TOTAL
TOTAL	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Funding Source: Water/Sewer

	Prior Funding	FY2013	FY2014	FY2015	FY2016	FY2017	Future Funding	TOTAL
Trihalomethane Reduction Study		$70,000						**$70,000**
Knapp Lift Station Expansion						$2,673,000		**$2,673,000**
Guadalupe Plaza Lift Station Elimination							$145,000	**$145,000**
Jefferson Basin 12" and 15" Interceptor							$979,000	**$979,000**
Leslie Drive Water Main Loop around Benson							$600,000	**$600,000**
Lois Pump Station Expansion							$345,000	**$345,000**
New Legion Basin 24" Interceptor							$899,500	**$899,500**
Quinlan Basin 15" Interceptor							$1,163,000	**$1,163,000**
Clearwell at the WTP							$2,706,000	**$2,706,000**
Redirect Broadway Force Main							$365,000	**$365,000**
SH 173 Force Main Extension							$352,000	**$352,000**
Spur 98 Water Line (WTP to Spur 98 Bridge)							$788,000	**$788,000**
Stadium Pump Station Expansion							$555,000	**$555,000**
Spence Street Water Line Replacement		$150,000						**$150,000**
12" Water Line from Meadowview Well				$828,000				
Oxidation Ditch Rehab - WWTP			$809,500					**$809,500**
Water Production Maintenance Building							$700,000	**$700,000**
TOTAL	**$0**	**$220,000**	**$809,500**	**$828,000**	**$0**	**$2,673,000**	**$9,597,500**	**$13,300,000**

4b - EIC

	Prior Funding	FY2013	FY2014	FY2015	FY2016	FY2017	Future Funding	TOTAL
Harper Road (RM 783) Water & Sewer Loop	$1,000,000							**$1,000,000**
Louise Hays Park	$2,000,000							**$2,000,000**
River Trail Phases II & III	$5,250,000	$300,000	$300,000	$150,000				**$6,000,000**
Downtown Wireless Project		$100,000						**$100,000**
Golf Course Pavilion Project		$271,000						**$271,000**
Golf Course Parking Lot Improvement Project		$337,141						**$337,141**
Soccer Complex Improvement Project			$500,000					**$477,000**
TOTAL	**$8,250,000**	**$1,008,141**	**$800,000**	**$150,000**	**$0**	**$0**	**$0**	**$10,185,141**

Funding Sou... : General Fund Debt

	Prior Funding	FY2013	FY2014	FY2015	FY2016	FY2017	Future Funding	TOTAL
Aerial Platform Ladder Truck Replacement			$1,300,000					**$1,300,000**
Arcadia Loop Cut-Off							$325,000	**$325,000**
Fire Station #5							$2,121,000	**$2,121,000**
G-Street Bridge over Quinlan Creek							$2,245,000	**$2,245,000**
Olympic Pool Complex Renovation							$500,000	**$500,000**
Relocate Central Fire Station/Admin Offices				$4,205,000				**$4,205,000**
TOTAL	**$0**	**$0**	**$1,300,000**	**$4,205,000**	**$0**	**$0**	**$5,191,000**	**$10,696,000**

Funding Source: Water/Sewer Debt

	Prior Funding	FY2013	FY2014	FY2015	FY2016	FY2017	Future Funding	TOTAL
Additional Clarifier at WWTP		$2,218,000						**$2,218,000**
Rehab Clarifier 3 at WWTP		$492,000						**$492,000**
G Street 24"/27" Interceptor	$2,052,900							**$2,052,900**
Birkdale Liftstation and Force Main	$6,300,000							**$6,300,000**
Upgrade Electrical System at WWTP		$1,413,000						**$1,413,000**
New Jefferson Lift Station & New Force Main to G Street Interceptors	$2,144,500	$2,790,000						**$4,934,500**
Water Reclamation Aquifer Replenishment							$6,800,000	**$6,800,000**
Water Plant Addition Phase II (IMGD)							$2,395,000	**$2,395,000**
Riverhill/Ridgewood Storage Tank Transmission Water Line	$1,500,000	$1,500,000						**$3,000,000**
Project Contingency		$1,587,000						**$1,587,000**
TOTAL	**$11,997,400**	**$10,000,000**	**$0**	**$0**	**$0**	**$0**	**$9,195,000**	**$31,192,400**

Other - Donations

	Prior Funding	FY2013	FY2014	FY2015	FY2016	FY2017	Future Funding	TOTAL
Library Phase 2 - Basement		$ 300,000						$ 300,000
History Center - Library Phase 3		$ 97,000						$ 97,000
TOTAL	**$0**	**$397,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$397,000**

Other

	Prior Funding	FY2013	FY2014	FY2015	FY2016	FY2017	Future Funding	TOTAL
IH-10 Interchange Between FM 783 & SH 16							$30,000,000	**$30,000,000**
Loop 534 Bridge Improvements							$1,500,000	**$1,500,000**
SH16 to SH173 - Spur 100 Extension							$10,000,000	**$10,000,000**
SH 27 Airport Road Intersection Improvements							$500,000	**$500,000**
Widen FM 1341							$5,500,000	**$5,500,000**
TOTAL	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$47,500,000**	**$47,500,000**

Agenda Item:

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 2013; 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)

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

SUBJECT: Second and Final Reading of Ordinance – Ad Valorem Tax Rate for 2012

FOR AGENDA OF: September 25, 2012 **DATE SUBMITTED**: September 13, 2012

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 14, 2012 Council meeting, the Council voted to establish the proposed ad valorem tax rate for the Tax Year 2012 at $0.5625/$100 value, which is the same rate as Tax Year 2011. This rate is less than the effective tax rate of $0.5669/$100 value.

The attached ordinance will adopt the 2012 tax rate on the second and final reading. 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 2012 tax year.

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2012-____

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 2013; 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 2013; 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 2013;

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 2013, 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 2013 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 2013 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, 2012, and may be paid up to and including January 31, 2013, without penalty, but if not paid, such taxes shall become delinquent on February 1, 2013, 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, 2012, and the remaining one-half is paid before July 1, 2013.

SECTION THREE. No discounts are authorized on property tax payments made prior to January 31, 2013.

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 11th day of September A.D., 2012.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the _______ day of __________________, A.D., 2012.

____
Jack Pratt, Jr., 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 FY2013_083112.doc

Agenda Item:

4C. An ordinance amending in part Ordinance No. 99-18, as amended by Ordinance No. 2000-23, by adopting revised rate schedules for residential services, miscellaneous service charges, and outdoor area lighting for electric service administered by the Kerrville Public Utility Board; containing a cumulative clause; containing a savings and severability clause; and establishing an effective date. (Tracy McCuan, General Manager/CEO, KPUB)

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

SUBJECT OF REQUEST: Second and final reading of an Ordinance approving revisions to KPUB's residential electric rates

AGENDA DATE: September 25, 2012 DATE SUBMITTED: September 4, 2012

REQUESTED/SUBMITTED BY: Tracy McCuan PHONE: 792-8230

ORGANIZATION REPRESENTING: Kerrville Public Utility Board

MAILING ADDRESS: 2250 Memorial Blvd., Kerrville, TX 78028

EMAIL ADDRESS: tmccuan@kpub.com

EXHIBITS/INFORMATION: Ordinance

APPROVED FOR SUBMITTAL BY CITY MANAGER: 𝒯𝒫

WILL THIS ITEM REQUIRE CITY COUNCIL TO AUTHORIZE THE EXPENDITURE OF CITY FUNDS? YES: ______ NO: __X__

IF YES, STATE AMOUNT REQUESTED: $__________

DESCRIPTION OF REQUEST

AN ORDINANCE AMENDING IN PART ORDINANCE NO. 99-18, AS AMENDED BY ORDINANCE NO. 2000-23, BY ADOPTING A REVISED RESIDENTIAL RATE TARIFF, INCLUDING RESIDENTIAL RATES AND CHARGES FOR RESIDENTIAL ELECTRIC SERVICE ADMINISTERED BY THE KERRVILLE PUBLIC UTILITY BOARD; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

RECOMMENDED COUNCIL ACTION

Approval of Ordinance.

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2012-____

AN ORDINANCE AMENDING IN PART ORDINANCE NO. 99-18, AS AMENDED BY ORDINANCE NO. 2000-23, BY ADOPTING REVISED RATE SCHEDULES FOR RESIDENTIAL SERVICES, MISCELLANEOUS SERVICE CHARGES, AND OUTDOOR AREA LIGHTING FOR ELECTRIC SERVICE ADMINISTERED BY THE KERRVILLE PUBLIC UTILITY BOARD; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of Kerrville, Texas, owns an electric system and manages and operates its system through its duly appointed board of trustees, the Kerrville Public Utility Board ("KPUB"), a body created pursuant to Texas law (Tex. Rev. Civ. Stat. Ann. art 1115, as amended); and

WHEREAS, KPUB recently reviewed the current schedule of rates and charges for residential service and determined that residential rates and charges should be adjusted to reflect current conditions and to maintain its service and bond obligations under City of Kerrville Ordinance No. 87-45, approved December 10, 1987; and

WHEREAS, prior to making its recommendations, KPUB considered the report on the electric revenue requirements, cost of service, and rate design prepared by the independent consulting firm of Utility Financial Solutions ("UFS"), which was previously retained by KPUB to perform a Cost of Services Study; and

WHEREAS, the City Council finds that the current schedule of residential electric rates and charges should be adjusted as recommended by UFS and KPUB to provide for the continued preservation of the public health, safety, and welfare of the people through the provision of energy services to the community;

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

SECTION ONE. Ordinance No. 99-18, as amended by Ordinance No. 2000-23, and as it applies to residential rates and charges applicable to electric service provided by the electric system owned by the City of Kerrville and managed and operated on the City's behalf by the Kerrville Public Utility Board is amended as follows:

> The revised Residential Rate Tariff, Residential Service Rate Schedule–RS, including the Miscellaneous Service Charges Rate Schedule–MSC and Outdoor Area Lighting Rate Schedule-OAL, each of which is attached to this Ordinance as **Exhibit A** and incorporated herein by reference, are hereby in all things adopted and are applicable to all residential customers of the City's electric system managed and controlled by the Kerrville Public Utility Board, effective October 1, 2012.

SECTION TWO. Except as specifically amended by Section One above as to residential rates and charges, Ordinance No. 99-18, as amended by Resolution 2000-23, remains in full force and effect.

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 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 unconditional or invalid.

SECTION FIVE. This Ordinance shall become effective from and after the date of final passage on second reading.

PASSED AND APPROVED ON FIRST READING, this the 11th day of September, 2012.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the _____ day of September, 2012.

Jack Pratt Jr., Mayor

ATTEST:

Brenda Craig, City Clerk

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

T:\LEGAL\KPUB\ORD RATE ADJUSTMENT_090612.DOC

RESIDENTIAL SERVICE
RATE SCHEDULE - RS

APPLICATION
Applicable throughout the service area for all electric service supplied at one point of delivery and measured through one meter required exclusively for domestic purposes by individual (single family) private residents, individually metered apartment units and farm homes.

Not applicable to businesses, licensed boarding or rooming houses, camps, fraternity or sorority houses advertised as such, educational institutions, churches or facilities, or apartment houses, whose units are not individually metered, including the common facility requirements of residence also used for business purposes, evidenced by any form of advertising, including separate white page telephone listing, which will be served under the appropriate commercial service rate schedule. Not applicable to shared, standby, or resale service.

CHARACTER OF SERVICE
Service under this rate schedule shall be alternating current, 60 Hertz, single phase, at the customer's option of standard available voltages. KPUB may, at its option, provide three-phase service when individual motors rated at 7.5 horsepower or larger are connected.

MONTHLY RATE

CHARGE		*AMOUNT*
CUSTOMER Meter Charge Meter Reading Charge Billing Charge TOTAL Customer Charge		 $0.77 $1.10 $3.39 $5.26
DISTRIBUTION	All kWh	$0.01690 per kWh
POWER SUPPLY	All kWh	$0.04510 per kWh

Plus an amount calculated in accordance with Rider PCAF.

Plus any taxes, assessments, or surcharges imposed by any governmental authority, which are assessed on the basis of revenues from electric service or volume of electricity purchased or sold.

MINIMUM CHARGE
The monthly minimum charge shall be the sum of the "Customer Charge" and all applicable rate adjustments.

PAYMENT

Bills are due when rendered and become past due if not paid within sixteen (16) days thereafter. Past due bills shall be assessed a one time penalty charge of 5% of the unpaid amount. Upon proof of age of over 60 years the penalty for past due bills shall be waived.

MISCELLANEOUS SERVICE CHARGES
RATE SCHEDULE - MSC

APPLICATION
Applicable to all retail customers served by KPUB.

The charges listed herein are in addition to any other charges made under KPUB's Tariff for Electric Service, and will be applied for the appropriate condition described. Other services not covered by these standard conditions will be charged on the basis of an estimate for the job or the actual costs plus overhead adders.

CHARGES

NAME AND DESCRIPTION	*AMOUNT*
NEW ACCOUNT CHARGE: made to set a meter and to do the other work necessary to initiate a new account	
During normal business hours	$30.00
Outside normal business hours	$150.00
NEW SERVICE CHARGE: made in addition to the new account charge when service conductors are installed for the first time to a new building or to a new point of service	
During normal business hours	$65.00
Outside normal business hours	$500.00
RECONNECT CHARGE: made when customer requests reconnection of electric service that has been disconnected in accordance with Tariff for Electric Service.	
During normal business hours	$36.00
Outside normal business hours	$170.00
TEMPORARY CONNECTION CHARGE: made for 120/240 volt, single phase, three wire, 60 Hertz. Charges for temporary service not covered by these standard conditions will be provided only when customer pays in advance to KPUB the estimated cost of installing and removing the necessary facilities.	
a. install and remove meter and service wires	$230.00
b. install and remove transformer on existing pole	$450.00
RETURNED CHECK OR BANK DRAFT CHARGE: made for each customer's check or bank draft returned unpaid by a financial institution for any reason.	$25.00

METER TEST CHARGE: made when residential customer requests, and KPUB performs, a meter test and the meter is found to be within the accuracy standards of the American National Standards Institute and meter has been tested previously on request of customer within the past four years. Other classes of customers shall pay the actual cost of the test, including appropriate overheads.	$60.00
TAMPERING CHARGE: made for unauthorized reconnection or other tampering with KPUB metering facilities or any theft of electric service by any person on customer's premises or any evidence thereof by whomsoever done at customer's premises. An additional charge for any costs of repairs and/or replacement of damaged facilities, installing protective facilities, and the estimated amount of electric service not recorded by the meter, if any, is also made.	$300.00
COLLECTION CHARGE: made for each trip to customer's premises for the collection of a delinquent account.	$20.00
COLLECTION PROCESSING CHARGE: made for processing a delinquent account when payment is not received by 5:00 pm on final payment date.	$3.00
BAD DEBT COLLECTION CHARGE: made on the basis of actual charges incurred by KPUB from a collection agency for services rendered to collect an outstanding bill.	Actual fee
METER ACCESS CHARGE: made monthly when customer requests and KPUB agrees to provide, direct customer access to the meter through a communications interface. Customer must execute an appropriate agreement for this service.	$25.00
ENERGY PULSE CHARGE: made monthly when customer requests and KPUB agrees to provide, electrical pulses proportional to customer's energy use. Customer must execute an appropriate agreement for this service.	$10.00
LOAD DATA CHARGE: made each time customer is provided interval load data in any format.	$10.00
ADDITIONAL SERVICES: made monthly for services offered by KPUB and not covered by other rate schedules. Charges for these services are calculated based on the installed cost of the equipment, capital recovery factor, applicable overhead adders, operations and maintenance costs, and power supply costs.	As calculated

PAYMENT
Bills are due when rendered and become past due if not paid within sixteen (16) days thereafter.

OUTDOOR AREA LIGHTING
RATE SCHEDULE -OAL

APPLICATION
Applicable throughout the service area to year-round unmetered outdoor security lighting of areas not covered by any other rate schedule.

Not applicable to street lighting, standby, shared, or resale service.

CHARACTER OF SERVICE
Service under this rate schedule shall be alternating current, 60 Hertz, single phase. Lamps will be operated from dusk to dawn, or approximately 4,300 hours per year per lamp, and controlled by photoelectric control.

MONTHLY RATE

Security Lights

TYPE	*WATTS*	*LUMENS*	*kWh*	*AMOUNT*
Mercury Vapor*	175	7,900	70	$4.13
High Press Sodium Vapor	100	9,500	40	$4.21
POWER SUPPLY			All kWh	$0.03274 per kWh

*Closed to new installations

Flood Lights

TYPE	*WATTS*	*LUMENS*	*kWh*	*AMOUNT*
Metal Halide	250	25,000	100	$10.02
	400	36,000	160	$13.31
	1000	110,000	370	$31.69
High Press Sodium Vapor	250	27,500	100	$10.17
	400	50,000	160	$13.46
POWER SUPPLY			All kWh	$0.03274 per kWh

Plus an amount calculated in accordance with Rider PCAF.

Plus any taxes, assessments, or surcharges imposed by any governmental authority, which are assessed on the basis of revenues from electric service or volume of electricity purchased or sold.

MINIMUM CHARGE
The monthly minimum charge shall be the sum of the stated charge per lamp and all applicable rate adjustments.

PAYMENT
Bills are due when rendered and become past due if not paid within sixteen (16) days thereafter. Past due bills shall be assessed a one time penalty charge of 5% of the unpaid amount.

AGREEMENT
Service under this rate schedule requires that the customer execute a contract for a minimum term of 36 months.

SPECIAL CONDITIONS
The following conditions will apply to all facilities installed by KPUB under this rate schedule:

a. Lighting to be provided under this rate schedule shall be on KPUB poles at locations which are easily and economically accessible to KPUB equipment and personnel for construction and maintenance.

b. KPUB will maintain all facilities incidental to providing this service, including replacement of burned-out lamps.

c. Service at locations where existing KPUB-owned poles and facilities are not available will be made at the discretion of KPUB and at an additional charge to cover the cost of installing and maintaining poles, transformers, and conductor.

d. KPUB reserves the right to refuse or discontinue service at locations where excessive maintenance and/or lamp replacements are, in KPUB's sole judgment, likely to or actually do occur.

e. The cost of repairing facilities damaged by acts of vandalism shall be billed to the customer receiving service under this rate schedule at the actual cost to KPUB, including all appropriate overheads.

f. KPUB shall, at the request of the customer, relocate or change existing equipment and the customer shall reimburse KPUB for any and all such relocations or changes at actual cost to KPUB, including all appropriate overheads.

g. New area lighting facilities shall be of a form and substance consistent with KPUB's approved standard configuration for area lighting at the time of the customer's application for service. Where a nonstandard lighting configuration is requested by the customer, all maintenance and replacement costs shall be borne by the customer, should KPUB agree to the installation of the nonstandard facilities.

Agenda Item:

5A. Opposition to the Aqua Texas, Inc. utility rate increases implemented on February 21, 2012. (Mayor Pratt)

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

SUBJECT: Opposition to the Aqua Texas, Inc. utility rate increases implemented on February 21, 2012

FOR AGENDA OF: 9/25/12 **DATE SUBMITTED**: 9/20/12

SUBMITTED BY: Jack Pratt Mayor **CLEARANCES:** NA

EXHIBITS: None

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

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

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

SUMMARY STATEMENT

On February 21, 2012, Aqua Texas, Inc. implemented rate increases that affected an estimated 150 customers who reside in the City of Kerrville. A component of the rate increase as stated by Aqua Texas, Inc. was a regional pass-through gallonage charge to reimburse them for pumping fees paid to groundwater regulators in addition to various expenditures for capital improvements. These pumping fees and capital expenditures are not related to services provided to residents within the City of Kerrville.

On May 22, 2012, the City Council held a public hearing and the City Council deemed that the prior rate was fair and reasonable and that Aqua Texas, Inc. be required to revert back to the previous rate for those properties within the city limits.

Aqua Texas, Inc. is now before TCEQ regarding appeals to the February 21, 2012, rate increase. The City of Kerrville has the option of acting as the point of original jurisdiction and could hire consultants and legal specialists to represent the community through the TCEQ appeal process. Those costs could be passed onto Aqua Texas, Inc. who would then pass them on to their ratepayers.

RECOMMENDED ACTION

I recommend that the City of Kerrville engage the consultants and legal consultants necessary and to oppose the Aqua Texas, Inc. rate increase appeal under consideration by the TCEQ.